



Notice of Ordinary Meeting

**to be held at the Council Chambers
2 Pulteney Street, Taree**

28 February 2018 at 2.00pm

The order of the business will be as detailed below (subject to variation by Council):

1. Acknowledgement of Traditional Custodians
2. Prayer
3. Declaration of Pecuniary or Conflicts of Interest (nature of interest to be disclosed)
4. Apologies
5. Confirmation of Minutes
6. Matters arising from Minutes
7. Addresses from the Public Gallery
8. Consideration of Officers' reports
9. Close of meeting

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Steve Embry
Acting General Manager

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CONSIDERATION OF OFFICERS' REPORTS:

DIRECTOR PLANNING & NATURAL SYSTEMS

1 CONSENTS ISSUED UNDER DELEGATED AUTHORITY - DEC 2017, JAN 2018

Report Author Lisa Schiff, Director - Planning & Natural Systems

File No. / ECM Index Development Consents Issued Under Delegated Authority

Date of Meeting 28 February 2018

SUMMARY OF REPORT

Consents which have been issued for December 2017 and January 2018 under delegated authority by Council on 14 October 2012 are contained in Annexure A and Annexure B respectively.

Should any Councillor have a query regarding the attached Annexures, please contact the Director - Planning & Natural Systems, so that the appropriate documentation may be brought to the meeting for clarification.

SUMMARY OF RECOMMENDATION

It is recommended that the information be noted.

FINANCIAL/RESOURCE IMPLICATIONS

Nil.

LEGAL IMPLICATIONS

Nil.

REPORT

Consents which have been issued for December 2017 and January 2018 under delegated authority by Council on 14 October 2012 are contained in Annexure A and Annexure B respectively.

Should any Councillor have a query regarding the attached Annexures, please contact the Director - Planning & Natural Systems, so that the appropriate documentation may be brought to the meeting for clarification.

RECOMMENDATION

It is recommended that the information be noted.

ANNEXURES

A: CONSENTS ISSUED UNDER DELEGATED AUTHORITY DECEMBER 2017

DECISIONS BY DELEGATED AUTHORITY DECEMBER 2017

DA Number	Names	Address	Suburb	Description	Value of works	Decision type
DA-35/2018	Mr T J Vergou and Mrs K J Vergou	3 Gordon Crescent	SMITHS LAKE	Dwelling and carport	\$ 234,117.35	APPROVED
DA-67/2018	H Kumar	31A Stroud Street	BULAHDELAH	Erection of a relocated dwelling	\$ 150,000.00	APPROVED
DA-79/2018	Mr J P McInnes	60 Taree Street	TUNCURRY	Alterations and additions to existing dwelling and swimming pool.	\$ 208,773.00	APPROVED
DA-91/2017/A	Mr J Couto	44 First Ridge Road	SMITHS LAKE	Dwelling and garage	\$ 207,000.00	APPROVED
DA-124/2018	Mr N C Pascoe	41 Crawford Street	BULAHDELAH	Extension to residence	\$ 128,705.00	APPROVED
DA-157/2015/A	Mr G K Brown and Dr C S Brown	72 Newman Avenue	BLUEYS BEACH	Alterations & Additions to existing dwelling	\$ 250,000.00	APPROVED
DA-158/2018	OWNERS OF SP 40111	13-19 Allen Avenue	FORSTER	Two pergolas over existing tables	\$ 4,400.00	APPROVED
DA-160/2018	COAST BUILDING COMPANY PTY LTD	9 Milliken Street	TUNCURRY	Demolition of existing dwelling, building new two storey dwelling with attached garage	\$ 421,082.58	APPROVED
DA-163/2018	Mr D J Richardson	30 The Esplanade	NORTH ARM COVE	Garage for storage	\$ 17,900.00	APPROVED
DA-167/2018	Mr P Stuart	14 Martin Circuit	TEA GARDENS	Awning over existing concrete	\$ 11,232.00	APPROVED
DA-183/2018	R White and Mrs K A White	8 Sunbakers Drive	FORSTER	Dwelling	\$ 449,545.00	APPROVED
DA-188/2018	Mr F S Bennett	11 Charles Street	TEA GARDENS	Garage	\$ 25,500.00	APPROVED
DA-194/2018	IAN SERCOMBE ARCHITECT	35 Jacaranda Avenue	ELIZABETH BEACH	Two storey house with attached garage	\$ 450,130.00	APPROVED
DA-203/2018	Miss A F Henman	92 Topi Road	BUNGWAHL	Change of use from shed to dwelling.	\$ 25,500.00	APPROVED
DA-206/2018	I Gresham and L Gresham	5 Guy Avenue	FORSTER	patio	\$ 15,400.00	APPROVED
DA-208/2018	ANDRAMOS PTY LTD	25 Wharf Street	FORSTER	Alterations to existing kitchen exhaust ventilation	\$ 16,000.00	APPROVED
DA-225/2018	HIGHFORCE	Lot 2 Likely Street	FORSTER	5 metre tower extension. Recovery of 3 existing panel antennas and associated MHA's & feeders. Installation of 3 new MHA's and feeder upgrades. Upgrades to existing insitu equipment shelter	\$ 75,000.00	APPROVED
DA-231/2018	Mrs K M Elliott and Mr D C Elliott	48 Goldens Road	FORSTER	Garage	\$ 9,000.00	APPROVED
DA-232/2018	IAN SERCOMBE ARCHITECT	143 Coomba Road	CHARLOTTE BAY	New Dwelling	\$ 382,080.00	APPROVED
DA-236/2018	Mr A Lavidis and Mr R J Pyke	1/166 Boomerang Drive	BOOMERANG BEACH	Deck extension	\$ 3,000.00	APPROVED
DA-241/2018	Mrs F M Minnett	1 Prince Street	BULAHDELAH	New awning	\$ 10,900.00	APPROVED
DA-250/2018	SHED BOSS HUNTER	827 Tarean Road	KARUAH	2 sheds	\$ 91,997.00	APPROVED
DA-251/2018	CKT DEVELOPMENTS PTY LTD	69 Shallow Bay Road	COOMBA BAY	Garage workshop	\$ 30,000.00	APPROVED
DA-252/2018	Mr S Coleman	92 Angus Drive	FAILFORD	Single dwelling	\$ 315,000.00	APPROVED
DA-273/2018	Mr G P Johnston	114-116 Green Point Drive	GREEN POINT	Double garage on concrete slab	\$ 21,993.00	APPROVED
DA-280/2018	Mr C Leal	Lot 209 Angus Drive	FAILFORD	Dwelling & shed	\$ 400,000.00	APPROVED
DA-281/2018	Mr C Leal	Lot 211 Angus Drive	FAILFORD	Dwelling & shed	\$ 418,000.00	APPROVED
DA-282/2018	Mr C Leal	Lot 213 Angus Drive	FAILFORD	Dwelling & shed	\$ 393,000.00	APPROVED
DA-283/2018	Mr C Leal	Lot 212 Angus Drive	FAILFORD	Dwelling & shed	\$ 403,000.00	APPROVED
DA-295/2018	Mrs T Hopley	78 Blackbutt Drive	FAILFORD	Pergola	\$ 14,800.00	APPROVED
DA-299/2018	Mr D C Thompson	10 Hereford Place	FAILFORD	New Dwelling	\$ 243,995.51	APPROVED

DECISIONS BY DELEGATED AUTHORITY DECEMBER 2017

DA Number	Names	Address	Suburb	Description	Value of works	Decision type
DA-389/2017	RGR DESIGN	8-10 Bakara Court	FORSTER	Construction of two new dwellings and double garages, and Torrens Title subdivision	\$ 608,703.00	APPROVED
DA-396/2017	RGR DESIGN	1/17 Stephen Street	FORSTER	Proposed balcony extension and new swimming pool with roof cover.	\$ 28,600.00	APPROVED
DA-425/2017	WALLIS LAKE FISHERMANS CO-OP	Lot 3 Manning Street	TUNCURRY	Slip building & associated infrastructure	\$ 48,002.00	APPROVED
DA-444/2017	Mr T P Mula	10 Wangaree Street	COOMBA PARK	Single dwelling	\$ 40,000.00	APPROVED
DA-538/2017	DOMESTIC EQUITY	1 Peel Street	TUNCURRY	Demolish existing dwellings and construct new Residential Flat Building with single Commercial Space	\$ 4,400,000.00	APPROVED
DA-538/2017	DOMESTIC EQUITY	1 Taree Street	TUNCURRY	Demolish existing dwellings and construct new Residential Flat Building with single Commercial Space	\$ 4,400,000.00	APPROVED
DA-538/2017	DOMESTIC EQUITY	3 Taree Street	TUNCURRY	Demolish existing dwellings and construct new Residential Flat Building with single Commercial Space	\$ 4,400,000.00	APPROVED
DA-550/2017	CALTEX AUSTRALIA PETROLEUM PTY LTD	34 Bengal Street	COOLONGLOOK	Demolition of existing service station and construction of new service station with take-away food and drinks premises.	\$ 5,630,364.00	APPROVED
DA-1084/2004/A	Mr V M Barra and Mrs S A Barra	Riverlands Estate 31 Mahogany Rd	COOLONGLOOK	New Dwelling	\$ 1,273.09	APPROVED
2007/1399/03	Mr RD & Mrs RD Chappell	434 Barrington East Rd	BARRINGTON	Modification to Tourist Facility	\$10,000.00	APPROVED
278/2008/DA/C	Coastplan Consulting	119 Forest Lane	OLD BAR	Manufactured Home Estate (staged)	\$1,400,000.00	APPROVED
301/2015/DA/A	A M Hawkins	1 Marine Drive	WALLABI POINT	Redesign of roof to rear enclosed balcony	\$545.00	APPROVED
444/2017/DA	PDA Planning	43 Eastern Valley Way	TALLWOODS VILLAGE	Multi-dwelling housing and staged 4	\$825,000.00	APPROVED
500/2017/DA	I A Doyle and R J Doyle	72 Cottesloe Circuit	RED HEAD	Dwelling	\$1,300,000.00	APPROVED
1/2018/DA/A	V Frost	3 Main Street	MANNING POINT	Dual Bay Garage with Attached Carport	\$18,084.00	APPROVED
34/2018/DA	Pascall Investments Pty Ltd	7 Eastern Valley Way	TALLWOODS VILLAGE	Dwelling	\$220,000.00	APPROVED
113/2018/DA	A G Orr and S J Orr	33 Lewis Street	OLD BAR	Multi-unit development & shed	\$190,000.00	APPROVED
127/2018/DA	G Riordan	7 Lake View Way	TALLWOODS VILLAGE	Two Storey Dwelling & Retaining Wall	\$386,782.00	APPROVED
143/2018/DA	Bluehorn Investments Pty Ltd	40 Coastal View Drive	TALLWOODS VILLAGE	Earthworks	\$8,000.00	APPROVED
145/2018/DA	E M Gosper	Lot 215 Ph Tinonee	TINONEE	Dwelling	\$48,220.00	APPROVED
146/2018/DA	M R Currie and D R Watts	17 West Street	COOPENOOK	Detached Garage	\$23,951.00	APPROVED
175/2018/DA	JCLM Building Pty Ltd	10 Sundara Close	TAREE	Dwelling	\$195,000.00	APPROVED
182/2018/DA	Absolute Building Contractors Pty	12 Treetops Parade	WINGHAM	Dwelling	\$240,000.00	APPROVED
187/2018/DA	Coral Homes	11 Augusta Point	TALLWOODS VILLAGE	Dwelling and attached garage	\$522,702.00	APPROVED
188/2018/DA	A J Johnson and K L Johnson	231 Jericho Road	MOORLAND	Shed	\$28,792.00	APPROVED
189/2018/DA	BHI Builders	22 Noosa Crescent	RED HEAD	Dwelling and attached garage	\$450,000.00	APPROVED
198/2018/DA	Absolute Building Contractors Pty	12 Pretoria Parade	HARRINGTON	Dwelling	\$280,000.00	APPROVED
200/2018/DA	Yvette's Raw Kitchen	3 Lobban Road	WINGHAM	Use of existing kitchen for food manufacture	-	APPROVED
205/2018/DA	Ian Sercombe Architect	47 Cottesloe Circuit	RED HEAD	Dwelling and Swimming Pool	\$407,440.00	APPROVED
207/2018/DA	CMC Quality Construction	16 Adelaide Close	WINGHAM	Dwelling	\$330,000.00	APPROVED
211/2018/DA	The Shed Company Taree	3 Rob Roy Place	HARRINGTON	Detached Carport	\$9,570.00	APPROVED
218/2018/DA	J N McCallum and G M McCallum	12 Myalup Court	RED HEAD	Two Storey Dwelling and attached Garage	\$645,000.00	APPROVED

DECISIONS BY DELEGATED AUTHORITY DECEMBER 2017

DA Number	Names	Address	Suburb	Description	Value of works	Decision type
219/2018/DA	M C Carle and R F Carle	3 Nicholson Street	HARRINGTON	Dwelling Additions	\$28,000.00	APPROVED
221/2018/DA	N J Lyberopoulos	43 Baruah Parade	HARRINGTON	Dwelling	\$210,000.00	APPROVED
224/2018/DA	Eastern Solar Design	21 Surfview Avenue	BLACK HEAD	Dwelling Additions	\$88,600.00	APPROVED
234/2018/DA	J Marshall Constructions	11 Hillside Terrace	BLACK HEAD	Dwelling	\$224,423.00	APPROVED
235/2018/DA	J Marshall Constructions	3 Hillside Terrace	BLACK HEAD	Dwelling	\$235,650.00	APPROVED
236/2018/DA	J Marshall Constructions	1 Glen Court	BLACK HEAD	Dwelling	\$247,500.00	APPROVED
237/2018/DA	J Marshall Constructions	5 Hillside Terrace	BLACK HEAD	Dwelling	\$224,423.00	APPROVED
248/2018/DA	E V Kelly and W D Kelly	2 Hughes Street	TAREE	Garage	\$18,000.00	APPROVED
264/2018/DA	Essential Pools	37 Beal Avenue	MITCHELLS ISLAND	Swimming Pool	\$30,000.00	APPROVED
269/2018/DA	Ranbuild Taree	11 Queen Street	CUNDLETOWN	Shed	\$6,883.00	APPROVED

B: CONSENTS ISSUED UNDER DELEGATED AUTHORITY JANUARY 2018

DECISIONS BY DELEGATED AUTHORITY JANUARY 2018

DA Number	Names	Address	Suburb	Description	Value of works	Decision type
DA-53/2018	Mr A F Walker and Mrs N A Walker	107 Promontory Way	NORTH ARM COVE	Manufactured Homes	\$ 200,000.00	APPROVED
DA-11/2018	BARRY EVANS & ASSOCIATES	1 Mayers Drive	TUNCURRY	Steel framed shed	\$ 48,930.00	APPROVED
DA-118/2018	B Pullins and R Pullins	174-178 Cove Boulevard	NORTH ARM COVE	New single dwelling	\$ 650,000.00	APPROVED
DA-129/2018	Mr S G Hunt and Mrs M O Hunt	52 Cove Boulevard	NORTH ARM COVE	Construction of shed	\$ 19,600.00	APPROVED
DA-153/2018	Mr K A Crompton	8 Farnell Street	NABIAC	Replace flat roof with pitched roof and construct carport	\$ 26,000.00	APPROVED
DA-184/2018	THE SHED COMPANY TAREE	54A Clarkson Street	NABIAC	8.2x8m colorbond shed	\$ 15,500.00	APPROVED
DA-189/2018	R Lamont	41 Curlew Crescent	NERONG	Manufactured home	\$ 290,370.00	APPROVED
DA-209/2018	Mr L Klintworth and N Callanan	8 Konda Place	FORSTER	Conversion of single dwelling to multiple dwellings x3	\$ 49,500.00	APPROVED
DA-211/2018	IAN SERCOMBE ARCHITECT	5 Newman Avenue	BLUEYS BEACH	A carport, pergola, addition to first floor deck, and conversion of garage into studio	\$ 73,448.00	APPROVED
DA-212/2018	Mr G A F Southward	52 Kularoo Drive	FORSTER	Use of existing premises for Personal Training Studio	\$ 5,000.00	APPROVED
DA-216/2018	RGR DESIGN	22 Margina Close	TUNCURRY	Proposed single storey dual occupancy with strata subdivision	\$ 383,600.00	APPROVED
DA-221/2018	Mr D Judge and Mrs C Judge	11 Gordon Crescent	SMITHS LAKE	Dwelling	\$ 289,089.00	APPROVED
DA-234/2018	JUMP SWIM SCHOOLS	52 Kularoo Drive	FORSTER	Recreation facility (indoor), jump swim school, internal fit out only.	\$ 100,000.00	APPROVED
DA-244/2018	DYLAN WOOD ARCHITECTS	33 Colliton Parade	FORSTER	Enclose existing front and rear decks, and extend garage beneath rear deck	\$ 49,000.00	APPROVED
DA-245/2018	Mrs S A Smart	80 Amaroo Drive	SMITHS LAKE	Single storey dwelling with attached double garage	\$ 243,457.16	APPROVED
DA-255/2018	Ms S Day and Mr P Scott-Young	29 First Ridge Road	SMITHS LAKE	Single dwelling	\$ 146,749.00	APPROVED
DA-256/2018	Mr G T Lindbeck	37 NABIAC Street	NABIAC	Addition to existing storage shed	\$ 19,940.00	APPROVED
DA-266/2018	Mr G R Riordan	48 Head Street	FORSTER	Alterations and additions	\$ 42,498.00	APPROVED
DA-269/2018	Mr B M Pfister	55 Boomerang Drive	BOOMERANG BEACH	New single storey dwelling	\$ 400,000.00	APPROVED
DA-279/2018	CROCWALL CONSTRUCTIONS P/L	17 Elouera Crescent	FORSTER	Repair/replace revetment wall and associated pathways, slipways, jetties and retaining walls	\$ 164,644.00	APPROVED
DA-279/2018	CROCWALL CONSTRUCTIONS P/L	32 Friendship Key	FORSTER	Repair/replace revetment wall and associated pathways, slipways, jetties and retaining walls	\$ 164,644.00	APPROVED
DA-279/2018	CROCWALL CONSTRUCTIONS P/L	8 Supply Avenue	FORSTER	Repair/replace revetment wall and associated pathways, slipways, jetties and retaining walls	\$ 164,644.00	APPROVED
DA-287/2018	Mr R C Clark and Mrs K M Clark	101 Wamara Crescent	FORSTER	New single dwelling	\$ 536,964.00	APPROVED
DA-290/2018	Mr B E Hanson and Mrs K M Hanson	213 Stroud Hill Road	WASHPOOL	Swimming Pool	\$ 52,990.00	APPROVED
DA-301/2018	BERG BUILDING	105 The Lakes Way	FORSTER	Demolition of existing dwelling	\$ 14,323.00	APPROVED
DA-302/2018	BERG BUILDING	103 The Lakes Way	FORSTER	Demolition of existing dwelling	\$ 18,000.00	APPROVED
DA-318/2018	Mr A D McDonell	30 Seaview Street	FORSTER	Demolition of existing dwelling and ancillary structures.	\$ 19,800.00	APPROVED
DA-354/2015	TATTERSALL LANDER PTY LTD	275-323 Clarks Road	BOOLAMBAYTE	Demolition of two dwellings, 4 into 3 lot subdivision, construction of 2 dwellings and creation of a building envelope	\$ 786,788.00	APPROVED

DECISIONS BY DELEGATED AUTHORITY JANUARY 2018

DA Number	Names	Address	Suburb	Description	Value of works	Decision type
DA-369/2017	RGR DESIGN	22 The Lakes Way	FORSTER	Demolition of existing dwelling and construction of two storey hostel.	\$ 690,500.00	APPROVED
DA-557/2017	BARRY EVANS & ASSOCIATES	13 Timberop Avenue	FORSTER	New single dwelling	\$ 268,186.00	APPROVED
DA 2017/2572	Mr JW & Mrs DR Faul	611 The Buckets Way East	TUGRAKABH	Change of Use - Temporary Use of Land for Functions/Events	Nil	REFUSED
DA 2017/2592	Mr JS & Mrs C Johnston	218 Bucketts Road	GLOUCESTER	Replacement Rural Shed	\$35,000	APPROVED
DA 2017/2593	Gloucester Pre-School Inc	56 Barrington Street	GLOUCESTER	Pergola & Playground Structure	\$10,000	APPROVED
296/2018/DA	L J Ruprecht	13 Hillcrest Avenue	WINGHAM	Roof over Deck and Screen Enclosure	\$22,740.00	APPROVED
295/2018/DA	E A Caistor and J E Caistor	3 Talabah Close	RAINBOW FLAT	Attached Patio	\$12,550.00	APPROVED
287/2018/DA	G A Mead	236 Kings Creek Road	KRAMBACH	Roof over existing deck	\$5,000.00	APPROVED
285/2018/DA	G Riordan	281 Possum Brush Road	POSSUM BRUSH	Dwelling Additions	\$949,942.00	APPROVED
281/2018/DA	R I Bradshaw and C E Bradshaw	491 Tipperary Road	TIPPERARY	Dwelling	\$210,000.00	APPROVED
280/2018/DA	Stroud Homes Port Macquarie	6 Homestead Height	HALLDAYS POINT	Dwelling and retaining wall	\$493,837.00	APPROVED
277/2018/DA	A P C Faugeras	14 Treetops Parade	WINGHAM	Dwelling	\$340,000.00	APPROVED
275/2018/DA	Coast Building Company Pty Ltd	21 Diamantina Circuit	HARRINGTON	Dwelling	\$409,670.00	APPROVED
89/2018/DMA	Victoria4951 Pty Ltd	49-51 Victoria Street	TAREE	Commercial Additions	\$18,000.00	APPROVED
272/2018/DA	T D Cross	7 Medowie Road	OLD BAR	Dwelling additions	\$54,000.00	APPROVED
270/2018/DA	M D Dew and K F McSwan	1 Pindara Lane	BLACK HEAD	Dwelling Alterations & Additions	\$40,000.00	APPROVED
268/2018/DA	A T Pin and M K Rennie	43 West Street	COOPERNOOK	Garage & Workshop	\$22,000.00	APPROVED
267/2018/DA	Newcastle Quality Constructions Pty Ltd	10 Sienna Place	TAREE	Dwelling	\$572,890.00	APPROVED
263/2018/DA	Key Homes & Constructions	28 Torquay Circuit	RED HEAD	Dwelling and attached garage	\$400,000.00	APPROVED
258/2018/DA	S A Atkins	18 Ruprechts Road	MITCHELLS ISLAND	Dwelling	\$24,000.00	APPROVED
257/2018/DA	Pepper Water Holdings Pty Ltd	93 Wingham Road	TAREE	Subdivision - Strata 2 lot	-	APPROVED
255/2018/DA	K P Mackay	22A River Street	CUNDLETOWN	Dwelling and Pool	\$400,000.00	APPROVED
249/2018/DA	Roche Group Pty Ltd	Lot 3115 Boambee Street	HARRINGTON	Subdivision - 2 lot	-	APPROVED
243/2018/DA	JCLM Building Pty Ltd	5 Wentworth Street	TAREE	Additions to Garage	\$40,000.00	APPROVED
241/2018/DA	Karen Burke Architect	25 Beach Street	HARRINGTON	Demolish existing dwelling, new dwelling & granny flat	\$750,000.00	APPROVED
240/2018/DA	Sorensen & Caidon Pty Ltd	81 Coastal View Drive	TALLWOODS	Dwelling and attached garage	\$292,650.00	APPROVED
51/2017/DAVA	McGlashan & Crisp Pty Ltd	15 Pacific View Drive	HALLDAYS POINT	Subdivision - 2 lots	-	APPROVED
238/2018/DA	R Owen and E Owen and N A Owen	26 Petrie Street	COOPERNOOK	Conversion of space to a habitable room	\$9,245.00	APPROVED
231/2018/DA	A J Hales and L A Hales	154 Waterman Street	OLD BAR	Attached Patio	\$19,750.00	APPROVED
225/2018/DA	T D Cross	10 Adelaide Close	WINGHAM	Dwelling & Swimming Pool	\$376,250.00	APPROVED
223/2018/DA	Maynard Constructions Pty Ltd	88 Forest Lane	OLD BAR	Dwelling and Granny Flat	\$225,000.00	APPROVED
76/2017/DA/B	PDA Planning	40 Coastal View Drive	TALLWOODS	Subdivision - 4 lots (staged)	-	APPROVED
21/2018/DA	B E Trunk	35 Granter Street	HARRINGTON	Detached Garage	\$36,048.00	APPROVED

DECISIONS BY DELEGATED AUTHORITY JANUARY 2018

DA Number	Names	Address	Suburb	Description	Value of works	Decision type
210/2018/DA	RGR Design	7 The Links	TALLWOODS VILLAGE	Dwelling and attached garage	\$314,000.00	APPROVED
206/2018/DA	Coast Building Company Pty Ltd	35 Cottesloe Circuit	RED HEAD	Dwelling and attached garage	\$421,825.00	APPROVED
22/2018/DA/A	McGlashan & Crisp Pty Ltd	196 Timonee Road	THE BIGHT	2 lot subdivision (Rural Lands SEPP)	-	APPROVED
184/2018/DA	T D Cross	54 Bungay Road	WINGHAM	Secondary Dwelling	\$58,000.00	APPROVED
178/2018/DA	P J Besant and K Besant	10 Hope Street	RED HEAD	Dwelling and attached subfloor garage	\$266,405.00	APPROVED
172/2018/DA	M Welton	572 Dees Road	BELBORA	Dwelling	\$380,000.00	APPROVED
631/2011/DA/B	McGlashan & Crisp Pty Ltd	967 Wingham Road	WINGHAM	Subdivision - 4 lot (staged)	-	APPROVED
162/2018/DA	PDA Planning	165 Sunnyside Lane	COOPERNOOK	Dwelling	\$506,803.00	APPROVED
161/2018/DA	Coastplan Group Pty Ltd	Lot 25 Flametree Close	TAREE	Shed- Bus Storage	\$200,000.00	APPROVED
155/2018/DA	Coast Building Company Pty Ltd	14 Adelaide Close	WINGHAM	Dwelling	\$345,247.00	APPROVED
112/2018/DA	Coastplan Group Pty Ltd	56 Pipeclay Ck Road	NABIAC	Dwelling	\$85,000.00	APPROVED
93/2018/DA	L D Elms	547 Warrawillan Road	MARLEE	Use of existing building as dwelling	-	APPROVED
55/2018/DA	PDA Planning	46 Applefree Street	WINGHAM	Dwelling	\$180,000.00	APPROVED
435/2017/DA	McGlashan & Crisp Pty Ltd	200 Kardinia Road	DOLLYS FLAT	Subdivision - 2 lots	-	APPROVED
536/2016/DA	Mark Searles Consulting Surveyors	909 Old Bar Road	OLD BAR	Subdivision	-	APPROVED

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2 MINUTES FOR WALLIS & SMITHS COAST & ESTUARY COMMITTEE 30 AUGUST 2017

Report Author Prudence Tucker, Water Quality & Estuary Management Program

File No. / ECM Index NS-EST-W/L-S/L; Estuary, Coast Mgmt, Smiths & Wallis

Date of Meeting 28 February 2018

SUMMARY OF REPORT

The minutes of the Wallis & Smiths Lake Coast & Estuary Management Committee meeting held 30 August 2017 are submitted for adoption.

SUMMARY OF RECOMMENDATION

It is recommended that the Minutes of the Wallis & Smiths Lake Coast & Estuary Management Committee meeting held 30 August 2017 be noted.

FINANCIAL/RESOURCE IMPLICATIONS

Nil.

LEGAL IMPLICATIONS

Nil.

REPORT

That the minutes of the Wallis & Smiths Lake Coast & Estuary Management Committee held 30 August 2017 are attached in Annexure A for noting.

RECOMMENDATION

It is recommended that the Minutes of the Wallis & Smiths Lake Coast & Estuary Management Committee meeting held 30 August 2017 be noted.

ANNEXURES

A: Minutes of the Wallis & Smiths Coast & Estuary Committee meeting - 30 August 2017



Forster office
4 Breese Parade | PO Box 450
Forster NSW 2428

**MINUTES OF
THE WALLIS & SMITHS COAST & ESTUARIES
COMMITTEE MEETING
HELD 30 August 2017**

ATTENDED BY:

Committee Member	Organisation
Carl Atchison	Community Member
Graeme Byrnes	Community Member
Kath Cheers	Professional Fisherman - Smiths Lake
Luke Erskine	NSW Department of Primary Industries
Sue Gould	Community Member
Frank Hemmings	University of New South Wales
Neil Kelleher	Office of Environment & Heritage
Alexandra Macvean	MidCoast Council
Peter Mannow	Free Spirit Cruises
George McKay	Community Member
Andrew Morris	MidCoast Council
Byron Reynolds	Department of Industry - Lands & Forestry
Prue Tucker	MidCoast Council
Gerard Tuckerman	MidCoast Council

1. APOLOGIES:

Committee Member	Organisation
Brian Hughes	LLS (Local Land Services) Hunter
Janusz Haschek	Community Member
Tina Clemens	Department of Industry - Lands & Forestry
Deb Brassey	Community Member
Les Cheers	Community Member
Brett Ryan	Roads & Maritime
Jaz Lawes	University of New South Wales

2. CONFIRMATION OF MINUTES

The minutes of the meeting held 31 May 2017 were moved as a true and accurate record of the meeting, and subsequently adopted.

Moved by: Carl Atchison
Seconded: Frank Hemmings

All in favour

Forster | Gloucester | Taree | Tea Gardens | Stroud - ABN: 44 961 208 161 | Contact us: 6591 7222
 council@midcoast.nsw.gov.au | www.midcoast.nsw.gov.au | midcoastcouncil | @midcoastcouncil

3. MATTERS ARISING FROM PREVIOUS MEETINGS WITH OUTSTANDING ACTIONS

Action Arising from Meeting	Meeting	Responsible	Comments
Consider concept of implementation plan to track project progress in relation to management plans and reference to management plan in progress reports	24/02/16	Prue Tucker	Ongoing Natural Systems are putting together a business plan which will address this Business plan to be completed - currently in progress
Follow up with compliance team regarding the complaints received water quality at Charlotte Bay after the heavy rainfall in January 2016.	25/5/16	Prue Tucker	What are the different agencies that are involved with water quality compliance and management? Include as a future agenda item. Some progress is being made towards this item with the example of the fish kill at Smiths Lake. Followed up compliance issue with regulatory team, they are looking into it. Ongoing Previously investigated by compliance team but unfortunately this officer has now left the organisation. Follow up to be completed - idea that regulatory staff approach property owner and discuss and report back to the committee

Action Arising from Meeting	Meeting	Responsible	Comments
Prue to discuss how close the bug communities were to tipping into poor condition with researchers.	30/11/16	Prue Tucker	Complete - response has been received - Prue to email out to committee
Invite Jay Currie to join committee - new CEO Forster Local Aboriginal Land Council	30/11/16	Prue Tucker	Invitation sent, completed
Undertake an inter-agency review of agencies responses to fish kills.	22/2/17	Malcom Hunter	MCC commenced with discussions with internal staff. Draft proposal is currently with the Director and progressing.
Invite regulatory team to attend and talk about water quality compliance in particular sediment and erosion control	31/5/17	Prue Tucker	Agenda item next meeting
Revise the permit between MCC and Marine Parks for the Smiths Lake opening to include the ability to move fallen trees that are navigational hazards. Include the digging out of the Smiths Lake boat ramp on the same permit. Map the location of where the trees are to be deposited.	31/5/17	Prue Tucker, Brett Ryan	Ongoing, to be actioned
Invite Boating Now administrator to provide presentation on funding available clarifying if it can be spent on dredging.	31/5/17	Prue Tucker	Funding has closed unfortunately cannot be used in conjunction with dredging complete
Find out of the 1km along the edge of Wallis Lake in Pipers Bay is / will be sprayed in Councils aerial spraying program.	31/5/17	Prue Tucker	No - area is crown land and National Park complete
Raise the issue of free newspaper deliveries impacting on stormwater pollution with Waste and Regulatory services	31/5/17	Prue Tucker	Not yet actioned - ongoing

Action Arising from Meeting	Meeting	Responsible	Comments
Remove the reference to One Mile sand dune in Captain Cooks log from the MCC website.	31/5/17	George McKay	George spoke with Tourism regarding website and were assured nothing on web page - further discussions to be had with Janusz

AGENDA TOPICS

4. AGENCY REPORTS & UPDATES - AGENCY REPRESENTATIVES

Estuary plan - navigational dredging projects - Council applied for 50% funding from State Government with the Rescue our Waterways program for dredging at the Tuncurry boat ramp (near Hamiltions) understand about to be approved.

The projects Wallamba Islands and Gereeba Island have recently received excellent publicity on the ABC PM program and Radio National see newspaper article - <http://ab.co/2wNUg5d>

Southern Wallis foreshore/Coomba Stormwater Management Plan update (Isabelle, Sue, Helen & Prue).

Community meetings have taken place at both Coomba and Pacific Palms Community centre with the plan covering the area from Rose Point to Tiona.

During the community meetings, issues that were outside of the plan scope were raised and included concerns about seagrass damage as a result of fishing practices. It was noted by committee members that a study was commissioned by the commercial fishermen in 1999 by Ottway and McBeth assessing the physical effects of hauling on seagrass. Survey revealed that the damages to the seagrass by the dragging of commercial fishing nets (where fishing net ropes go over the seagrass and allows the seagrass to come back up again after sweeping has occurred) were not sustained, damages were being caused by natural effects. Comments being made from the general public were not showing concerns with long term operators of the lake but newer operators that are now coming in weekly to the same specific areas during unsuitable conditions (waves). Concerns were raised regarding the hauling in the cockles/Yahoo Island areas as this has traditionally been a no hauling area in the past. It was suggested by committee members that if operators continuing to come back to same place must mean that the fish conditions are good. Currently there are no restrictions on the number of haulings able to be completed by an operator. From 1 December 2017 there will be a cap placed on the number of haulings per operator regarding mud crabs, blue swimmers and eels - will include estuaries between Tuggerah lakes, Port Stephens, Manning and Great Lakes.

<https://www.dpi.nsw.gov.au/fishing/commercial/reform>

Action: Invite fisheries to present on the key changes to fishing regulations

Other concerns raised at the community meetings included parasailing impacts on the seagrass in Southern Wallis Lake. There is an approved development application

Boating now projects (Andrew Morris)

All projects are now mostly finished

Tuncurry - jetty/pontoon complete with left over money being used for sealing the car park.

Pacific Palms - placement of previous Tuncurry pontoon complete with final sealing and line marking to take place in October

Final sealing and line marking also to be completed for Coomba and Smiths Lake in October.

Patsys Flat and Eagle Parade - small works for access and dinghy storage are currently underway

Two applications have been applied for through boating now for the next round - one for an effluent pump out at Tea Gardens and the second to replace the toilet at Darawank Park and temporary mooring space.

Office of Environment & Heritage (Neil Kelleher)

To receive grant funding for Coastal Zone Management Plans the plans need to be certified by the Minister - Wallis and Smiths Lake plans are not contentious and will be certified by delegation. Great Lakes Coastal Zone Management Plan is more contentious (Blueys and Boomerang Beach areas - where concern has been raised by residents) this plan will need to be certified by the Minister. .

Coastal reforms - Department of Planning and Environment - sign off of SEPP by Minister is predicted for next few days and once signed off the Act can commence.

Alex Macvean advised that Council have received advice that the Planning Proposal that was exhibited 3 years ago identifying coastal areas at risk is being reviewed and won't be gazetted until the Coastal Zone Management Plan is certified. If the SEPP has been determined with the mapping in it there is no need to have it in the planning frameworks.

5. ELIZABETH BEACH ACID SULFATE ISSUES - Prue Tucker (MCC)

Please see Attachment #1 - Elizabeth Beach - Lakeside Cres pictures

The issue of discoloured and possibly high acid levels in the water exiting the South end of Elizabeth Beach was raised by a community member. The possible impact of this water on crab numbers noted. Pictures in Attachment 1 show the channel from Lakeside crescent along the front of the surf club which increased the flow of water into the adjoining wetland causing water to flow in greater volumes and duration out

to Elizabeth Beach. It was suggested by the community member to establish a weir at the aqua duct to reduce the duration and frequency of flows to more natural levels.

The committee noted that this discoloured water could just be freshwater with tannins from the Tea tree. It was recommended that further investigation be undertaken including depths of drains and water testing to determine what the issues are and if they are just aesthetic.

Other questions raised included: Why was the drain initially dug? It would be draining the current wetland? Are people actually concerned? Is this something worth investigating? Is there a problem?

ACTION: - Determine if there is an issue - organise PH kit and water kit and test water

6. STATEWIDE ASSESSMENT OF DEBRIS PRE CONTAINER DEPOSIT SCHEME - Peter Davies (OEH)

Please see Attachment #2 - Container Deposit Scheme slides

The statewide assessment of debris pre container deposit scheme is being carried out by the Coastal and Marine unit. It has been identified that 44% of litter collected were containers - something the container deposit scheme is trying to decrease and prevent. Drift bottles were dispersed within the Hawkesbury and identified in mangrove areas. The marine estate reforms identified marine debris as a key issue.

Aims - please refer to Attachment #2 slides.

Tangaroa Blue working in conjunction with the project, concentrating on mangroves and remote beaches. Will include the entire east coast of NSW with 12 areas in total and 2 control areas. 3 sites have been identified for Tuncurry and 1 for Forster.

The more data that is able to be collected the better results that will be achieved. Rubbish was collected and completely removed from sites and counted. Remote beaches were one site - 400m transects were created and cleaned (Yagon, Tuncurry Beach and Back Beach at Wallabi Point).

Rollout of the container deposit scheme is scheduled to commence in December (was initially hoped for July) - hopefully this timeline is on track and will be met. Tenders have been advertised for managing the containers and will be a commercially driven. Reverse vending machine type systems will be developed at local outlets. The waste levy policy will be funding the container deposit scheme.

OEH's position on Polystyrene similar to Council position - polystyrene is currently accepted at the Waste Management Centre and collected in residential general waste bin. Pushing for other packaging to be used in the future - rice/cardboard.

Sydney fish markets have a heat treatment plant specifically for the heating and condensing of polystyrene.

Action - Prue to investigate how Polystyrene is managed by Council

7. PROPOSAL FOR A COMPREHENSIVE MANAGEMENT PLAN FOR ONE MILE BEACH - Janusz Haschek (Community Member)

Would it be feasible to develop a comprehensive management plan for One Mile Beach encompassing:

- ongoing weed control
- maintenance of existing infrastructure
- planning of new infrastructure
- controls on the use of the beach by dog owners
- regeneration of the northern blowout

This is considered a good idea and it has been done for other areas, staff would encourage involvement from community groups. Agree that simplified mapping (project areas, dog areas and large volunteer group) could be done on a small scale with the recreational planner who will be employed in the future at MidCoast Council.

Question raised - Is One Mile Beach contained in the Coastal Zone Management Plan? If so, this may allow for government funding. The aim is that a Coastal Management Program for the whole of MidCoast Council will be completed by 2021.

It was noted that regarding littoral rainforest there are bigger issues - fragmentation and weed invasion - these are the things we can do something about. MidCoast Council will map the whole littoral rainforest across the LGA. The question was raised if this would include threats such as weed infestation

8. LEP ZONING OF ENVIRONMENTAL MANAGEMENT LAND AND VISUAL AMENITY - Alex Macvean

Postponed to next meeting

9. GENERAL BUSINESS

Concerns were raised regarding the hauling/parasailing activities undertaken in Wallis Lake. Especially in the Rose Bay area as this is a major crab pot location. Community is worried about the interactions between the fishermen and the parasailing operators, what restrictions are in place as part of this development application?

Action - follow up key points in the Development Application (approved depth etc) regarding the parasailing DA

Question raised will committee extend to cover the whole MidCoast Council LGA? This scenario is not preferred and we will currently remain separate for Manning, Port Stephens and Great Lakes. We need to limit the area that the committee covers as covering the entire LGA wouldn't allow for as specialist discussions and government agencies attendance.

There is a non-active committee for the Manning area who have not met for approximately 2 years.

Feedback from committee members is received and appreciated - the current model is working well for Wallis Smiths Lake Estuary Committee - it is a key mechanism for helping each other out and share information.

Sue raised a question that was voiced at the Pacific Palms Community Meeting regarding a policy that use to exist to maintain the natural aesthetics of the foreshore - how visible the houses are to be (from the lake), roof colours etc. Does this policy still exist and how is it being enforced? Currently design guidelines are in the Estuary Plan for Smiths Lake - NSW Coastal Policy for different types of villages (1997)?

Issue raised regarding naming of committee members positions within the Committee - The community members should be referred to as community members not community representatives as they do not necessarily represent a particular sector of the community.

Action - update reference to community members in the minutes to say 'community members' not 'community representatives'

Commercial Fisheries Business Adjustment Program Changes that take place from December 2017 - <http://www.dpi.nsw.gov.au/fishing/commercial/reform>

A question was raised regarding the LEP on a property that was recently sold along Coomba Road adjacent to the saltmarsh south of Shallow Bay turnoff. The property is not zoned Environmental Protection even though it was recommended in the Wetland Strategy. Earthworks have been undertaken on the land, with building fill brought in raising the road and a gate has been place separating the foreshore and the private property, preventing access to the foreshore.

Action - Prue to discuss with Alex and Mat regarding the LEP and an audit is to take place of where there are inconsistencies.

If members of the committee have questions prior to our meetings can they please supply so we can send to relevant officer allowing for information to be gathered (if required) or clarification/investigation prior to meeting and allow for answers.

A Committee Community member is able to attend this year's Coastal Conference - if members of the committee are interested please advise in the next few weeks.

MATTERS REQUIRING ACTION FROM PREVIOUS MEETINGS & NEW MATTERS REQUIRING ACTION

Action Arising from Meeting	Meeting	Responsible	Comments
Consider concept of implementation plan to track project progress in relation to management plans and reference to management plan in progress reports	24/02/16	Prue Tucker	Ongoing Natural Systems are putting together a business plan which will address this

Action Arising from Meeting	Meeting	Responsible	Comments
			Business plan to be completed - currently in progress
Follow up with compliance team regarding the complaints received water quality at Charlotte Bay after the heavy rainfall in January 2016.	25/5/16	Prue Tucker	<p>What are the different agencies that are involved with water quality compliance and management?</p> <p>Include as a future agenda item.</p> <p>Some progress is being made towards this item with the example of the fish kill at Smiths Lake.</p> <p>Followed up compliance issue with regulatory team, they are looking into it.</p> <p>Ongoing</p> <p>Previously investigated by compliance team but unfortunately this officer has now left the organisation. Follow up to be completed - idea that regulatory staff approach property owner and discuss and report back to the committee</p>
Undertake an inter-agency review of agencies responses to fish kills.	22/2/17	Malcom Hunter	<p>MCC commenced with discussions with internal staff.</p> <p>Draft proposal is currently with the Director and progressing</p>
Invite regulatory team to attend and talk about water quality compliance in particular sediment and erosion control	31/5/17	Prue Tucker	agenda item next meeting
Revise the permit between MCC	31/5/17	Prue Tucker,	Not yet actioned -

Action Arising from Meeting	Meeting	Responsible	Comments
and Marine Parks for the Smiths Lake opening to include the ability to move fallen trees that are navigational hazards. Include the digging out of the Smiths Lake boat ramp on the same permit. Map the location of where the trees are to be deposited.		Brett Ryan	ongoing
Raise the issue of free newspaper deliveries impacting on stormwater pollution with Waste and Regulatory services	31/5/17	Prue Tucker	Not yet actioned - ongoing
Remove the reference to One Mile sand dune in Captain Cooks log from the MCC website.	31/5/17	George McKay	George spoke with Tourism regarding website and were assured nothing on web page - further discussions to be had with Janusz
Determine if there is an issue regarding the water overflow regarding Lakeside Crescent into Elizabeth Beach - organise PH kit and water kit and test water	30/8/17	Prue Tucker	
Prue to investigate how Polystyrene is managed by Council	30/8/17	Prue Tucker	
Follow up key points in the Development Application (approved depth etc) regarding the parasailing DA	30/8/17	Prue Tucker	
update reference to community members in the minutes to say 'community members' not 'community representatives'	30/8/17	Emma Hickson	

MEETING CLOSED AT 3:48pm

NEXT MEETING SCHEDULED FOR 29 November 2017

Thank You

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DIRECTOR ENGINEERING & INFRASTRUCTURE

3 MINOR CIVIL WORKS TENDER

Report Author **Stuart Small, Team Leader Project Delivery**
File No. / ECM Index **Summaries of Tenders; TEN-PD-CIVIL-18A**
Date of Meeting **28 February 2018**

SUMMARY OF REPORT

The report provides the outcomes of the tender process conducted to engage a panel of contractors to undertake minor civil works to compliment Councils work teams and contractors engaged on other panel contracts established by Council. The period of the contract is nominally 1 March 2018 to 28 February 2021 with options for two 12 month extensions up to 28 February 2023. Additional advertising will be conducted yearly to provide companies the opportunity to be added to the panel of contractors.

SUMMARY OF RECOMMENDATION

That Council:

1. Award the contract for Minor Civil Works as a panel contract for the period 1 March 2018 to 28 February 2021, with the following companies subject to suitable and up to date insurance details being filed with Council's insurer through CIMS:
 - Accurate Asphalt & Road Repairs Pty Ltd
 - Barnett Earthmoving Pty Ltd
 - Bestwick Earthmoving Pty Ltd
 - Ditchfield Contracting Pty Ltd
 - Eire Constructions Pty Ltd
 - Elmac Earthmoving Pty Ltd
 - Guppy Entreprises Pty Ltd t/as Aus Eco Solutions
 - ITS PipeTech Pty Ltd
 - Jim Anderson Earthmoving
 - Jon Wyse Concreting Pty Ltd
 - KNS excavations
 - Flew Earthmoving
 - Michilis Pty Ltd
 - Midcoast Under Road Boring Pty Ltd
 - MNC Pipelines & Civil Pty Ltd
 - Reece Family Holdings Pty Ltd
 - RL Civil Works Pty Ltd
 - MT & KA CUTAJAR Pty Ltd. t/as Saltwater Earthmoving
 - WPL Civil Pty Ltd
2. Allow provision for 2 x 12 month extensions to 28 February 2023 based on satisfactory performance.
3. Authorises Council's seal be affixed to the contract documents.

FINANCIAL/RESOURCE IMPLICATIONS

MidCoast Council's Capital Works Program has a large and diverse number of projects to be undertaken within a range of financial and timing constraints. The resources currently available to the Project Delivery team are not sufficient to conform to these constraints. The solution identified has been to establish a panel of companies that can undertake a range of minor civil works that would complement the existing resources that are available. These resources include Council's operations teams and various panel contractors for the supply of bitumen sealing, asphalt, stabilising, traffic control and concreting services.

LEGAL IMPLICATIONS

This tender has been conducted in accordance with the requirements of the Local Government Act 1993 and the Local Government (General) Regulation 2005.

BACKGROUND

Council's expected forward expenditure on contractor's undertaking minor civil works will exceed limits specified in the Local Government Act 1993 and the Local Government (General) Regulation 2005. As such, tendering for minor civil works is required to meet the requirements of the legislation. Instead of tendering for each individual minor civil works project, a tender has been undertaken to establish a panel for all minor civil works for a period of time (three to five years). Quotations will then be requested from companies placed upon the Minor Civil Works panel contract. This process removes a significant administrative burden from the project delivery team and enable grant funding time limits to be met, as quotations can be called and processed inside a three to four week period compared to a three to four month process for tenders.

In recognition that new contractors may establish operations in the area during the operation of the panel, Council will advertise yearly to add additional contractors to the panel. Advertising is currently programmed to occur every December/January.

Tenderers have nominated their areas of expertise and provided unit rate prices for their services.

DISCUSSION

Tender Process:

Tenders were advertised on Tenderlink (via Council's online tendering portal) and in the Sydney Morning Herald, Great Lakes Advocate and Manning River Times.

One hundred and thirty one (131) companies downloaded the tender documents. At the close of tenders on 29 June 2017, responses were received from the following twenty (20) companies listed in alphabetical order:

- Accurate Asphalt & Road Repairs Pty Ltd
 - Barnett Earthmoving Pty Ltd
 - Bestwick Earthmoving Pty Ltd
 - Ditchfield Contracting Pty Ltd
 - Eire Constructions Pty Ltd
 - Elmac Earthmoving Pty Ltd
 - Guppy Entreprises Pty Ltd t/as Aus Eco Solutions
 - ITS PipeTech Pty Ltd
-

- Jim Anderson Earthmoving
- Jon Wyse Concreting Pty Ltd
- KNS excavations
- Flew Earthmoving
- Michilis Pty Ltd
- Midcoast Under Road Boring Pty Ltd
- MNC Pipelines & Civil Pty Ltd
- Northrop Consulting Engineers Pty Ltd
- Reece Family Holdings Pty Ltd
- RL Civil Works Pty Ltd
- MT & KA CUTAJAR Pty Ltd. t/as Saltwater Earthmoving
- WPL Civil Pty Ltd

The tender submitted by Northrop Consulting Engineers Pty Ltd has been identified as a mistake, with confirmation from their responsible officer. Council's panel contract for Civil Consultants is the more appropriate contract for Northrop Consulting Engineers Pty Ltd to be placed upon. At Council's July 2017 meeting, Northrop Consulting Engineers Pty Ltd was placed onto this panel contract.

Evaluation:

Brief summary of each tender (Company Profile and Company Capacity in terms of this tender):

Accurate Asphalt & Road Repairs Pty Ltd

A Hunter based company working throughout NSW providing asphalt and civil construction services.

Civil works (both major and minor), pavement construction, asphalt paving, repairs and maintenance.

Barnett Earthmoving Pty Ltd

Locally based company (Forster) and have been in the industry for 35 years.

Road repairs, gabion baskets, pipe laying, asphaltting, stabilising, excavating, kerb and gutter construction, tipper hire and haulage.

Bestwick Earthmoving Pty Ltd

Locally based company (Forster) has carried out works in the MidCoast Council area.

Road repairs, storm water pipe installation, general earthworks.

Ditchfield Contracting Pty Ltd

Ditchfield Contracting is a privately owned Australian company based on the Mid North Coast of New South Wales. They have an experienced management team, over 100 items of plant and over 80 direct employees.

Ditchfield is capable of undertaking both small civil works packages and larger more technical works packages. All types of minor civil works.

Eire Constructions Pty Ltd

Eire Construction is a privately owned Australian company, based in Port Macquarie, operating primarily across New South Wales but also in Queensland and Victoria. They have a workforce of 120 experienced employees, a large fleet of the latest plant.

Road construction, bulk earthworks and remediation, stormwater drainage, construction of sewer and water infrastructure, trenchless technology, project management and design services, plant and labour hire, concrete construction, construction of subdivisions and land development, asbestos removal.

Elmac Earthmoving Pty Ltd

Locally based company (Wingham) and have been in the construction business continuously locally for 40 plus years.

Demolition, site preparation, earthwork, service trenching, stormwater – site, landscaping, external sports and playground surfacing, bushfire perimeter tracks, pathways and cycle ways, masonry walls, crib retaining walls, gabion walls and rock filled mattresses, control of erosion and sedimentation, clearing and grubbing, earthworks – road reserve, open drains, kerbs and channels, flexible pavement base and sub base, road openings and restoration, road openings and restoration (utilities), sub surface drainage, sub soil and formation drains (construction), pavement drains, drainage blankets, sign posting, guide posts, rigid road safety barrier systems, boundary fencing for road reserves, stormwater drainage, pipe drainage, precast box culverts, drainage structures, service conduits, trenchless conduit installation.

Guppy Entreprises Pty Ltd t/as Aus Eco Solutions

Aus Eco Solutions is a national company providing conservation and land management services. Landscaping and bushfire perimeter tracks.

ITS PipeTech Pty Ltd

ITS Pipetech is a national company providing pipeline rehabilitation services and construction projects.

Pit construction, repair and modification, excavation and repair (spot repair for sewer and stormwater), open trenching and pipe laying, repair and maintenance of aqueducts, coatings and general repairs to sewer, water and stormwater infrastructure.

Jim Anderson Earthmoving

Based on the Mid North Coast of New South Wales, Jim Anderson Earthmoving are a family owned and operated business, providing services from Taree to Coffs Harbour. With more than 35 years' experience in the industry and have built up a highly qualified team of more than 30 staff members.

Road construction, drainage, kerb & gutters, stormwater, excavation, environmental works.

Jon Wyse Concreting Pty Ltd

Locally based company (Cundletown) providing concrete services.

All civil concrete works. This includes but is not limited to excavation, concrete pump hire (both line and boom pump), formwork, footpaths, round-a-bouts as per RMS specs.

KNS excavations

KNS excavations is locally owned & operated in the Manning Valley. Earthworks and plant hire.

Flew Earthmoving

Locally based company (Forster) providing earthworks and plumbing services.

Roadworks, drainage, minor clearing, slashing, batters, subsoils, rockwalls / retaining walls, landscaping, auger for test holes. Labour hire for pipelaying and plumbing.

Michilis Pty Ltd

A Hunter based company who has site based workforce of 40 personnel consisting of trade qualified carpenters, form workers, steel fixers, labourers, plant operators.

Concrete pavements & structures; minor roadworks (asphalt, concrete, kerb & guttering etc.); drainage works incl. subsoil drainage, earthworks; underground service works; landscaping hard & soft works, fencing works (temporary & permanent), temporary & permanent rock anchoring works, pier / piling works.

Midcoast Under Road Boring Pty Ltd

Locally based company (Stroud) providing directional drilling and pipelaying services. Specialist in directional boring using trenchless technology and also have the capability to do trenching work.

MNC Pipelines & Civil Pty Ltd

Locally based company (Forster) providing plant hire and pipe laying services. Truck & machine hire, pipe laying.

Reece Family Holdings Pty Ltd

Locally based company (Mitchells Island) providing civil construction services. Kerb and gutter, footpaths, block retaining walls, culverts, drainage and general concreting works.

RL Civil Works Pty Ltd

A Sydney based company providing asphalt, drainage and concrete services. All Asphalt works, all concrete works, minor drainage works, excavation.

MT & KA CUTAJAR Pty Ltd. t/as Saltwater Earthmoving

Locally based company (Mitchells Island) providing civil construction services. Clearing and grubbing, dust control, earthworks-restorations, road reserve etc. various drain constructions/drainage, flexible pavement and sub base etc.

WPL Civil Pty Ltd

A locally based company (Taree) they are a civil construction company who specialise in the construction of small to large community infrastructure projects. All aspects of civil works (minor & major) including: bulk and detail earthworks, stormwater installation including pits & culverts, subsoil drainage installation, road pavement construction, kerb & gutter construction, footpath & driveway construction, landscaping.

It is Council's intention to place all of these tenderers upon the panel.

COMMUNITY IMPACTS

This tender has been prepared to provide local contractors the opportunity to quote on council projects. Council believes this opportunity provides a greater sustainable outcome for the community.

ALIGNMENT WITH COMMUNITY PLAN/OPERATIONAL PLAN

The resources currently available to the project delivery team are currently not sufficient to ensure that the five year Engineering & Infrastructure Services Capital Works Program can be successfully delivered. The establishment of this panel of contractors shall help resolve this issue.

TIMEFRAME

The period of contract is nominally 1 March 2018 to 28 February 2021 with options for two 12 month extensions up to 28 February 2023.

BUDGET IMPLICATIONS

Contractors will be engaged on a project by project basis, with each project funded within that years Capital works Program.

RISK CONSIDERATION

In requiring the contractors to submit a detailed tender, council has been able to review compliance with WHS requirements associated with the works to be undertaken by each contractor. Contractors are also required to register with the Statewide Mutual Contractor Insurance Management System (CIMS), with contractors not being able to be engaged unless their details are up to date on CIMS.

RECOMMENDATION

That Council:

1. Award the contract for Minor Civil Works as a panel contract for the period 1 March 2018 to 28 February 2021 with the following companies subject to suitable and up to date insurance details being filed with Council's insurer through CIMS:
 - Accurate Asphalt & Road Repairs Pty Ltd
 - Barnett Earthmoving Pty Ltd
 - Bestwick Earthmoving Pty Ltd
 - Ditchfield Contracting Pty Ltd
 - Eire Constructions Pty Ltd
 - Elmac Earthmoving Pty Ltd
 - Guppy Enterprises Pty Ltd t/as Aus Eco Solutions
 - ITS PipeTech Pty Ltd
 - Jim Anderson Earthmoving
 - Jon Wyse Concreting Pty Ltd
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 - RL Civil Works Pty Ltd
 - MT & KA CUTAJAR Pty Ltd. t/as Saltwater Earthmoving
 - WPL Civil Pty Ltd
2. Allow provision for 2 x 12 month extensions to 28 February 2023 based on satisfactory performance.
3. Authorises Council's seal be affixed to the contract documents.

4 CAPITAL WORKS REPORT - FEBRUARY 2018

Report Author Stuart Small, Team Leader Project Delivery

File No. / ECM Index ROADS - Asset Management

Date of Meeting 28 February 2018

SUMMARY OF REPORT

This report provides advice on work currently in progress or recently completed within MidCoast Council by day labour staff and contractors. Also included is advice on the status of the 2017/18 Capital Works Program.

SUMMARY OF RECOMMENDATION

That Council note the information included in this report.

FINANCIAL/RESOURCE IMPLICATIONS

Projects listed within this report are included in 2017/2018 Operational Plan of MidCoast Council or grant funding that has subsequently been accepted by Council.

Work funded under Council's Road Maintenance Council Contract (RMCC) with Road & Maritime Services (RMS) for the state road sections of The Lakes Way and Failford Road is also included.

LEGAL IMPLICATIONS

Nil.

ATTACHMENTS

A: 2017/18 Capital Works Program Status

Attachment A has been circulated in hard copy to the Councillors and Senior Staff, however this Attachment is publicly available on Council's website.

BACKGROUND

An update on the progress of capital works included in the 2017/18 Operational Plans for the MidCoast Council area is included in this report. It also includes works undertaken through special grants and the RMCC. The report is provided for the information of Council.

DISCUSSION

Attachment A provides a summary of the current status of the Capital Works Program being managed by the Projects and Engineering team. The table is an extract from the Master Spreadsheet that coordinates the delivery of the 2017/18 Capital Works Program, several columns have been added to facilitate reporting the status of the program to Council. The Progress Status and Budget Status columns have been populated by coloured cells; either green/amber/red, providing a quick and easy identifier to the general status of projects.

Projects that potentially will be contracted to external parties will not have a budget figure listed, once a contract is signed the contract amount will be inserted. Council administration costs will be included in expenditure against these projects and the budget figure will thus be exceeded, upon completion of the contract the actual total budget figure will be inserted.

Current highlights from the Capital Works Program that will be of interest follows:

Carryover Projects from FY16/17

- Harrington Rd reconstruction. Works have been completed and the final seal is programmed for March 2018.
- The Bucketts Way – Burrell Creek. Works are programmed to be completed in mid-March.
- Lee St/Stroud St Bulahdelah. The Head Contractor has experienced significant problems sourcing a subcontractor to complete the project, Council is currently awaiting notification of their preferred subcontractor prior to work recommencing. A new date for expected completion of the project will then be finalised.
- Pelican Bay Bridge replacement. Extremely poor subgrade was encountered, resulting in additional costs, the project has been completed.
- Manning Point Boat Ramp. The carpark was completed prior to Christmas.

Urban Rehabilitation

- Albert St (Taree) and Hadley St (Forster). Stage one of works completed during Christmas school holidays. Stage two of Albert St is programmed for the April school holidays.
- Pultney St. Tenders close on 21/02/2018, to date 47 companies have downloaded the RFT file and six companies attended the pre-tender meeting. A report will be tabled at the March council meeting.

Urban Construction

- During January several projects were completed by the Stroud, Bulahdelah and Tea Gardens crews.

State Road

- RMS nominated reseals are programmed to be completed this month.
- Ordered Works. Council is awaiting direction regarding works that will be undertaken during May 2018.

Other Internal Council Works

- Jimmy's Beach Sand Transfer System. Tenders have closed and are currently being evaluated to enable a report to be presented to Council.
- Tea Gardens Pontoons. Tender documentation for a new 'T' pontoon and refurbishment of the existing ferry pontoon is being prepared for advertising.

Rural Construction

- Wattle Hill Rd. Works were completed in December.
- Bombah Point Rd. A 1km extension to the bitumen seal has commenced with works programmed to be completed by Easter.

Regional Rehabilitation

- MR111 – The Lakes Way – south of Bungwahl. Works completed this month.
- Old Bar Rd and Main St Cundletown have been identified to be delivered by contract. Designs have not been finalised and the Project Delivery team are investigating options for flexible delivery that will result in works being completed this financial year.
- Thunderbolts Way – the slips. Significant road pavements problems have been experienced and Council is awaiting expert geotechnical information prior to proceeding with a rectification. The delivery of this information is delaying this project.

Bridge Renewals

- Bulga Ck Bridge. Contract awarded by Council at December meeting.
- Bobin Ck Bridge. Contract awarded by Council at December meeting.
- Callaghans Ck Bridge. Recently announced grant funding for this project has required a change in design to meet grant requirements. The old bridge has been decommissioned in preparation for construction of its replacement. A new design is currently being finalised.
- Designs for Milbai Creek and Little Cedar Party Creek are due by mid-March.
- Council has develop a concept of utilising RMS Bridge Planks for our forward bridge program and is obtaining quotes from suppliers on the NSW Local Government Procurement's supply contract to speed up their delivery.

Bitumen Resealing Program

- Council's bitumen resealing program has been completed for the following areas: Stroud, Tea Gardens, Bulahdelah and Coomba.
- Resealing in the following areas is being completed this month: Forster, Tuncurry, and Gloucester.
- Resealing for the Taree and Wingham areas are programmed for March.

Gravel Resheeting Program

- Gravel resheets in the Stroud area have been completed.
- Gravel resheeting in the Bulahdelah area has been placed on hold due to the low river levels and will recommence when sufficient water is readily available.
- Gravel resheets are currently being completed in the Taree area (Manning Point and Mitchells Island).

CONSULTATION

The management and coordination of all aspects of the Capital Works Program is undertaken in consultation with a wide range of internal and external stakeholders.

The key stakeholders in the preparation of this monthly report include the Transport Assets Section, Projects and Engineering Section, Operations (North and South) Sections and the Finance Section.

COMMUNITY IMPACTS

Community Impacts are considered and managed as part of each Capital Works Program project.

ALIGNMENT WITH COMMUNITY PLAN/OPERATIONAL PLAN

Section 4 of the 2017-2018 Operational Plan is the Asset Management Program (Capital Works). This report to Council details the progress in delivering this section of the plan.

TIMEFRAME

Details are reported within the attachment.

BUDGET IMPLICATIONS

Attachment A details current expenditure against individual projects and budget details for these individual projects. Current total expenditure within the Capital Works Program is within budget.

RISK CONSIDERATION

Each individual project is proactively managed to reduce risks associated with the project.

RECOMMENDATION

That Council note the information in this report.

DIRECTOR CORPORATE & BUSINESS SYSTEMS

5 2016-2017 FINANCIAL REPORTS - RESPONSE TO QUESTIONS

Report Author Phil Brennan, Manager Finance

File No. / ECM Index Financial Management - 2016/2017 Financial Statements

Date of Meeting 28 February 2018

SUMMARY OF REPORT

This report provides responses to questions raised by members of the public in respect of the 2016/2017 Financial Reports of MidCoast Council during the Extraordinary Council Meeting of 24 January 2018.

SUMMARY OF RECOMMENDATION

That the information be noted.

FINANCIAL/RESOURCE IMPLICATIONS

Nil.

LEGAL IMPLICATIONS

Nil.

BACKGROUND

An Extraordinary Meeting of Council was held on 24 January 2018 for the presentation of the Annual Financial Reports for Mid-Coast Council (period 13 May 2016 to 30 June 2017) to the public. Representatives of the NSW Audit Office (Council's Auditor) and RSM (the Contractor Auditor) attended to present the Audit Reports.

At that meeting two (2) members of the public (Mrs Robyn Jenkins and Mrs Pattie Hogan) addressed Council in respect of that item and posed a number of questions to Council. A written submission (from Mr Ed Harvey) was also received that commented on the Financial Reports and requested responses on aspects of those reports. Council undertook to provide a public response to those questions.

Council is also required by legislation to forward any written submissions that it receives in relation to its Financial Reports to the Auditor for consideration. The Auditor may request that Council amend its Financial Reports if it is deemed necessary. Mr Harvey's was the only written submission received and it has been referred to the Auditor as required.

The balance of this report addresses the issues raised by Mrs Jenkins, Mrs Hogan and Mr Harvey.

DISCUSSION

Questions raised by Mrs Hogan:

1. *Please provide break up of consultancy costs. \$1.million 388 thousand dollars*

A break-up of the consultancy costs is as follows:

Waste Services - \$34,000
Land Surveying - \$6,000
Environmental Works - DA Peer Review and Design Assessment - \$341,000
Cemetery Services - Master planning & Advice - \$16,000
Tourism & Destination Management - \$141,000
Flood / Stormwater Management Planning Services - \$44,000
Strategic Landuse Planning Services - \$103,000
Heritage Services - \$40,000
Infrastructure Management & Review Services - \$238,000
Merger Tax & Business Registration Services - \$17,000
Community Survey Services - \$36,000
Economic Development - Place Making - \$10,000
Aboriginal Cultural Services & Investigations - \$26,000
Organisational Development & Change Management Services - \$245,000
Merger Implementation Advice & Services - \$53,000
Other Miscellaneous Consultancies - \$38,000

2. *Figure of \$1.7M is shown as Merger Savings. Is this correct?*

Total merger savings are not captured within the Financial Statements. It is assumed that this question refers to the Internal Restriction of Cash (Note 6c) at 30 June 2017.

An amount of \$1.703 million was transferred to an Internal Restriction titled Merger Savings. This represents budget savings directly achieved as a result of the merger. It included savings in insurances, subscriptions, elected representatives etc.

These savings have been re-introduced into the 2018/2018 budget to fund additional roadworks through Council's RoadCare Program.

3. *Please provide break up of future grants & contributions.*

The information requested in respect of future grants and contributions that may be received by Council is not contained within the Financial Statements and as such cannot be extracted from those reports.

4. *Please provide break up of legal expenses.*

As set out in Note 4 c legal expenses related to planning and development matters totalled \$263,000. Other legal expenses totalled \$565,000 broken down in to the following broad categories:

Waste Matters - \$7,000
Property Acquisitions - Roads & Environmental - \$12,000
Regulatory Matters - \$7,000
Rates Recovery - \$445,000
Other Legal Advices - Miscellaneous matters - \$94,000

5. Where does any repayments of capital costs associated with the Woolworths building and land at Tuncurry appear in the financial statements.

The Financial Statements do not provide the level of detail sought by this question. Transactions and balances in respect of loans taken out for the Tuncurry Woolworths building are included in figures disclosed in the Statement of Cash Flows, Note 4(b) (Borrowing Costs), Note 10 (a) (Payables, Borrowings & Payables) and Special Schedule 2 (Statement of Long Term Debt (all purposes)).

6. How many redundancies have been given.

31 staff of the former councils were approved to receive a redundancy package as a result of the amalgamation and the implementation of the Mid-Coast Council organisational structure.

7. How many of these positions have been filled.

None of the positions for which a redundancy was approved have been filled. These positions were removed from Council's organisational structure as they were no longer required by the new organisation.

8. How many of those given redundancies were going to retire within two years from the amalgamation date.

Unknown. Staff do not always share their retirement intentions with Council and were under no obligation to provide such information to Council.

It is fair to acknowledge that the amalgamation did create a circumstance whereby staff individually reassessed their future intentions and ongoing employment with MidCoast Council and this has seen staff leave the organisation by way of resignation, retirement or to pursue career advancement either within local government or other opportunities elsewhere.

9. How many were given a pay rise and then were given a redundancy.

Staff received salary and wage increases as determined by the Local Government (State) Award and under the individual salary systems of the former Councils as these increases fell due.

10. How many have been given a redundancy package and are continuing to work and will leave when they feel like it.

The majority of staff who were made redundant as a result of the amalgamation were required to exit Council prior to 30 June 2017. Some staff have or will exit the organisation after 30 June 2017 in cases where this is of benefit to Council.

11. Did the redundancy packages come out of the \$5M provided by the government.

A proportion of the redundancy payments made to staff were allocated to the New Council Implementation Fund. Under the terms of the \$5 million Government Program redundancy payments were an eligible item.

Questions raised by Mrs Jenkins:

The questions to which answers from staff would be appreciated are:

a. Councillors made a decision regarding the 2016-2017 Financial Statements at the 24 January meeting however, public comment was possible until 31 January. If any comment were to be received would it be conveyed to Councillors and who would decide its relevance to the Statements.

Written submissions received regarding the 2016-2017 Financial Statements are being reported to Council through this report. Council is required under section 420 of the Local Government Act to refer written submissions to the Auditor who will advise whether amendments are required to the audited Financial Statements. As advised above the written submission from Mr Harvey has been referred to the Auditors.

b. It appears there is no detailed 2017-2018 operating budget available on the MidCoast website. How can the community access this information?

Council's adopted Operational Plan for 2017-2018 contained the required financial information. A detailed operating budget has not been provided and this is a matter that is the basis of continuing discussions between Council and management on the appropriate level of financial information and detail to be provided to the Council to allow it to meet its oversight and decision-making obligations.

c. It appears there is no detailed information regarding Grants (source, purpose, amount, expiration date, progress to date etc) available on the MidCoast website. How can the community access this information?

Councils do not, as a matter of course, provide a detailed list of every grant that they receive. A decision of Council would be required if it wished to routinely make this information available to the public. This will represent an additional reporting requirement that will have an impact on operations.

The other questions were to Councillors and cannot be answered by staff.

It should be noted that Mrs Jenkins did not provide a copy of her address to Council and has not provided a copy of those other questions. As such a response is unable to be included within this report.

Questions raised by Mr Harvey:

1. Why are there no figures for the 2015-16 Actuals and 2016-17 Budget so that comparisons can be made?

The Office of Local Government's Special Supplement to the Code of Accounting Practice & Financial Reporting that applied to new councils provided that budget information, comparatives, Note 16 - material budget variations and Note 28 - related party disclosures were not required to be disclosed.

This is because the Financial Reports for the period 13 May 2016 to 30 June 2017 did not align with the adopted budget of Council which ran from 1 July 2016 to 30 June 2017 and also did not align with the financial period for the 2015/ 2016 financial period which ran from 1 July 2015 until 12 May 2016. Different accounting treatments also applied to the periods which would make any comparison of the periods unreliable.

2. Without such figures it is not possible to see how well Council performed financially, especially the achievement of budgets.

Quarterly Budget Review reports prepared in accordance with the Office of Local Government Guidelines were prepared and presented to Council as required. This allowed Council to assess performance against budget.

3. Why has it taken 6 months to make the Financial Statements available for public comment?

Council and the community have previously been advised that due to the complexities involved in consolidating 3 sets of financial data to produce the financial statements for 2016-2017, that these financial reports would not be completed or made available by the normal deadline.

Discussions were held with the NSW Audit Office and the contract auditor who supported Council seeking and obtaining an extension for completion and lodgement of the Financial Reports. The request for an extension was approved by the Acting Chief Executive of the Office of Local Government.

Council met the extended deadline and released the financial reports as soon as it was able.

4. Why are there no Financial Statements for MidCoast Water?

Council and the community have also been advised as to the situation with the completion of the Financial Statements for MidCoast Water. A loss of key senior financial staff immediately prior to and following 1 July 2017 left the organisation with no capacity internally to complete this task. A financial contractor has been engaged to undertake this work which has now been completed.

Extensions have been sought and approved by the Acting Chief Executive of the Office of Local Government in recognition of the unusual circumstances that have been faced by Council.

5. Page 17 Depreciation - What were the actual estimated lives of the various categories of assets adopted when depreciating the assets. Who determines the useful lives?

Estimated useful lives of the various categories of assets are set out in Note 1 to the Financial Statements. These useful lives are determined by staff utilising their professional training and judgement and with reference to industry guidelines and standards.

6. Page 23 Note 2a is it possible to see greater detail as to the costs and revenues of each Function especially those running at a loss eg all apart from Waste management?

The Financial Statements are not designed to provide the level of detail sought in this question. The interpretation applied in framing this question is misleading in that General Purpose revenues (rates and annual charges, untied general purpose grants and unrestricted interest and investment income) are not applied against the various functions listed.

If General Purpose Revenues were applied against each of those functions none of them would be running at a loss. Council's Operating result from continuing operations was a \$36.517 million surplus for the period.

7. Page 27 Note 3 Fees and Charges Other service fees and miscellaneous income of \$1,330,000. What is included in this figure?

This figure includes all other fees and charges that have not been separately identified. None of the fees are individually materially significant. Some of the larger amounts within this grouping are:

MidWaste Contributions from other Councils	\$192,000
Disability Private Services	\$64,000
Regional Assessment Services	\$33,000

8. Page 29 Note 3 Grants Is it possible to identify the source of the grants for each purpose? Is there a risk that grants next year will be less than this year? How predictable are grants?

The source of grant funding received by Council is disclosed in total at the bottom of Page 29 of the Financial Reports.

Specific purpose grant funding does fluctuate from year to year as it is dependent upon State and Commonwealth Government programs. As such there is a risk that the level of grant funding received by Council will be less than the previous year. Council is proactive in making sure that it is aware of funding opportunities and government priorities that may impact on the level of funding that may be available for council and community projects.

9. Page 30. What is the risk that unexpended grants will not be paid if grant conditions not complied with?

The figures disclosed on Page 30 represent grant funds that Council has received but has not yet spent. These funds are shown as externally restricted investments at Note 6 c on Page 37.

There is a risk that Council will be required to repay funds to the granting authority should it not comply grant conditions.

10. Page 32 Note 4 Is it possible to see this list of consultants included in the \$1,388,000 consultancy costs?

A breakdown of consultancy costs has been provided above.

11. Page 38 Note 6c Quarantine Reserve - what is this reserve for and why does it have \$5,024,000 in the reserve? Where did the \$3,519,000 transfer from restriction go? Who authorises such transfers?

Advice was provided to Council and community in relation to the purpose of the Quarantine Reserve in the September Quarterly Budget Review Report. As reported, prior to the merger the former Great Lakes Council utilised a Quarantine Reserve to even out the fluctuations in budgets from quarter to quarter and year to year. Quarters and years where an operating surplus was recorded saw a transfer to reserve of funds which were subsequently reintroduced back into the budget when a deficit position was likely to occur. This practice has been continued during the period of administration with quarterly transfers occurring.

It is a conservative approach that acknowledges that budget preparation is an imprecise practice and that circumstances change rapidly e.g. the Award increase, Federal Government FAG decision etc, particularly in the current merger and operating environment. It does rely on budget managers identifying and providing savings where possible but also being confident that if circumstances change negatively that additional funding can be made available to address those circumstances with the approval of Council through the Quarterly Budget Review process

12. Page 38 Commercial development reserve - how does this reserve work?

Rental income from Council's commercial holdings is transferred to this reserve and is utilised for other commercial opportunities either to fund lump sum purchases or to fund loan repayments.

13. Page 42 Note 8 (b) Please explain what is meant by this statement?

The note means that there are no external restrictions applying to the inventory values listed. For example, when the water and sewer functions are consolidated into Council's financial statements in 2017/2018 there will be an external restriction identified for stores and materials that relate to the water and sewer functions i.e. water and sewer pipes and fittings that are held in stock.

14. Page 50 Note 13 a Performance Measures. What are the implications for Council when Benchmarks are not achieved? What is Council planning to do to achieve the target benchmarks?

There are no immediate implications for Council when it does not meet benchmarks set by the Office of Local Government (OLG). The OLG does review all Financial Reports lodged by Councils and tracks performance. Should there be a continuing record of not meeting required benchmarks it is expected that there would be discussions between the OLG and Council. The OLG also has legislative powers that allow it to take action to address the financial performance of councils.

However the auditor's comments in respect of the two indicators where council did not meet the benchmark for the 2016/2017 reporting period should be noted. Council's Operating Performance ratio was impacted by the requirement to record 13.5 months of expenditure against 12 months of ordinary rate revenue. The Own Source Operating Revenue ratio was adversely impacted by the one-off New Council Implementation Grant of \$5 million, the Stronger Communities Grant of \$15 million and the early payment by the Commonwealth Government of Financial Assistance Grants.

15. Page 51 Note 14 Investment Properties. Is it possible to view the valuations of the investment properties? If not, what is the breakdown of the property valuations that total \$18,000,000? What is the net rental returns from the property leased to Woolworths at Tuncurry?

The Tuncurry Woolworths property was valued at \$16 million by Scott Fullarton Valuations and the Motel at Wallis Street Forster was valued at \$2 million by First State Valuers at 30 June 2017 for the purposes of the financial reports.

16. Page 56 Developer Contributions - Why is there not a greater reliance on spending s94 contributions for improving roads, open space, community facilities and environmental capital works? There is currently \$13,671,000 available from s94 why not spend more?

The expenditure of s94 funds are tied to the plans and work programs under which the contributions are levied. Plan balances are being reviewed in conjunction with the capital works programs as part of the 2018/2019 budget process to identify projects that are eligible for funding.

There is also a quantum of funds from s94 contributions raised under former Greater Taree City Council plans that are currently being discussed with Council to determine the methods by which these funds will be allocated following the adoption of new plans applying to that former local government area.

17. Page 73 Note 22 Held for sale non-current assets- Why not include the sale of the Forster Civic Precinct property as per the agreement with Enyoc?

This is a matter for consideration in the preparation of the 2017/2018 Financial Statements as the agreement was entered into post 30 June 2017.

18. Page 4 Special schedule 2 a What is the purpose of the \$64.5M debt? Why no loans from other sources eg T Corp? Is this level of debt sustainable?

The purpose of the borrowings is broken up as follows:

Infrastructure - Roads, bridges etc	\$42.0 m
Infrastructure - Waste	\$17.1 m
Infrastructure - Buildings	\$3.0 m
Infrastructure - Other	\$2.4 m

The former councils did not have access to T-Corp for the purposes of loan borrowings. This has become an option since the amalgamation. Council has the capacity to carry this level of debt.

19. Page 5 and 6 Schedule 7 Total estimated cost to bring assets to a satisfactory standard is \$132,247,000. Can you explain why this amount has dramatically declined from the \$180,000,000 backlog amount previously quoted as a reason for the SRV?

The difference here relates to the assessment of a backlog amount and the expenditure required to bring an assets condition back to a particular service standard.

The \$180,000,000 relates to the cost to bring all assets back up to an asset condition of 1 being excellent. The figures contained in Special Schedule measure the cost to bring assets back to different asset condition levels. The OLG define a satisfactory standard as being condition 2 (good) and the figure for this is \$132,247,000. Council is also required to disclose the cost to bring assets back to an agreed service level set by Council. In this instance the agreed service levels of the former councils have been used while Council works through the process of adopting a common agreed service level. Based on those service levels the backlog estimate is \$121,342,000. By way of example the former Great Lakes Council's agreed service level for regional roads was a condition 3 (average) and a condition 4 (poor) for the balance of its road network.

RECOMMENDATION

That the information be noted.

6 QUARTERLY BUDGET REVIEW STATEMENT - DECEMBER 2017

Report Author Phil Brennan, Manager Finance

File No. / ECM Index Financial Management - Management Plan Quarterly Reports

Date of Meeting 28 February 2018

SUMMARY OF REPORT

This report presents the Quarterly Budget Review Statement (QBRs) for the period to 31 December 2017 to Council for consideration, as required by Clause 203(1) of the Local Government (General) Regulation 2005.

SUMMARY OF RECOMMENDATION

That the Quarterly Budget Review Statement for the period to 31 December 2017 be noted and the budget variations proposed, including transfers to and from reserves be approved.

FINANCIAL/RESOURCE IMPLICATIONS

After the completion of the December 2017 QBRs Council's projected budget result is a surplus of \$298,638. It is recommended that this surplus be transferred to Council's Quarantine Reserve. There are a range of factors that have contributed to this result and these are discussed within the report.

LEGAL IMPLICATIONS

Council is required by legislation to prepare quarterly budget review statements including an opinion by the Responsible Accounting Officer as to whether the financial position of the Council is considered to be satisfactory.

BACKGROUND

This report presents the Quarterly Budget Review Statement (QBRs) for the period to 31 December 2017 to Council for consideration, as required by Clause 203(1) of the Local Government (General) Regulation 2005.

As Council is aware the 2017/2018 general fund budget is being managed across the 3 financial systems that were operated by the former councils. A move to a single financial management system will occur from 1 July 2018 with the implementation of the Technology One One Council solution.

The required Quarterly Budget Review Statements (Annexures A, B, C and D) for the quarter ended 31 December 2017 provides information on Council's projected financial position for the year ending 30 June 2018. Annexure A is prepared in Income & Expense format as required by the Office of Local Government.

The Income & Expenses Budget Review Statement shows a projected net operating deficit position of \$2.843 million. This represents a continued improvement on the original adopted budget position of a deficit of \$12.952 million.

Major contributors to this position are an increase in user charges and fees, operating and capital grants and contributions (Roads to Recovery and RMS funding). There is also a significant decrease in operating materials and contracts. However the expenditure has been reclassified as capital expenditure and represents the costs associated with the Technology One 'One Council' product. This sees approximately \$2.2 million moved from the Income and Expense Statement to the Capital Budget Statement.

It is also acknowledged that this report is at a high summary level. As discussed at the November and December Strategic Meetings further workshops are planned with Council over the coming months to develop a financial reporting framework that will provide the right level of detail. At this stage the report has been kept at a high level until those discussions can be held. Councillors are encouraged to seek clarification on aspects of the budget that are of specific interest and to provide input into the financial reporting framework development.

From a working funds perspective the original budget adopted by Council was a balanced budget. The working funds result is essentially the every day cash position of Council. It looks at the income coming into the organisation, the cash outflows through operating and capital expenditure and includes other funding sources to match this expenditure like loan funding or transfers from reserves. It does not include non-cash items such as depreciation.

The working funds result at the completion of the December Quarterly Review is a projected surplus at 30 June 2018 of \$298,638.

There were a number of items that have contributed to the movement in the result. These include:

- Additional Development Income. There have been increases proposed for \$187,000 covering areas related to development activity. This includes the Development Assessment area, Building Services area and Engineering related development functions.
- A duplication of original budgets has provided a budget saving of \$155,000. This relates to a change in responsibility for the maintenance of litter baskets, wetlands and gross pollution traps. These were previously managed within Council's Engineering area and funded from the Environmental Levy in the former Great Lakes area. Responsibility for this maintenance has now returned to the Natural Systems area however a budget for the conduct of the works in the Engineering section was maintained. This was identified during this QBR and has been rectified.
- Council has implemented a Release Area Planning project whereby developers wishing to have planning proposals actioned by Council can fund these works. A 2 year project has been commenced which will allow these proposals to be actioned within a reasonable timeframe. Development contributions received to date total \$135,000 and will fund staff and consultant time over the course of the project. It should be noted that this project does not provide any assurance to a developer that they will get a positive outcome from the project. It allows their proposal to be studied, investigated and processed in accordance with legislative requirements at an earlier time than may have occurred had it been prioritised within the Strategic Planning work program.
- Council has received a contribution of \$98,000 towards the expansion of the North Tuncurry Touch Fields. This work was completed by Council but funded by a contribution from the Touch Football Association. Additional user fees have also been projected for Tuncurry Sports Complex (\$5,702 - Event Hire), Nabiac Showground (\$19,555 - predominantly cattle sale income), Stroud Showground (\$11,341 - user fees). There has also been a \$28,000 external contribution brought to account in respect of Building Works to the Stroud Hall.
- Council has brought to account an amount of \$155,641 being court awarded legal cost recovery in respect of a planning matter.

- Other increases in income include \$20,000 for Archiving fees associated with development applications, \$15,000 for additional Onsite Sewerage Management Fees and approximately \$35,000 in rates from the former Gloucester Shire area.
- An additional transfer from the Implementation Fund Reserve of \$250,042 is proposed. Expenditure costed to existing budgets has been identified as being eligible for funding from the Government Funds and the reserve transfer provides a budget saving.
- New expenditure items have been included within the review. These are a \$29,000 budget for tree removal at Taree Airport. This has been an ongoing budget but was omitted at the time of budget preparation. An additional amount of \$25,000 has been included for consulting assistance with Development Assessment to cover items such as peer reviews of developer provided studies and external planning advice where required. An amount of \$20,000 for parking sensors has also been included with this amount offset by similar savings in Ranger salaries in this year which have arisen through staff vacancies.
- Corporate overhead allocations and on-cost recovery accounts have been revised resulting in a decrease in the amounts charged out to works. This amount is approximately \$45,000 and there are other smaller expenditure increases under \$5,000 and totalling approximately \$15,000 that have contributed to the overall projected budget result for the financial year.

As previously indicated Council has continued with the practice of the former Great Lakes Council by utilising a Quarantine Reserve (termed a Contingency Reserve at the former Greater Taree City Council) to even out the fluctuations in budgets from quarter to quarter and year to year. Quarters and years where an operating surplus was recorded saw a transfer to reserve of funds which were subsequently reintroduced back into the budget when a deficit position was likely to occur. This practice has been continued during the period of administration with quarterly transfers occurring.

It is proposed that the operating surplus identified above be transferred into the Quarantine Reserve at this time. Opportunities to discuss its ongoing usage will occur during the 2018/2019 budget preparation process.

Council resolved to purchase the former Masters building in Manning River Drive at Taree. This resolution occurred during the second quarter and as such the budget impact has been introduced into this QBR and ongoing commitments and income reflected in the next iteration of the Long Term Financial Plan. However for information, the purchase will be funded from loan borrowings with repayments met from the Commercial Development Reserve.

Council continues to work through its program of expenditure under the New Council Implementation Fund (\$5 million) and Stronger Communities Fund (\$15 million) being the NSW Government Grants provided at the time of the amalgamation.

Council has spent \$4.774 million under the New Council Implementation Fund to 31 January 2018. The remaining \$226,000 has been allocated to ongoing costs associated with the Technology One implementation, single bank implementation and library harmonisation projects. The balance of these funds will be expended before 30 June 2018.

The Stronger Communities Funding is being expended in accordance with the schedule of works. The 2 rounds of Community Grants funding totalling \$1 million have been awarded and funds distributed to successful community groups. The remaining \$14 million has been allocated to infrastructure programs as follows:

Giro Project - Thunderbolts Way	\$1.5 million
Road Resealing Program	\$3 million
Bridge Renewal Program	\$3 million
Road Renewal Program	\$6.5 million

These funds are being expended over a 3 year period in accordance with the grant condition and are incorporated into Council's current works program.

Responsible Accounting Officer's Statement

The following statement is made in accordance with Clause 203(2) of the Local Government (General) Regulation 2005.

It is my opinion that the Quarterly Budget Review Statement for Mid-Coast Council for the quarter ended 31 December 2017 indicates that Council's projected financial position at 30 June 2018 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

SIGNED:

DATE: 19 February 2018



**Phil Brennan
Responsible Accounting Officer
Mid-Coast Council**

RECOMMENDATION

That the Quarterly Budget Review Statement for the period to 31 December 2017 be noted and the budget variations proposed, including the transfers to and from reserves be approved.

ANNEXURE:

A: Quarterly Budget Review Statements

Quarterly Budget Review Statement
for the period 01/10/17 to 31/12/17

Mid-Coast Council
Income & Expenses Budget Review Statement
Budget review for the quarter ended 31 December 2017

Income & Expenses - General Fund	Original Budget 2017/18	Carry Forwards	Sep QBRs	Revised Budget 2017/18	Variations for this Dec Qtr	Projected Year End Result	Actual YTD figures
Income							
Rates and Annual Charges	88,733		2,163	90,896	43	90,939	91,026
User Charges and Fees	14,698		(438)	14,260	696	14,956	8,739
Interest and Investment Revenues	3,355			3,355	400	3,755	1,349
Other Revenues	3,392		185	3,577	49	3,626	2,688
Grants & Contributions - Operating	28,576	1,240	(6,236)	23,580	482	24,062	8,386
Grants & Contributions - Capital	4,528	7,311	8,374	20,213	762	20,975	3,340
Net gain from disposal of assets			1,911	1,911		1,911	222
Total Income from Continuing Operations	143,282	8,551	5,959	157,792	2,432	160,224	115,750
Expenses							
Employee Costs	51,473	312	581	52,366	(264)	52,102	24,448
Borrowing Costs	3,394			3,394		3,394	1,434
Materials & Contracts	39,876	7,131	309	47,316	(2,257)	45,059	16,925
Depreciation	44,284		569	44,853		44,853	11,416
Other Expenses	17,207	139	(81)	17,265	394	17,659	6,614
Total Expenses from Continuing Operations	156,234	7,582	1,378	165,194	(2,127)	163,067	60,837
Net Operating Result from Continuing Operatio	(12,952)	969	4,581	(7,402)	4,559	(2,843)	54,913
Discontinued Operations - Surplus/(Deficit)							
Net Operating Result from All Operations	(12,952)	969	4,581	(7,402)	4,559	(2,843)	54,913
Net Operating Result before Capital Items	(17,480)	(6,342)	(3,793)	(27,615)	3,797	(23,818)	51,573

This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 31 December 2017 and should be read in conjunction with the total QBRs report

B: Quarterly Budget Review Statements

Mid-Coast Council		Quarterly Budget Review Statement for the period 01/10/17 to 31/12/17					
Capital Budget Review Statement							
Budget review for the quarter ended 31 December 2017							
Capital Budget - General Fund							
(\$000's)	Original Budget 2017/18	Carry Forwards	Sep QBRS	Revised Budget 2017/18	Variations for this Dec Qtr	Projected Year End Result	Actual YTD figures
Capital Expenditure							
New Assets							
- Plant & Equipment		1,049		1,049		1,049	8,773
- Land & Buildings		1,487		1,487	7,339	8,826	826
- Roads, Bridges, Footpaths			945	945		945	1,455
- Sporting Fields					1,455		80
- Other		1,493		1,493		1,493	
Renewal Assets (Replacement)							
- Plant & Equipment	6,649	374	18	7,041	42	7,083	1,271
- Land & Buildings	877	12,686	96	13,659		13,659	131
- Roads, Bridges, Footpaths	30,307	14,774	8,802	53,883	185	54,068	13,618
- Waste Services	2,600		155	2,755	(210)	2,545	1,269
- Library Books Office Equipment	502		(5)	497	(7)	490	148
- Computer Upgrades	224			224	2,174	2,398	2,235
- Parks & Recreation	670	346	90	1,106	(576)	530	643
Loan Repayments (Principal)	10,170			10,170		10,170	4,286
Transfer to Reserves	5,483		1,878	7,361	413	7,774	2,333
Other Expenditure	116	166	169	451	214	665	482
Total Capital Expenditure	57,598	32,375	12,148	102,121	11,029	111,695	37,550
Capital Funding							
Rates & Other Unified Funding	33,822		2,678	36,500	712	37,212	37,213
Capital Grants & Contributions	4,588	9,264	9,289	23,141	1,105	24,246	3,702
Reserves:							
- External Restrictions/Reserves	1,500	8,615	181	10,296	459	10,755	3,402
- Internal Restrictions/Reserves	12,606	9,301		21,907	2,174	24,081	2,449
Loans	2,382	3,600		5,982	6,579	12,561	
Receipts from Sale of Assets							
- Plant & Equipment	2,700	1,595		2,700		2,700	198
- Other Funding				1,595		1,595	
Total Capital Funding	57,598	32,375	12,148	102,121	11,029	113,150	46,964
Net Capital Funding - Surplus/(Deficit)	-	-	-	-	-	1,455	9,414

This statement forms part of Council's Quarterly Budget Review Statement (QBRS) for the quarter ended 31 December 2017 and should be read in conjunction with the local QBRS report.

C: Quarterly Budget Review Statements

Quarterly Budget Review Statement
for the period 01/10/17 to 31/12/17

Mid-Coast Council

Cash & Investments Budget Review Statement

Budget review for the quarter ended 31 December 2017

Cash & Investments - General Fund

(\$000's)	Balance 30-Jun-17	Restriction Movement Original Budget	Carry Forwards	Sep QBRs	Revised Budget	Variations for this Dec Qtr	Notes	Projected Usage 2017-18	Projected Year End Balance
Externally Restricted (1)									
Specific purpose unexpended loans - general	2,707		(2,195)		(2,195)	500		(1,695)	1,012
Subdivision bonds	2,829								2,829
Sundry bonds and deposits	804								804
Other sale of land, planning guarantee and relocation	186								186
Developer contributions - general	13,671	1,369	(1,859)		(490)	(400)		(890)	12,781
Specific purpose unexpended grants	10,431	(4,892)	(4,886)	6	(4,886)	(18)		(4,904)	5,527
Domestic waste management	26,575	(264)	(354)	273	(345)	(372)		(717)	25,858
Stormwater management	1,649	(310)	(746)	(181)	(1,237)	(60)		(1,297)	352
RMS - Coopersook entrance	517	(517)			(517)			(517)	-
Environmental Levy	2,886	(72)	(1,784)	272	(1,584)	303		(1,281)	1,605
RMS - compensatory habitat	2			(2)	(2)			(2)	-
RMS - Moorland/Herrons Ck- long term project	1,015	(1,015)			(1,015)			(1,015)	-
Crown Lands Act - Section 106 (boat harbour)	23	16		(4)	12	3		15	38
Other contributions to works	837	(266)			(266)			(266)	837
ARTC rail crossing	787								521
Cattai wetlands environmental trust	440	13			13			13	453
Nabiac Showground	26								26
Other	563	9		(5)	4	(5)		(1)	562
SRV Infrastructure				1,628	1,628	126		1,754	1,754
Total Externally Restricted	65,948	(1,037)	(11,830)	1,987	(10,880)	77		(10,803)	55,145
(1) Funds that must be spent for a specific purpose									
Internally Restricted (2)									
Plant and Vehicle Replacement	5,995	(396)			(396)			(396)	5,599
Employees Leave Entitlement	5,291								5,291
Carry Over Works	8,133	188	(7,426)		(7,238)	37		(7,201)	932
Aquatic Centre	355	55		129	184			184	539
Bulohdelah Court House	16		(16)		(16)			(16)	-
Commercial Waste	4,030	(418)	(150)	(40)	(608)			(608)	3,422
Cemetery Reserve	32								32
Election	612	(424)			(424)			(424)	188
Emergency Management	92								92
Forster/Tuncurry Crown Harbour and Foreshore	46			49	53	490		49	95
Future Land Development	226	53			53			543	769
Information Technology	1,211	372	(40)	108	480			480	1,691
Insurance	265	(40)	(452)		(452)			(452)	185
Jimmys Beach Foreshore Protection	452								-
Lake Street Carparking	190	49		11	60	(1)		59	249
On-Site Sewerage Management	0	91	(2)		89	25		114	114
Pacific Palms Community Centre	48	8			8			8	56
Private Memorials	9								9
Quarantine Reserve	4,757	(100)			(100)			(100)	4,657

This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 30 September 2017 and should be read in conjunction with the total QBRs report

for the period 01/10/17 to 31/12/17

Cash & Investments Budget Review Statement

Budget review for the quarter ended 31 December 2017

Cash & Investments - General Fund

(\$000's)	Balance 30-Jun-17	Restriction Movement		Sep QBRs	Revised Budget	Variations for this Dec Qtr	Notes	Projected Usage 2017-18	Projected Year End Balance
		Original Budget	Carry Forwards						
Swimming Pool Inspection Reserve	60								60
State Roads	811								811
Tuncurry Parks Nursery	1								1
Crown Reserve Adjacent Caravan Parks	229								229
Aquatic Centre Equipment	77	40	(43)	(18)	22			22	99
Asset Management Plans	43	498	(1,500)		(43)			(43)	-
Economic Development	2,449	40			(1,002)			(1,002)	1,447
Tuncurry Supermarket Sinking Fund	200	40			40			40	240
LIRS reserve	1,917	(430)			(430)			(430)	1,487
Workers Compensation Premium Reserve	949								949
Organisational Development Reserve	9								9
Bulahdelah Mountain Park	330	(66)			(66)			(66)	264
Bulahdelah Way	1,650	(265)	(931)		(1,196)			(1,196)	454
Library IT reserve	68	10	(10)						68
Merger Implementation	3,074	(2,500)			(2,500)	(204)		(2,704)	370
Stronger Communities	14,930	(8,230)			(8,230)	357		(7,873)	7,057
Merger Savings	1,970	(1,970)			(1,970)			(1,970)	-
All Abilities Park	150								150
Sporting Field Upgrade & Development	110								110
Capital Works Reserve	147								147
Cemetery Development	113								113
Coastal Erosion Reserve	52								52
Council Restricted Funds	143								143
Harrington Waters Marina	141	8			8			8	149
Planning Projects	148	(10)			(10)			(10)	138
Property Reserve	229	600			600			600	829
Streetlighting	615								615
FAG in advance	8,579			(8,579)	(8,579)			(8,579)	-
Other	1,220	(409)	(512)		(921)			(921)	299
Total Internally Restricted	72,174	(13,080)	(11,248)	(8,340)	(32,668)	704		(31,964)	40,210
Unrestricted (ie. available after the above Restrictions)	0	-	-	-	-	-		-	-
Total Cash & Investments	138,122	(14,117)	(23,078)	(8,353)	(43,548)	781	0	(42,767)	95,355

This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 30 September 2017 and should be read in conjunction with the total QBRs report.

D: Quarterly Budget Review Statements

Mid-Coast Council		Quarterly Budget Review Statement for the period 01/10/17 to 31/12/17				
Contracts Budget Review Statement						
Budget review for the quarter ended 31 December 2017						
Part A - Contracts Listing - contracts entered into during the quarter						
Contractor	Contract detail & purpose	Contract Value	Start Date	Duration of Contract	Budgeted (Y/N)	Notes
Mavin Hino	Hino 717 Long Truck- Parks section	\$ 74,443.37	25/10/17		Y	
Austrroads Systems Pty Ltd	Horizontal Discharge Road Patching Unit	\$ 370,870.00			Y	
Newcastle Mower Superstore	Replacement of 5 Mowers	\$ 166,655.00			Y	
Mavin Hino	Replacement of 6 Trucks	\$ 717,724.00			Y	
STOWE AUSTRALIA PTY LIMITED	Tender, electrical works for the Nabiac Water Scheme	\$ 848,419.55	13/10/17	8 Months	Y	
MIDCOAST SWITCHBOARDS	Quotation, electrical works for the Nabiac Water Scheme	\$ 66,946.00	06/12/17	6 Months	Y	
PROMINENT FLUID CONTROLS PTY LIMITED	Quotation, treatment dosing equipment for Sroud Water Treatment Works	\$ 96,257.70	12/12/17	6 Months	Y	
Ranbuilt Taree	Awning & preparation work - Material Recycling Facility Tip Rd Tuncurry	\$ 113,262.00	02/11/17		Y	

This statement forms part of Councils Quarterly Budget Review Statement (QBRSS) for the quarter ended xxx/xx/xx and should be read in conjunction with the total QBRSS report.

Mid-Coast Council

Quarterly Budget Review Statement
for the period 01/10/17 to 31/12/17

Consultancy & Legal Expenses Budget Review Statement

Consultancy & Legal Expenses Overview

Expense	YTD Expenditure (Actual Dollars)	Budgeted (Y/N)
Consultancies	1,133,526	Y
Legal Fees	136,515	Y

Definition of a consultant:

A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision making by management. Generally it is the advisory nature of the work that differentiates a consultant from other contractors.

7 INVESTMENTS REPORT - DECEMBER 2017

Report Author Phil Brennan, Manager Finance

File No. / ECM Index Investments - Monthly Reports

Date of Meeting 28 February 2018

SUMMARY OF REPORT

This report provides details of the funds invested by Mid-Coast Council under section 625 of the Local Government Act 1993 as required by clause 212 of the Local Government (General) Regulation 2005.

SUMMARY OF RECOMMENDATION

That the report be received and noted.

FINANCIAL/RESOURCE IMPLICATIONS

Nil.

LEGAL IMPLICATIONS

A monthly report on Investments made and held by Council together with a statement by Council's Responsible Accounting Officer is required by legislation.

BACKGROUND

Section 625 of the Local Government Act 1993 permits a Council to invest money that is not, for the time being, required for any other purpose. This money may only be invested in a form of investment that has been notified in an Order by the Minister for Local Government.

Clause 212 of the Local Government (General) Regulation 2005 requires that the Responsible Accounting Officer of Council must provide Council with a written report setting out all money invested under section 625 of the Local Government Act, at the last day of the month immediately preceding the meeting. It also requires that the Responsible Accounting Officer must include a certificate as to whether or not the investments have been made in accordance with the Act, Regulations and Policies. This Certificate is included as Annexure A.

DISCUSSION

At 31 December 2017 Council had \$165,794,795 in invested funds with financial institutions.

Those funds were held by the former offices as set out below:

Office	Amount Invested
Gloucester Office	\$3,500,000
Taree Office	\$39,100,000
Forster Office	\$83,106,311
Water Division - Sewer Funds	\$32,884,745
Water Division - Water Funds	\$7,203,739
Total	\$165,794,795

The Investment Policy requires a report on the following matters:

1. *Details of each investment* - these details are shown in Annexure B to this report. That report provides the following detail for each investment held by Council:

Investment Date, Interest Rate, Security Type, Duration, Amount Invested, Maturity Date, Counter Party (who holds the investment), Credit Rating

2. *Counterparty Holdings*

The Policy provides for the following Counterparty Limits (maximum amount to be held with any one institution):

Credit Rating	Individual % of Portfolio	Estimated \$ Limit
AAA / A-1	20%	\$30 Million
AA / A-1	20%	\$30 Million
A / A-1 & A / A-2	13%	\$20 Million
BBB / A-2	7%	\$10 Million
Unrated	1.3%	\$2 Million

The position at 31 December 2017 with respect to Counterparty compliance is as follows:

Counterparty	Rating	Amount Invested	% Invested	Max % Limit	Comply (Y / N)
NSWTC ICM CF	AAA	\$6,591,625	3.98%	20.00%	Y
ANZ Bank	AA-	\$1,500,303	0.90%	20.00%	Y
Commonwealth Bank	AA-	\$13,523,757	8.16%	20.00%	Y
BankWest	AA-	\$15,400,000	9.30%	20.00%	Y
NAB	AA-	\$32,900,000	19.84%	20.00%	Y
Westpac	AA-	\$4,066,621	2.45%	20.00%	Y
Rabobank	A+	\$1,000,000	0.60%	13.00%	Y
Suncorp-Metway	A+	\$6,400,000	3.86%	13.00%	Y
AMP Bank	A	\$3,250,000	1.96%	13.00%	Y
Credit Suisse AG	A	\$1,000,000	0.60%	13.00%	Y
ING Bank	A	\$3,000,000	1.81%	13.00%	Y
Macquarie Bank	A	\$1,000,000	0.60%	13.00%	Y
Bank of Queensland	BBB+	\$13,250,000	7.99%	7.00%	N
Bendigo - Adelaide (Rural) Bank	BBB+	\$6,500,000	3.92%	7.00%	Y
People's Choice Credit Union	BBB	\$4,000,000	2.41%	7.00%	Y
Beyond Bank	BBB	\$6,200,000	3.74%	7.00%	Y
Bank Australia	BBB	\$6,000,000	3.62%	7.00%	Y
Greater Bank	BBB	\$8,012,489	4.83%	7.00%	Y

Counterparty	Rating	Amount Invested	% Invested	Max % Limit	Comply (Y / N)
Defence Bank	BBB	\$3,000,000	1.81%	7.00%	Y
Credit Union Australia	BBB	\$1,750,000	1.06%	7.00%	Y
IMB Bank	BBB	\$10,200,000	6.15%	7.00%	Y
Newcastle Permanent	BBB	\$500,000	0.30%	7.00%	Y
Members Equity Bank	BBB	\$5,000,000	3.02%	7.00%	Y
MyState Bank	BBB	\$6,500,000	3.92%	7.00%	Y
Teachers Mutual Bank	BBB	\$500,000	0.30%	7.00%	Y
Auswide Bank	BBB-	\$2,500,000	1.51%	7.00%	Y
Bank of Sydney	Unrated	\$250,000	0.15%	1.30%	Y
Police Credit Union SA	Unrated	\$2,000,000	1.21%	1.30%	Y
Total		\$165,794,795	100.00%		

As identified in the table above, Council is in excess of the counterparty limit in respect of Bank of Queensland. During December it reduced its holdings in Members Equity Bank and Police Credit Union SA as investments with these institutions matured and is now within the required limits for those institutions.

3. Dissection based on Maturity Horizon

The policy classifies investments with a maturity shorter than 1 year as short term investments with those greater than 1 year as long term investments. This is based on the term of the initial investment not the remaining period to maturity at the date of the report.

The current positioning of the portfolio is as follows:

Investment Maturity	Amount	% of Portfolio	Policy Limits
Short Term - 1 year or less	\$143,044,795	86.28%	60% - 100%
Long Term - Greater than 1 year	\$22,750,000	13.72%	0% - 40%

4. Portfolio by Credit Rating

The table below shows the diversification of the portfolio by credit rating:

Credit Rating	Amount	% of Portfolio	Policy Limits
AAA Category	\$6,591,625	3.98%	20%
AA Category	\$67,390,681	40.65%	80%
A Category	\$15,650,000	9.44%	80%
BBB Category	\$73,912,489	44.57%	65%
Unrated ADIs	\$2,250,000	1.36%	4%
Total	\$165,794,795	100.00%	

Council is within policy limits for all credit ratings at the end of December.

5. Benchmarking across the Investment Horizon

The following shows the weighted average yield at the end of December across the various investment horizons, as indicated in the Investment Policy.

Investment Horizon	Amount Invested	Expected Min. Return Range	Expected Min Return %	Council's Wgt Avg. Yield	Council's Wgt Avg. Duration
On Call	\$9,660,746	Cash Rate	1.50%	1.73%	0
0 - 3 mths	\$70,412,489	BBI + 40-50bp	2.15%	2.52	46
3 - 6 mths	\$47,471,560	BBI + 50-70 bp	2.30%	2.54%	129
6 - 12 mths	\$15,500,000	BBI + 70-90bp	2.50%	2.63%	230
1 - 2 yrs	\$6,000,000	BBI + 90-100bp	2.65%	3.05%	621
Greater	\$16,750,000	BBI + 100bp	2.70%	3.04%	979
Council's Portfolio	\$165,794,795		2.44%	2.55%	197

Generally Council's investment portfolio remains well spread across institutions, ratings and maturities given the competing demands to manage operational cashflow across 4 offices while achieving a reasonable return on funds under investment. Council's aggregated position has generally been conservative and there is some capacity to achieve higher returns through the consolidation and management of the entire portfolio and a move into longer dated investments.

RECOMMENDATION

That the report be received and noted.

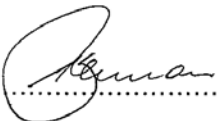
ANNEXURES

A: Responsible Accounting Officer's Certificate

Investment Certificate

In accordance with the provisions of the Local Government (General) Regulations, Part 9 Division 5 Clause 212, I certify that Council's Investments have been made in accordance with the Local Government Act 1993, Regulations and Council's Investment Policy.

This certificate is to be read in conjunction with the Investment Report and Annexures for the month of December 2017.



.....

Phil Brennan
Responsible Accounting Officer
15 February 2018

B: Mid-Coast Council Investments at 31 December 2017

Investment Date	Interest Rate	Security Type	Duration	Amount Invested	Maturity Date	Held With	Credit Rating
Financial Securities as at 31 December 2017							
FORSTER OFFICE INVESTMENTS							
<u>Floating Rate Notes</u>							
24/06/2014	BBSW +110	FRN		\$1,000,000.00	24/06/2019	Bank of Queensland Ltd	BBB / A-2
27/11/2013	BBSW +1.30	FRN		\$1,000,000.00	27/11/2018	Bendigo & Adelaide	BBB+ / A-2
18/08/2015	BBSW+110	FRN		\$1,000,000.00	18/08/2020	Bendigo & Adelaide	BBB+ / A-2
28/01/2016	BBSW +115	FRN		\$1,000,000.00	18/01/2021	Commonwealth Bank	AA- / A-1+
9/03/2016	BBSW +195	FRN		\$1,000,000.00	9/03/2021	Credit Suisse	A / A-1
20/03/2017	BBSW +130	FRN		\$750,000.00	20/03/2020	CUA	BBB / A-2
9/08/2016	BBSW+152	FRN		\$1,000,000.00	7/06/2019	Greater Bank	BBB / A-2
30/08/2016	BBSW+155	FRN		\$1,500,000.00	30/08/2019	Greater Bank	BBB / A-2
24/02/2017	BBSW +145	FRN		\$1,000,000.00	24/02/2020	Greater Bank	BBB / A-2
2/06/2017	BBSW +140	FRN		\$1,000,000.00	29/05/2020	Greater Bank	BBB / A-2
7/07/2015	BBSW+110	FRN		\$1,000,000.00	3/03/2020	Macquarie Bank	A / A-1
31/08/2017	BBSW +125	FRN		\$2,000,000.00	6/04/2020	Members Equity Bank Pty Ltd	BBB / A-2
5/11/2015	BBSW+108	FRN		\$1,000,000.00	5/11/2020	NAB	AA- / A-1+
26/02/2015	BBSW+110	FRN		\$500,000.00	27/02/2018	Newcastle Permanent	BBB / A-2
4/03/2016	BBSW + 150	FRN		\$1,000,000.00	4/03/2021	Rabobank	A+ / A-1
20/10/2015	BBSW +125	FRN		\$1,000,000.00	20/10/2020	Suncorp Metway	A+ / A-1
28/10/2016	BBSW+140	FRN		\$500,000.00	28/10/2019	Teachers Mutual Bank	BBB / A-2
				\$18,250,000.00			
<u>Floating Rate Notes</u>							
<u>Floating Term Deposits</u>							
19/02/2015	BBSW + 95	FTD		\$1,000,000.00	21/02/2020	ING	A / A-1
11/12/2014	BBSW + 106	FTD		\$1,000,000.00	11/12/2019	NAB	AA- / A-1+
11/12/2014	BBSW + 106	FTD		\$1,000,000.00	11/12/2019	NAB	AA- / A-1+
1/12/2015	BBSW + 120	FTD		\$1,000,000.00	1/12/2020	Westpac Bank	AA- / A-1+
				\$4,000,000.00			
<u>On Call Bank Accounts</u>							
31/12/2017	1.4000%	On call		\$2,196.72		Commonwealth Bank	AA- / A-1+
31/12/2017	2.1100%	On call		\$6,591,625.47		T-Corp	AAA / A-1+
				\$6,593,822.19			
<u>Term Deposits</u>							
22/08/2017	2.5500%	Term Deposit	177	\$1,000,000.00	15/02/2018	AMP	A / A-1
25/08/2017	2.6000%	Term Deposit	272	\$1,000,000.00	24/05/2018	AMP	A / A-1
21/09/2017	2.6000%	Term Deposit	354	\$1,250,000.00	20/09/2018	AMP	A / A-1
12/10/2017	2.6000%	Term Deposit	182	\$1,500,000.00	12/04/2018	Auswide Bank	BBB- / A-3
14/06/2017	2.8000%	Term Deposit	211	\$1,000,000.00	11/01/2018	Bank Australia	BBB / A-2
2/06/2017	2.8000%	Term Deposit	230	\$2,000,000.00	18/01/2018	Bank Australia	BBB / A-2

26/10/2017	2.5600%	Term Deposit	189	\$1,000,000.00	3/05/2018	Bank Australia	BBB / A-2
6/07/2017	2.6000%	Term Deposit	210	\$1,000,000.00	1/02/2018	Bank of Queensland Ltd	BBB / A-2
5/12/2017	2.5700%	Term Deposit	197	\$1,000,000.00	20/06/2018	Bank of Queensland Ltd	BBB / A-2
7/09/2017	2.5000%	Term Deposit	196	\$1,000,000.00	22/03/2018	Beyond Bank	BBB / A-2
7/09/2017	2.5000%	Term Deposit	217	\$1,500,000.00	12/04/2018	Commonwealth Bank	AA- / A-1+
21/09/2017	2.6000%	Term Deposit	273	\$1,000,000.00	21/06/2018	Commonwealth Bank	AA- / A-1+
30/11/2017	2.5000%	Term Deposit	182	\$1,000,000.00	31/05/2018	CUA	BBB / A-2
16/11/2017	2.6500%	Term Deposit	181	\$1,000,000.00	16/05/2018	Defence Bank	BBB / A-2
14/06/2017	2.7200%	Term Deposit	203	\$1,000,000.00	24/01/2018	Defence Bank	BBB / A-2
15/06/2017	2.8500%	Term Deposit	364	\$1,500,000.00	4/01/2018	Greater Bank	BBB / A-2
21/09/2017	2.6500%	Term Deposit	210	\$1,000,000.00	20/09/2018	ING	A / A-1
13/07/2017	2.6000%	Term Deposit	210	\$1,000,000.00	8/02/2018	Members Equity Bank Pty Ltd	BBB / A-2
22/08/2017	2.6000%	Term Deposit	261	\$1,000,000.00	10/05/2018	Members Equity Bank Pty Ltd	BBB / A-2
17/08/2017	2.6000%	Term Deposit	273	\$1,000,000.00	17/05/2018	Members Equity Bank Pty Ltd	BBB / A-2
7/09/2017	2.5700%	Term Deposit	210	\$1,500,000.00	5/04/2018	My State Bank	BBB / A-2
21/1/2017	2.5500%	Term Deposit	210	\$1,000,000.00	31/05/2018	My State Bank	BBB / A-2
7/12/2017	2.6000%	Term Deposit	210	\$1,000,000.00	5/07/2018	My State Bank	BBB / A-2
30/08/2017	2.6500%	Term Deposit	365	\$1,000,000.00	30/08/2018	My State Bank	BBB / A-2
25/08/2017	2.5200%	Term Deposit	181	\$1,000,000.00	22/02/2018	NAB	AA- / A-1+
25/08/2017	2.5200%	Term Deposit	188	\$1,000,000.00	1/03/2018	NAB	AA- / A-1+
31/08/2017	2.5500%	Term Deposit	189	\$1,000,000.00	8/03/2018	NAB	AA- / A-1+
31/08/2017	2.5500%	Term Deposit	196	\$1,000,000.00	15/03/2018	NAB	AA- / A-1+
7/12/2017	2.6100%	Term Deposit	217	\$1,000,000.00	12/07/2018	People's Choice Credit Union	BBB / A-2
7/12/2017	2.6100%	Term Deposit	224	\$1,000,000.00	19/07/2018	People's Choice Credit Union	BBB / A-2
14/12/2017	2.5300%	Term Deposit	182	\$1,000,000.00	14/06/2018	Police Credit Union SA	Unrated
7/09/2017	2.5500%	Term Deposit	203	\$1,000,000.00	29/03/2018	Rural Bank	BBB+ / A-2
28/09/2017	2.5500%	Term Deposit	210	\$1,000,000.00	26/04/2018	Suncorp Metway	A+ / A-1
5/12/2017	2.6100%	Term Deposit	184	\$1,000,000.00	7/06/2018	Suncorp Metway	A+ / A-1
5/12/2017	2.6100%	Term Deposit	191	\$1,000,000.00	14/06/2018	Suncorp Metway	A+ / A-1
5/12/2017	2.6100%	Term Deposit	204	\$1,000,000.00	27/06/2018	Suncorp Metway	A+ / A-1
		Term Deposits		\$39,250,000.00			
Stronger Communities Investments							
12/10/2017	2.6700%	Term Deposit	371	\$1,000,000.00	18/10/2018	Auswide Bank	BBB- / A-3
15/06/2017	2.8000%	Term Deposit	245	\$1,000,000.00	15/02/2018	Bank Australia	BBB / A-2
27/11/2017	2.6500%	Term Deposit	185	\$1,000,000.00	31/05/2018	Bank Australia	BBB / A-2
27/06/2016	BBSW+148	FRN		\$1,000,000.00	18/05/2021	Bank of Queensland Ltd	BBB / A-2
7/09/2017	2.5000%	Term Deposit	182	\$1,000,000.00	8/03/2018	Beyond Bank	BBB / A-2
14/06/2017	2.7300%	Term Deposit	239	\$1,000,000.00	8/02/2018	Beyond Bank	BBB / A-2
28/09/2017	2.5700%	Term Deposit	273	\$1,000,000.00	28/06/2018	Commonwealth Bank	AA- / A-1+
14/12/2017	2.3000%	Term Deposit	21	\$1,012,488.77	4/01/2018	Greater Bank	BBB / A-2
21/09/2017	2.6500%	Term Deposit	371	\$2,000,000.00	27/09/2018	ING	A / A-1
29/06/2017	2.7500%	Term Deposit	189	\$2,000,000.00	4/01/2018	My State Bank	BBB / A-2
14/06/2017	2.7000%	Term Deposit	232	\$1,000,000.00	1/02/2018	Rural Bank	BBB+ / A-2
				\$12,012,488.77			

<u>Implementation Funds Investments</u>		FRN				
27/06/2016	BBSW+148	Term Deposit	363	\$1,000,000.00	18/05/2021	Bank of Queensland Ltd
27/10/2017	2.7800%	Term Deposit	182	\$1,000,000.00	25/10/2018	Defence Bank
21/12/2017	2.6500%	Term Deposit		\$1,000,000.00	21/06/2018	Police Credit Union SA
				<u>\$3,000,000.00</u>		BBB / A-2 BBB / A-2 Unrated
				<u>\$83,106,310.96</u>		

TOTAL FORSTER OFFICE INVESTMENTS

GLOUCESTER OFFICE INVESTMENTS

<u>Term Deposits</u>						
14/09/2017	2.5000%	Term Deposit	209	\$1,000,000.00	11/04/2018	Commonwealth Bank
3/10/2017	2.4000%	Term Deposit	91	\$500,000.00	2/01/2018	ANZ Bank
13/10/2017	2.4000%	Term Deposit	88	\$1,000,000.00	9/01/2018	ANZ Bank
25/10/2017	2.5500%	Term Deposit	181	\$500,000.00	24/04/2018	Beyond Bank
9/11/2017	2.5500%	Term Deposit	180	\$250,000.00	8/05/2018	Bank of Sydney
21/11/2017	2.5500%	Term Deposit	231	\$250,000.00	10/07/2018	Bank of Queensland Ltd
				<u>\$3,500,000.00</u>		
				<u>\$3,500,000.00</u>		

TOTAL GLOUCESTER OFFICE INVESTMENTS

TAREE OFFICE INVESTMENTS

<u>Term Deposits</u>						
13/09/2017	2.4000%	Term Deposit	112	\$1,000,000.00	3/01/2018	Beyond Bank
13/09/2017	2.4000%	Term Deposit	112	\$1,200,000.00	3/01/2018	IMB Bank
13/09/2017	2.4000%	Term Deposit	119	\$700,000.00	10/01/2018	Beyond Bank
21/09/2017	2.5000%	Term Deposit	118	\$2,000,000.00	17/01/2018	BankWest
28/09/2017	2.5000%	Term Deposit	118	\$1,500,000.00	24/01/2018	BankWest
21/09/2017	2.5000%	Term Deposit	181	\$1,400,000.00	21/03/2018	Suncorp Metway
9/10/2017	2.4500%	Term Deposit	125	\$1,400,000.00	7/02/2018	BankWest
9/10/2017	2.4500%	Term Deposit	118	\$2,000,000.00	31/01/2018	BankWest
12/10/2017	2.4500%	Term Deposit	132	\$2,500,000.00	21/02/2018	BankWest
12/10/2017	2.4500%	Term Deposit	125	\$2,000,000.00	14/02/2018	BankWest
19/10/2017	2.4500%	Term Deposit	132	\$1,500,000.00	28/02/2018	BankWest
22/11/2017	2.4700%	Term Deposit	98	\$1,000,000.00	28/02/2018	NAB
22/11/2017	2.2400%	Term Deposit	77	\$1,000,000.00	7/02/2018	NAB
22/11/2017	2.2400%	Term Deposit	49	\$2,000,000.00	10/01/2018	NAB
22/11/2017	2.4700%	Term Deposit	105	\$1,500,000.00	7/03/2018	NAB
29/11/2017	2.4600%	Term Deposit	98	\$1,300,000.00	7/03/2018	NAB
29/11/2017	2.4000%	Term Deposit	91	\$1,000,000.00	28/02/2018	Beyond Bank
1/12/2017	2.4500%	Term Deposit	103	\$1,500,000.00	14/03/2018	NAB
5/12/2017	2.4500%	Term Deposit	113	\$1,200,000.00	28/03/2018	NAB
5/12/2017	2.4500%	Term Deposit	113	\$1,200,000.00	28/03/2018	NAB

6/12/2017	2.4600%	Term Deposit	98	\$1,500,000.00	14/03/2018	NAB	AA-/A-1+
6/12/2017	2.4500%	Term Deposit	119	\$2,000,000.00	4/04/2018	IMB Bank	BBB/A-2
13/12/2017	2.4500%	Term Deposit	98	\$2,000,000.00	2/03/2018	NAB	AA-/A-1+
14/12/2017	2.4600%	Term Deposit	111	\$1,500,000.00	4/04/2018	NAB	AA-/A-1+
20/12/2017	2.4500%	Term Deposit	119	\$2,000,000.00	18/04/2018	IMB Bank	BBB/A-2
21/12/2017	2.4600%	Term Deposit	111	\$1,200,000.00	11/04/2018	NAB	AA-/A-1+
				Term Deposits			
				\$35,100,000.00			

TOTAL TAREE OFFICE INVESTMENTS

\$35,100,000.00

WATER SERVICES DIVISION INVESTMENTS

Term Deposits							
31/07/2017	2.5500%	Term Deposit	184	\$3,000,000.00	31/01/2018	Bank of Queensland Ltd	BBB/A-2
31/08/2017	2.5100%	Term Deposit	133	\$2,000,000.00	11/01/2018	NAB	AA-/A-1+
31/08/2017	2.5300%	Term Deposit	168	\$3,000,000.00	15/02/2018	NAB	AA-/A-1+
31/08/2017	2.5500%	Term Deposit	189	\$2,000,000.00	8/03/2018	NAB	AA-/A-1+
31/08/2017	2.5500%	Term Deposit	203	\$2,000,000.00	22/03/2018	NAB	AA-/A-1+
21/09/2017	2.5000%	Term Deposit	195	\$2,000,000.00	4/04/2018	People's Choice Credit Union	BBB/A-2
29/09/2017	2.5100%	Term Deposit	209	\$2,000,000.00	26/04/2018	Commonwealth Bank	AA-/A-1+
29/09/2017	2.5100%	Term Deposit	216	\$3,000,000.00	3/05/2018	Commonwealth Bank	AA-/A-1+
28/09/2017	2.5100%	Term Deposit	218	\$3,021,560.00	4/05/2018	Commonwealth Bank	AA-/A-1+
31/10/2017	2.5600%	Term Deposit	171	\$2,500,000.00	20/04/2018	Rural Bank	BBB+/A-2
6/11/2017	2.5100%	Term Deposit	135	\$2,500,000.00	21/03/2018	BankWest	AA-/A-1+
20/11/2017	2.5000%	Term Deposit	184	\$2,500,000.00	23/05/2018	IMB Bank	BBB/A-2
20/11/2017	2.5000%	Term Deposit	226	\$2,500,000.00	4/07/2018	IMB Bank	BBB/A-2
20/12/2017	2.5800%	Term Deposit	196	\$2,500,000.00	4/07/2018	Bank of Queensland Ltd	BBB/A-2
22/12/2017	2.6200%	Term Deposit	180	\$2,500,000.00	20/06/2018	Bank of Queensland Ltd	BBB/A-2
				Term Deposits			
				\$37,021,560.00			

At Call Bank Accounts

31/10/2017		At Call		\$303.00		ANZ Bank	AA-/A-1+
31/10/2017	1.2300%	At Call		\$1,884,745.38		Westpac Bank	AA-/A-1+
31/10/2017	1.2300%	At Call		\$1,181,875.79		Westpac Bank	AA-/A-1+
				At Call Deposits			
				\$3,066,924.17			

TOTAL WATER SERVICES DIVISION INVESTMENTS

\$40,088,484.17

TOTAL MID-COAST COUNCIL INVESTMENTS

\$165,794,795.13

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8 INVESTMENTS REPORT - JANUARY 2018

Report Author Phil Brennan, Manager Finance

File No. / ECM Index Investments - Monthly Reports

Date of Meeting 28 February 2018

SUMMARY OF REPORT

This report provides details of the funds invested by Mid-Coast Council under section 625 of the Local Government Act 1993 as required by clause 212 of the Local Government (General) Regulation 2005.

SUMMARY OF RECOMMENDATION

That the report be received and noted.

FINANCIAL/RESOURCE IMPLICATIONS

Nil.

LEGAL IMPLICATIONS

A monthly report on Investments made and held by Council together with a statement by Council's Responsible Accounting Officer is required by legislation.

BACKGROUND

Section 625 of the Local Government Act 1993 permits a Council to invest money that is not, for the time being, required for any other purpose. This money may only be invested in a form of investment that has been notified in an Order by the Minister for Local Government.

Clause 212 of the Local Government (General) Regulation 2005 requires that the Responsible Accounting Officer of Council must provide Council with a written report setting out all money invested under section 625 of the Local Government Act, at the last day of the month immediately preceding the meeting. It also requires that the Responsible Accounting Officer must include a certificate as to whether or not the investments have been made in accordance with the Act, Regulations and Policies. This Certificate is included as Annexure A.

DISCUSSION

At 31 January 2018 Council had \$163,798,006 in invested funds with financial institutions.

Those funds were held by the former offices as set out below:

Office	Amount Invested
Gloucester Office	\$3,000,000
Taree Office	\$36,300,000
Forster Office	\$81,105,843
Water Division - Sewer Funds	\$36,187,006
Water Division - Water Funds	\$7,205,157
Total	\$163,798,006

The Investment Policy requires a report on the following matters:

1. *Details of each investment* - these details are shown in Annexure B to this report. That report provides the following detail for each investment held by Council:

Investment Date, Interest Rate, Security Type, Duration, Amount Invested, Maturity Date, Counter Party (who holds the investment), Credit Rating

2. *Counterparty Holdings*

The Policy provides for the following Counterparty Limits (maximum amount to be held with any one institution):

Credit Rating	Individual % of Portfolio	Estimated \$ Limit
AAA / A-1	20%	\$30 Million
AA / A-1	20%	\$30 Million
A / A-1 & A / A-2	13%	\$20 Million
BBB / A-2	7%	\$10 Million
Unrated	1.3%	\$2 Million

The position at 31 January 2018 with respect to Counterparty compliance is as follows:

Counterparty	Rating	Amount Invested	% Invested	Max % Limit	Comply (Y / N)
NSWTC ICM CF	AAA	\$6,603,646	4.03%	20.00%	Y
ANZ Bank	AA-	\$303	0.00%	20.00%	Y
Commonwealth Bank	AA-	\$13,523,757	8.26%	20.00%	Y
BankWest	AA-	\$13,400,000	8.18%	20.00%	Y
NAB	AA-	\$32,100,000	19.60%	20.00%	Y
Westpac	AA-	\$3,370,300	2.06%	20.00%	Y
Rabobank	A+	\$1,000,000	0.61%	13.00%	Y
Suncorp-Metway	A+	\$6,400,000	3.91%	13.00%	Y
AMP Bank	A	\$3,250,000	1.98%	13.00%	Y
Credit Suisse AG	A	\$1,000,000	0.61%	13.00%	Y
ING Bank	A	\$5,000,000	3.05%	13.00%	Y
Macquarie Bank	A	\$1,000,000	0.61%	13.00%	Y
Bank of Queensland	BBB+	\$14,250,000	8.70%	7.00%	N
Bendigo - Adelaide (Rural) Bank	BBB+	\$6,500,000	3.97%	7.00%	Y
People's Choice Credit Union	BBB	\$4,000,000	2.44%	7.00%	Y
Beyond Bank	BBB	\$6,200,000	3.79%	7.00%	Y
Bank Australia	BBB	\$3,000,000	1.83%	7.00%	Y
Greater Bank	BBB	\$10,000,000	6.11%	7.00%	Y

Counterparty	Rating	Amount Invested	% Invested	Max % Limit	Comply (Y / N)
Defence Bank	BBB	\$3,000,000	1.83%	7.00%	Y
Credit Union Australia	BBB	\$1,750,000	1.07%	7.00%	Y
IMB Bank	BBB	\$10,200,000	6.23%	7.00%	Y
Newcastle Permanent	BBB	\$500,000	0.30%	7.00%	Y
Members Equity Bank	BBB	\$8,000,000	4.88%	7.00%	Y
MyState Bank	BBB	\$4,500,000	2.75%	7.00%	Y
Teachers Mutual Bank	BBB	\$500,000	0.30%	7.00%	Y
Auswide Bank	BBB-	\$2,500,000	1.53%	7.00%	Y
Bank of Sydney	Unrated	\$250,000	0.15%	1.30%	Y
Police Credit Union SA	Unrated	\$2,000,000	1.22%	1.30%	Y
Total		\$163,798,006	100.00%		

As identified in the table above, Council is in excess of the counterparty limit in respect of Bank of Queensland and is near its limit in NAB. Strict instructions have been given that no additional funds will be placed with either of these counterparties while they remain in excess of the adopted limits. One maturity with Bank of Queensland during February has already been redeemed. Further action will be taken to reduce the Bank of Queensland holdings prior to maturity to return this holding to within policy limits given that there have been 2 months of non-compliance due to the purchase of additional investments during the reported periods.

3. Dissection based on Maturity Horizon

The policy classifies investments with a maturity shorter than 1 year as short term investments with those greater than 1 year as long term investments. This is based on the term of the initial investment not the remaining period to maturity at the date of the report.

The current positioning of the portfolio is as follows:

Investment Maturity	Amount	% of Portfolio	Policy Limits
Short Term - 1 year or less	\$139,048,006	84.89%	60% - 100%
Long Term - Greater than 1 year	\$24,750,000	15.11%	0% - 40%

4. Portfolio by Credit Rating

The table below shows the diversification of the portfolio by credit rating:

Credit Rating	Amount	% of Portfolio	Policy Limits
AAA Category	\$6,603,646	4.03%	20%
AA Category	\$62,394,360	38.09%	80%
A Category	\$17,650,000	10.78%	80%
BBB Category	\$74,900,000	45.73%	65%
Unrated ADIs	\$2,250,000	1.37%	4%
Total	\$163,798,006	100.00%	

Council is within policy limits for all credit ratings at the end of January 2018.

5. Benchmarking across the Investment Horizon

The following shows the weighted average yield at the end of January across the various investment horizons, as indicated in the Investment Policy.

Investment Horizon	Amount Invested	Expected Min. Return Range	Expected Min Return %	Council's Wgt Avg. Yield	Council's Wgt Avg. Duration
On Call	\$8,976,446	Cash Rate	1.50%	1.74%	0
0 - 3 mths	\$69,300,000	BBI + 40-50bp	2.30%	2.51%	46
3 - 6 mths	\$45,021,560	BBI + 50-70 bp	2.45%	2.57%	128
6 - 12 mths	\$15,750,000	BBI + 70-90bp	2.65%	2.66%	238
1 - 2 yrs	\$8,000,000	BBI + 90-100bp	2.80%	2.99%	620
Greater	\$16,750,000	BBI + 100bp	2.85%	3.07%	948
Council's Portfolio	\$163,798,006		2.40%	2.56%	202

Generally Council's investment portfolio remains well spread across institutions, ratings and maturities given the competing demands to manage operational cashflow across 4 offices while achieving a reasonable return on funds under investment. Council's aggregated position has generally been conservative and there is some capacity to achieve higher returns through the consolidation and management of the entire portfolio and a move into longer dated investments.

RECOMMENDATION

That the report be received and noted.

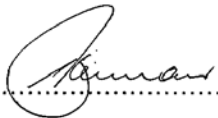
ANNEXURES

A: Responsible Accounting Officer's Certificate

Investment Certificate

In accordance with the provisions of the Local Government (General) Regulations, Part 9 Division 5 Clause 212, I certify that Council's Investments have been made in accordance with the Local Government Act 1993, Regulations and Council's Investment Policy.

This certificate is to be read in conjunction with the Investment Report and Annexures for the month of January 2018.



.....

Phil Brennan
Responsible Accounting Officer
15 February 2018

B: Mid-Coast Council Investments at 31 January 2018

Financial Securities as at		31 January 2018							
Investment Date	Interest Rate	Security Type	Duration	Amount Invested	Maturity Date	Held With	Credit Rating		
FORSTER OFFICE INVESTMENTS									
<u>Floating Rate Notes</u>									
24/06/2014	BBSW +110	FRN		\$1,000,000.00	24/06/2019	Bank of Queensland Ltd	BBB / A-2		
27/11/2013	BBSW +1.30	FRN		\$1,000,000.00	27/11/2018	Bendigo & Adelaide	BBB+ / A-2		
18/08/2015	BBSW+110	FRN		\$1,000,000.00	18/08/2020	Bendigo & Adelaide	BBB+ / A-2		
28/01/2016	BBSW +115	FRN		\$1,000,000.00	18/01/2021	Commonwealth Bank	AA- / A-1+		
9/03/2016	BBSW +195	FRN		\$1,000,000.00	9/03/2021	Credit Suisse	A / A-1		
20/03/2017	BBSW +130	FRN		\$750,000.00	20/03/2020	CUA	BBB / A-2		
9/08/2016	BBSW+152	FRN		\$1,000,000.00	7/06/2019	Greater Bank	BBB / A-2		
30/08/2016	BBSW+155	FRN		\$1,500,000.00	30/08/2019	Greater Bank	BBB / A-2		
24/02/2017	BBSW +145	FRN		\$1,000,000.00	24/02/2020	Greater Bank	BBB / A-2		
2/06/2017	BBSW +140	FRN		\$1,000,000.00	29/05/2020	Greater Bank	BBB / A-2		
7/07/2015	BBSW+140	FRN		\$1,000,000.00	29/05/2020	Greater Bank	BBB / A-2		
31/08/2017	BBSW +125	FRN		\$2,000,000.00	6/04/2020	Macquarie Bank	A / A-1		
5/11/2015	BBSW+108	FRN		\$1,000,000.00	5/11/2020	Members Equity Bank Pty Ltd	BBB / A-2		
26/02/2015	BBSW+110	FRN		\$500,000.00	27/02/2018	NAB	AA- / A-1+		
4/03/2016	BBSW + 150	FRN		\$1,000,000.00	4/03/2021	Newcasile Permanent	BBB / A-2		
20/10/2015	BBSW +125	FRN		\$1,000,000.00	20/10/2020	Rabobank	A+ / A-1		
27/06/2016	BBSW+148	FRN		\$1,000,000.00	18/05/2021	Suncorp Metway	A+ / A-1		
28/10/2016	BBSW+140	FRN		\$500,000.00	28/10/2019	Bank of Queensland Ltd	BBB / A-2		
				\$19,250,000.00		Teachers Mutual Bank			
<u>Floating Rate Notes</u>									
<u>Floating Term Deposits</u>									
19/02/2015	BBSW + 95	FTD		\$1,000,000.00	21/02/2020	ING	A / A-1		
11/12/2014	BBSW + 105	FTD		\$1,000,000.00	11/12/2019	NAB	AA- / A-1+		
11/12/2014	BBSW + 105	FTD		\$1,000,000.00	11/12/2019	NAB	AA- / A-1+		
1/12/2015	BBSW + 120	FTD		\$1,000,000.00	1/12/2020	Westpac Bank	AA- / A-1+		
				\$4,000,000.00					
<u>On Call Bank Accounts</u>									
31/01/2018	1.4000%	On call		\$2,195.72		Commonwealth Bank	AA- / A-1+		
31/01/2018	2.1100%	On call		\$6,603,645.62		T-Corp	AAA / A-1+		
				\$6,605,841.34					

TAREE OFFICE INVESTMENTS

Term Deposits										
21/09/2017	2.5000%	Term Deposit	181	\$1,400,000.00	21/03/2018	Suncorp Metway	AA- / A-1			
5/10/2017	2.4500%	Term Deposit	125	\$1,400,000.00	7/02/2018	BankWest	AA- / A-1+			
12/10/2017	2.4500%	Term Deposit	132	\$2,500,000.00	21/02/2018	BankWest	AA- / A-1+			
12/10/2017	2.4500%	Term Deposit	125	\$2,000,000.00	14/02/2018	BankWest	AA- / A-1+			
19/10/2017	2.4500%	Term Deposit	132	\$1,500,000.00	28/02/2018	BankWest	AA- / A-1+			
22/11/2017	2.4700%	Term Deposit	98	\$1,000,000.00	28/02/2018	NAB	AA- / A-1+			
22/11/2017	2.2400%	Term Deposit	77	\$1,000,000.00	7/02/2018	NAB	AA- / A-1+			
22/11/2017	2.4700%	Term Deposit	105	\$1,500,000.00	7/03/2018	NAB	AA- / A-1+			
29/11/2017	2.4600%	Term Deposit	98	\$1,300,000.00	7/03/2018	NAB	AA- / A-1+			
29/11/2017	2.4000%	Term Deposit	91	\$1,000,000.00	28/02/2018	Beyond Bank	BBB / A-2			
1/12/2017	2.4500%	Term Deposit	103	\$1,500,000.00	14/03/2018	NAB	AA- / A-1+			
5/12/2017	2.4500%	Term Deposit	113	\$1,200,000.00	28/03/2018	NAB	AA- / A-1+			
5/12/2017	2.4500%	Term Deposit	113	\$1,200,000.00	28/03/2018	NAB	AA- / A-1+			
6/12/2017	2.4600%	Term Deposit	98	\$1,500,000.00	14/03/2018	NAB	AA- / A-1+			
6/12/2017	2.4500%	Term Deposit	119	\$2,000,000.00	4/04/2018	IMB Bank	BBB / A-2			
13/12/2017	2.4500%	Term Deposit	98	\$2,000,000.00	21/03/2018	NAB	AA- / A-1+			
14/12/2017	2.4600%	Term Deposit	111	\$1,500,000.00	4/04/2018	NAB	AA- / A-1+			
20/12/2017	2.4500%	Term Deposit	119	\$2,000,000.00	18/04/2018	IMB Bank	BBB / A-2			
21/12/2017	2.4600%	Term Deposit	111	\$1,200,000.00	11/04/2018	NAB	AA- / A-1+			
3/01/2018	2.4400%	Term Deposit	98	\$1,200,000.00	11/04/2018	IMB Bank	BBB / A-2			
3/01/2018	2.4400%	Term Deposit	105	\$1,000,000.00	18/04/2018	Beyond Bank	BBB / A-2			
10/01/2018	2.4600%	Term Deposit	104	\$700,000.00	24/04/2018	Beyond Bank	BBB / A-2			
11/01/2018	2.4600%	Term Deposit	103	\$1,200,000.00	24/04/2018	NAB	AA- / A-1+			
17/01/2018	2.5000%	Term Deposit	105	\$1,500,000.00	2/05/2018	BankWest	AA- / A-1+			
31/01/2018	2.5000%	Term Deposit	91	\$2,000,000.00	2/05/2018	BankWest	AA- / A-1+			

Term Deposits

\$36,300,000.00

TOTAL TAREE OFFICE INVESTMENTS

\$36,300,000.00

WATER SERVICES DIVISION INVESTMENTS

Term Deposits													
31/08/2017	2.5300%	Term Deposit	168	\$3,000,000.00	15/02/2018	NAB	AA- / A-1+	Water					
31/08/2017	2.5500%	Term Deposit	189	\$2,000,000.00	8/03/2018	NAB	AA- / A-1+	Sewer					
31/08/2017	2.5500%	Term Deposit	203	\$2,000,000.00	22/03/2018	NAB	AA- / A-1+	Sewer					
21/09/2017	2.5000%	Term Deposit	195	\$2,000,000.00	4/04/2018	People's Choice Credit Union	BBB / A-2	Sewer					
29/09/2017	2.5100%	Term Deposit	209	\$2,000,000.00	26/04/2018	Commonwealth Bank	AA- / A-1+	Sewer					
29/09/2017	2.5100%	Term Deposit	216	\$3,000,000.00	3/05/2018	Commonwealth Bank	AA- / A-1+	Sewer					
28/09/2017	2.5100%	Term Deposit	218	\$3,021,560.00	4/05/2018	Commonwealth Bank	AA- / A-1+	Water					
31/10/2017	2.5600%	Term Deposit	171	\$2,500,000.00	20/04/2018	Rural Bank	BBB+ / A-2	Sewer					
6/11/2017	2.5100%	Term Deposit	135	\$2,500,000.00	21/03/2018	BankWest	AA- / A-1+	Sewer					
20/11/2017	2.5000%	Term Deposit	184	\$2,500,000.00	23/05/2018	IMB Bank	BBB / A-2	Sewer					
20/12/2017	2.5000%	Term Deposit	226	\$2,500,000.00	4/07/2018	IMB Bank	BBB / A-2	Sewer					
20/12/2017	2.5800%	Term Deposit	196	\$2,500,000.00	4/07/2018	Bank of Queensland Ltd	BBB / A-2	Sewer					
22/12/2017	2.6200%	Term Deposit	180	\$2,500,000.00	20/06/2018	Bank of Queensland Ltd	BBB / A-2	Sewer					
11/01/2018	2.6000%	Term Deposit	182	\$1,000,000.00	12/07/2018	Members Equity Bank Pty Ltd	BBB / A-2	Sewer					
11/01/2018	2.6000%	Term Deposit	189	\$1,000,000.00	19/07/2018	Members Equity Bank Pty Ltd	BBB / A-2	Sewer					
11/01/2018	2.5000%	Term Deposit	210	\$2,000,000.00	9/08/2018	NAB	AA- / A-1+	Sewer					
11/01/2018	2.8000%	Term Deposit	730	\$2,000,000.00	11/01/2020	ING	A / A-1	Sewer					
31/01/2018	2.5500%	Term Deposit	182	\$3,000,000.00	1/08/2018	Bank of Queensland Ltd	BBB / A-2	Sewer					
		Term Deposits		\$41,021,560.00									

At Call Bank Accounts

31/01/2018		At Call		\$303.00		ANZ Bank	AA- / A-1+	Water
31/01/2018	1.2300%	At Call		\$1,187,006.55		Westpac Bank	AA- / A-1+	Sewer
31/01/2018	1.2300%	At Call		\$1,183,293.72		Westpac Bank	AA- / A-1+	Water
		At Call Deposits		\$2,370,603.27				

TOTAL WATER SERVICES DIVISION INVESTMENTS

\$43,392,163.27

TOTAL MID-COAST COUNCIL INVESTMENTS

\$163,798,006.61

9 OPERATIONAL PLAN SIX MONTH REVIEW - JULY 2017 - DECEMBER 2017

Report Author Adrian Pryke, Integrated Planning and Reporting Officer

File No. / ECM Index MidCoast Council Operational Plan 2017-18

Date of Meeting 28 February 2018

SUMMARY OF REPORT

Under the Integrated Planning and Reporting (IP&R) Framework all councils are required to report on the progress of implementation of their Delivery Plan and Operational Plan on a six-monthly basis. The Delivery Program and Operational Plan are the point where the community's aspirational goals (as expressed in the Community Strategic Plan) are translated into focus areas and actions. Councils that merged in May 2016 are only required to have a 1-year Operational Plan at this stage.

MidCoast Council adopted its initial combined Operational Plan on 29 June 2016 in line with the Department of Premier and Cabinet's (DPC) requirements for newly merged Councils. At the time, the three former Councils had all developed plans for the 2016-17 year under the IP&R framework. These plans formed the basis of the combined MidCoast plan.

The 2017-18 Operational Plan is the first consolidated Operational Plan for MidCoast Council. However, it does not currently incorporate the activities of MidCoast Water given the proclamation for the integration with Council was not effective until 1 July 2017.

As such, MidCoast Water is required to report separately against their 2017-2021 Delivery Program for the period 1 July 2017 - 30 June 2018.

From 1 July 2018 the activities of Water Services will be integrated with the MidCoast Council Delivery Program and Operational Plan.

The attached documents detail 6-month progress against specific actions outlined in the Plans.

SUMMARY OF RECOMMENDATION

1. That the six-month review of the MidCoast Council 2017-18 Operational Plan be noted.
2. That the six-month review of Water Services (formerly MidCoast Water) 2017-2021 Delivery Program be noted.

FINANCIAL/RESOURCE IMPLICATIONS

Nil.

LEGAL IMPLICATIONS

Six month reporting on the Operational Plan is a legislative requirement.

ATTACHMENTS

- A: MidCoast Council: 2017-18 Operational Plan 6 Month Review 1 July 2017 - 31 December 2017
 - B: Water Services (formerly MidCoast Water): Delivery Program 2017-2021 Six Month Progress Report 1 July - 31 December 2017
-

Attachments A and B have been circulated in hard copy to the Councillors and Senior Staff, however these Attachments are publicly available on Council's website.

BACKGROUND

The Local Government Act 1993 requires progress reports to be provided to council, with respect to the principal activities detailed in the Delivery Program and Operational Plan, at least every six months.

404 Delivery Program

(5) The general manager must ensure that regular progress reports are provided to the council reporting as to its progress with respect to the principal activities detailed in its delivery program. Progress reports must be provided at least every six months.

As a result of the merger, Council is only currently required to have a one-year Operational Plan for 2017-18. In line with requirements for merged councils, a 3-year Delivery Program for 2018 - 2021 (along with associated annual Operational Plans) will be developed with Council for adoption in June 2018.

2017-18 Operational Plan

Attachment A provides an overview of the implementation of the 2017-18 MidCoast Council Operational Plan as at 31 December 2017, specifically reviewing the progress and status of activities identified in the Plan.

Operational Plans are council's commitment to their community on how and where funds will be expended and what services and activities the community can expect to be delivered during the year. Both the Delivery Program and Operational Plan link to the Community Strategic Plan, being the long term aspirations of the community.

As the first MidCoast Community Strategic Plan (CSP) is currently being developed, the plans of the former councils, prepared prior to the amalgamation have been used to inform the overarching structure of the 2017-18 Operational Plan. This is in accordance with the guidelines for merged councils issued by DPC, *"a community strategic plan will be fulfilled by the community strategic plans of the former councils until the community strategic plan is reviewed and adopted by the new council following its first ordinary election"*.

The 2017-18 Operational Plan uses quadruple bottom line reporting as the overarching key focus areas for the activities undertaken by Council. These include Environmental Focus, Economic Responsibility, Social Commitment and Civic Leadership. These were consistent themes in the former council's CSPs. Under each of the key focus areas are the consolidated objectives and strategies from the previous three Council's community plans, and related actions.

Attachment A includes details on the status of each action identifying how it is progressing and a comment explaining the status in relation to the performance over the six-month period from 1 July 2017 to 31 December 2017.

Attachment B provides an overview of the implementation of the 2017-2021 Water Services (formerly MidCoast Water) Delivery Program as at 31 December 2017, specifically reviewing the progress and status of activities identified in the Program.

It is planned that this Delivery Program will be superseded when a consolidated MidCoast Council Delivery Program and Operational Plan are prepared for the 2018-19 year.

DISCUSSION

MidCoast Council: 2017-18 Operational Plan 6 Month Review

Format of the Review

Each of the activities has a review status, a comment on the status, and the designated responsibility area under the MidCoast Council organisational structure. The commentary reflects the six-month period from 1 July 2017 to 31 December 2017. The review status is shown as either:

- Completed
- Commenced & on schedule
- Commenced & not on schedule
- Deferred
- Withdrawn

Status of Actions

The majority of activities are shown as '*Commenced & on schedule*' or '*Commenced and not on schedule*'. These activities generally represent those functions of Council that continue to be provided to the community irrespective of the actual period, or are of a multi-year nature due to funding.

MidCoast Water: Delivery Program Six Month Progress Report

Format of the Review

Each of the activities has a review status and a comment on the status. The commentary reflects the six-month period from 1 July 2017 to 31 December 2017. The review status is shown through a traffic light system with the following key:

Green - Implementation of the four year delivery program is on track

Yellow - Issues are potentially affecting the implementation of the four year delivery program that if unresolved will risk final delivery

Red - Issues are currently affecting the implementation of the four year delivery program

Status of Actions

The majority of activities are show as being "green" where delivery is on track. It should be noted that some activities identified in the Delivery Program have ceased as the function has been integrated with those of MidCoast Council. This applies to many of the Corporate support functions.

Production of 2018-19 Delivery Program & Operational Plan (DPOP)

A combined Delivery Program (2018 - 2021) & Operational Plan (2018 - 2019) will be developed in conjunction with the MidCoast Community Strategic Plan *MidCoast 2030*. The draft DPOP will be workshopped with Council prior to it being placed on public exhibition.

COMMUNITY IMPACTS

The six-month reviews allow the community to examine how Council is delivering against its commitments.

RISK CONSIDERATION

These reviews meet council's legislative requirements.

RECOMMENDATION

1. That the six-month review of the MidCoast Council 2017-18 Operational Plan be noted.
 2. That the six-month review of Water Services (formerly MidCoast Water) 2017-2021 Delivery Program be noted.
-

10 COUNCILLOR EXPENSES AND FACILITIES POLICY

Report Author Rob Griffiths, Manager Governance

File No. / ECM Index Governance/Policy Registers

Date of Meeting 28 February 2018

SUMMARY OF REPORT

In accordance with statutory requirements (Section 252 of the Local Government Act 1993) and the Office of Local Government *Guidelines for payment of expenses and the provisions of facilities for Mayors and Councillors in NSW*, this Policy sets out the maximum amounts Council will pay for specific expenses and facilities.

SUMMARY OF RECOMMENDATION

That following the public exhibition period the attached Councillor Expenses and Facilities Policy be adopted in accordance with Section 252 of the *Local Government Act 1993*.

FINANCIAL/RESOURCE IMPLICATIONS

Expenditure associated with this policy is included in Council's 2017-2018 budget.

LEGAL IMPLICATIONS

In accordance with Section 252 of the *Local Government Act 1993* Council must adopt a policy for the provision of expenses and facilities for Councillors within the first twelve months of term of a Council.

Further, Section 253 of the *Local Government Act 1993* requires the Council to give public notice of at least 28 days of its intention to adopt this policy allowing for the making of public submissions.

BACKGROUND

Following the Ordinary Meeting held on Wednesday 22 November 2017, and subsequent public exhibition from 24 November 2017 to 22 December 2017, the attached Councillor Expenses and Facilities Policy is provided to Council for consideration to be adopted. No submissions were received during the public exhibition period.

DISCUSSION

In accordance with statutory requirements and guidelines issued by the Office of Local Government, this Policy sets out the maximum amounts Council will pay for specific expenses and facilities. Expenses not explicitly addressed in this policy will not be paid or reimbursed.

TIMEFRAME

Immediate effect.

BUDGET IMPLICATIONS

Funding has been included in the 2017/2018 adopted budget.

RECOMMENDATION

That the attached Councillor Expenses and Facilities Policy be adopted.

ANNEXURES

A: Councillor Expenses and Facilities Policy



Policy

Name of Policy:	Councillor Expenses and Facilities		
Policy code:			
Adoption by Council:		Minute number:	
Last review date:	February 2018		
Review timeframe:	Annually		
Next scheduled review date:	November 2018		
Related legislation:	<ul style="list-style-type: none"> • Local Government Act 1993, Sections 252 and 253 • Local Government (General) Regulation 2005, Clauses 217 and 403 • Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors in NSW, 2009 • Local Government Circular 09-36 Guidelines for Payment of Expenses and Facilities • Local Government Circular 05-08 legal assistance for Councillors and Council Employees. 		
Associated policies / documents:	Code of Conduct		
Responsible department:	Corporate and Business Systems (Governance)		

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Policy Summary

This policy enables the reasonable and appropriate reimbursement of expenses and provision of facilities to Councillors to help them undertake their civic duties.

It ensures accountability and transparency, and seeks to align Councillor expenses and facilities with community expectations.

The policy has been prepared in accordance with the *Local Government Act 1993* and *Local Government (General) Regulation 2005*, and complies with the Office of Local Government's *Guidelines for the payment of expenses and provision of facilities to Mayors and councillors in NSW*.

This policy applies to all MidCoast Council Councillors.

This policy sets out the maximum amounts Council will pay for specific expenses and facilities. Expenses not explicitly addressed in this policy will not be paid or reimbursed. The main expenses and facilities are summarised in the table below. All monetary amounts are exclusive of GST.

Expense or facility	Maximum amount	Frequency
General travel expenses on Council business [6.1]	In accordance with Local Government (State) Award kilometre rate	Per year
Interstate, overseas and long distance intrastate travel expenses [6.5]	To be approved by Council	Not relevant
Accommodation and meals [6.17]	As per the ATO Guidelines currently TD2017/19 Table 3	Per meal/night
Professional development [6.22]	\$44,000 (All Councillors)	Per year
Conferences and seminars [6.27]	To be approved by Council	Not relevant
ICT expenses [6.33]	\$250 per month per Councillor \$3,000 per Councillor (equipment)	Per month Upon election
Carer expenses [6.41]	\$20 per hour to a maximum of \$2,500 per Councillor per year	Per year
Home office expenses [6.47]	Actual expenditure up to \$300 per Councillor per year	Per year
Access to facilities in a Councillor room [9.1]	Provided to all Councillors	Not relevant
Council vehicle and fuel card [10.1]	Provided to the Mayor	Not relevant
Reserved parking space at Council offices [10.4]	Provided to the Mayor	Not relevant
Furnished office [10.5]	Provided to the Mayor	Not relevant

Additional costs incurred by a Councillor in excess of these limits are considered a personal expense that is the responsibility of the Councillor.

Councillors must provide claims for reimbursement within three months of an expense being incurred. Claims made after this time cannot be approved.

Detailed reports on the provision of expenses and facilities to Councillors will be publicly tabled at a Council meeting every six months and published in full on Council's website. These reports will include expenditure summarised by individual Councillor and as a total for all Councillors.

Part A – Introduction

1. Introduction

- 1.1. The provision of expenses and facilities enables Councillors to fulfil their civic duties as the elected representatives of MidCoast Council.
- 1.2. The community is entitled to know the extent of expenses paid to Councillors, as well as the facilities provided.
- 1.3. The purpose of this policy is to clearly state the facilities and support that are available to Councillors to assist them in fulfilling their civic duties.
- 1.4. Council staff are empowered to question or refuse a request for payment from a Councillor when it does not accord with this policy.
- 1.5. Expenses and facilities provided by this policy are in addition to fees paid to Councillors. The minimum and maximum fees a council may pay each Councillor are set by the Local Government Remuneration Tribunal as per Section 241 of the Act and reviewed annually. Council must adopt its annual fees within this set range.

2. Policy objectives

- 2.1. The objectives of this policy are to:
 - enable the reasonable and appropriate reimbursement of expenses incurred by Councillors while undertaking their civic duties
 - enable facilities of a reasonable and appropriate standard to be provided to Councillors to support them in undertaking their civic duties
 - ensure accountability and transparency in reimbursement of expenses and provision of facilities to Councillors
 - ensure facilities and expenses provided to Councillors meet community expectations
 - support a diversity of representation
 - fulfil Council's statutory responsibilities.

3. Principles

- 3.1 Council commits to the following principles:
 - **Proper conduct:** Councillors and staff acting lawfully and honestly, exercising care and diligence in carrying out their functions
 - **Reasonable expenses:** Providing for Councillors to be reimbursed for expenses reasonably incurred as part of their role as Councillor
 - **Participation and access:** Enabling people from diverse backgrounds, underrepresented groups, those in carer roles and those with special needs to serve as a Councillor

- **Equity:** There must be equitable access to expenses and facilities for all Councillors
- **Appropriate use of resources:** Providing clear direction on the appropriate use of Council resources in accordance with legal requirements and community expectations
- **Accountability and transparency:** Clearly stating and reporting on the expenses and facilities provided to Councillors.

4. Private or political benefit

- 4.1. Councillors must not obtain private or political benefit from any expense or facility provided under this policy.
- 4.2. Private use of Council equipment and facilities by Councillors may occur from time to time. For example, telephoning home to advise that a Council meeting will run later than expected.
- 4.3. Such incidental private use does not require a compensatory payment back to Council.
- 4.4. Councillors should avoid obtaining any greater private benefit from Council than an incidental benefit. Where there are unavoidable circumstances and more substantial private use of Council facilities does occur, Councillors must reimburse Council.
- 4.5. Campaigns for re-election are considered to be a private interest. The following are examples of what is considered to be a private interest during a re-election campaign:
 - production of election material
 - use of Council resources for campaigning
 - use of official Council letterhead, publications, websites or services for political benefit
 - fundraising activities of political parties or individuals, including political fundraising events.

Part B – Expenses

5. General expenses

- 5.1. All expenses provided under this policy will be for a purpose specific to the functions of holding civic office. Allowances for general expenses are not permitted under this policy.
- 5.2. Expenses not explicitly addressed in this policy will not be paid or reimbursed.
- 5.3. Any claim from a Councillor outside the terms within this Policy will be subject to an exceptional circumstances assessment by the Public Officer and Director, Corporate and Business Systems

6. Specific expenses

General travel arrangements and expenses

- 6.1. All travel by Councillors should be undertaken using the most direct route and the most practicable and economical mode of transport.
- 6.2. Each Councillor will be reimbursed for travel expenses incurred while undertaking official business or professional development or attending approved conferences and seminars within NSW. This includes reimbursement:
 - for public transport fares
 - for the use of a private vehicle or hire car
 - for parking costs for Council and other meetings
 - for tolls
 - for documented ride-share programs, such as Uber.
 - by Cabcharge or equivalent.
- 6.3. Allowances for the use of a private vehicle will be reimbursed at the rate contained in the *Local Government (State) Award*.
- 6.4. Councillors seeking to be reimbursed for use of a private vehicle must keep a record of the date, distance and purpose of travel being claimed. Details of the travel must be provided with the claim.

Interstate, overseas and long distance intrastate travel expenses

- 6.5. This section includes reference to long distance intrastate travel. At MidCoast Council long distance intrastate travel is travel that is estimated to take more than four hours from the Councillor's residence.
- 6.6. In accordance with Section 4, Council will scrutinise the value and need for Councillors to undertake overseas travel. Councillors should avoid interstate, overseas and long distance intrastate trips unless direct and tangible benefits can be established for Council and the local community. This includes travel to sister and friendship cities.
- 6.7. Council will set aside an annual budget to facilitate total interstate, overseas and long distance intrastate travel expenses for all Councillors.
- 6.8. Councillors seeking approval for any interstate and long distance intrastate travel must submit a request to, and obtain the approval of a full Council Meeting to travel. Where approval at a full council meeting is not possible or appropriate then approval should be given jointly by the Mayor and the General Manager. If the mayor requires approval it should be given jointly by the Deputy Mayor or another councillor and the General Manager.
- 6.9. The request should include:
 - objectives to be achieved in travel, including an explanation of how the travel aligns with current Council priorities and business, the community benefits which will accrue as a result and its relevance to the exercise of the Councillor's civic duties.
 - who is to take part in the travel
 - duration and itinerary of travel
 - a detailed budget including a statement of any amounts expected to be reimbursed by the participant/s.

- 6.10. Travel requirements by Councillors who have been appointed to external bodies/committees via a Council Resolution are deemed to have been approved where travel is in relation to that external body/committee.
- 6.11. When travel is using airline travel the following applies to class of travel:
- Less than three hours – economy
 - More than three hours – premium economy where it is available otherwise economy
- 6.12. Bookings for approved air travel are to be made by Council staff on behalf of the Councillor.
- 6.13. For travel that is reimbursed as Council business, frequent flyer points will not accrue to Councillors. This is considered a private benefit.

Travel expenses not paid by Council

- 6.14. Council will not pay any traffic or parking fines or administrative charges for toll road accounts.

Accommodation and meals

- 6.15. In circumstances where it would introduce undue risk for a Councillor to travel to or from official business in the late evening or early morning, reimbursement of costs for accommodation and meals on the night before or after the meeting may be approved by the General Manager. This includes where a meeting finishes later than 9.00pm or starts earlier than 7.00am and the Councillor lives more than 50 kilometres from the meeting location.
- 6.16. Council will reimburse costs for accommodation and meals (when meals are not provided) while Councillors are undertaking prior approved travel or professional development.
- 6.17. The daily limits for accommodation and meal expenses will be in line with the maximum reasonable travel and meal expense amounts determined by the Australian Taxation Office (ATO) currently TD2017/19 Table 3.

Expense	Amount
Accommodation (Sydney)	\$265
Accommodation (Country)	\$195 (or Table 4 if higher)
Breakfast	\$34.75
Lunch	\$49.20
Dinner	\$68.85

- 6.18. The daily limits for accommodation and meal expenses outside Australia are to be determined in advance by the General Manager, being mindful of Clause 6.17.
- 6.19. Councillors will not be reimbursed for the purchase of alcoholic beverages.

Refreshments for Council related meetings

- 6.20. Appropriate refreshments may be available for Council meetings, Council Committee meetings, Councillor briefings, approved meetings and engagements, and official Council functions as approved by the General Manager.

- 6.21. As an indicative guide for the standard of refreshments to be provided at Council related meetings, the General Manager must be mindful of Part B Monetary Rates of the *NSW Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009*, as adjusted annually.

Professional development

- 6.22. Council will set aside an annual budget to facilitate professional development of Councillors through programs, training, education courses and membership of professional bodies.
- 6.23. In the first year of a new Council term, Council will provide a comprehensive induction program for all Councillors which considers any guidelines issued by the Office of Local Government (OLG). The cost of the induction program will be in addition to the ongoing professional development funding.
- 6.24. Annual membership of professional bodies will only be covered where the membership is relevant to the exercise of the Councillor's civic duties, the Councillor actively participates in the body and the cost of membership is likely to be fully offset by savings from attending events as a member.
- 6.25. Approval for professional development activities is subject to a prior written request to Council outlining the:
- details of the proposed professional development
 - relevance to Council priorities and business, and
 - relevance to the exercise of the Councillor's civic duties.
- 6.26. In assessing a Councillor request for a professional development activity, the Council must consider the factors set out in Clause 6.24, as well as the cost of the professional development in relation to the Councillor's remaining budget.

Conferences and seminars

- 6.27. Council is committed to ensuring its Councillors are up to date with contemporary issues facing council and the community, and local government in NSW.
- 6.28. Council will set aside an annual approved budget to facilitate Councillor registration fees for attendance at conferences and seminars, excluding the Local Government NSW Annual Conference. This allocation is for all Councillors. The General Manager will ensure that access to expenses relating to conferences and seminars is distributed equitably.
- 6.29. Approval to attend a conference or seminar is subject to a written request to Council. In assessing a Councillor request, the Council must consider factors including the:
- relevance of the topics and presenters to current Council priorities and business and the exercise of the Councillor's civic duties
 - cost of the conference or seminar in relation to the total remaining budget.
- 6.30. Council will meet the reasonable cost of registration fees, transportation and accommodation associated with attendance at conferences approved by Council. Council will also meet the reasonable cost of meals when they are not included in the conference fees. Reimbursement for accommodation and meals not included in the conference fees will be subject to Clauses 6.16 - 6.17.

Local Government NSW Annual Conference

- 6.31. Councillors will also be permitted to attend the Local Government NSW Annual Conference. Council will organise the booking and registration and meet the costs of this conference including additional accommodation before or after the conference where necessary because of travel requirements subject to the provisions in 'Accommodation and meals' (6.15 – 6.19)
- 6.32. For the Local Government NSW Annual Conference only, Council will meet the costs of the official conference dinner for an accompanying person of a Councillor.

Information and Communications Technology (ICT) Expenses

- 6.33. Where a Councillor uses devices provided by Council the limit is set at the level of the telecommunications plan provided by Council.
- 6.34. Where a Councillor chooses to provide their own devices, reimbursement will be 75% up to a limit of \$250 per month. This may include mobile phone, tablet, data, services, home phone and internet costs.
- 6.35. The reimbursement of expenses will only be made on submission of "account statements" (Annually for bundled or all-inclusive plans and monthly for other plans) supplied by the Councillor or sourced from Council records (for those Councillors using Council issued devices).
- 6.36. Where a council supplied device applies, with the exception of incidental private use, any substantial private use component is to be identified by the councillor and be refunded to Council.
- 6.37. Council may provide appropriate ICT equipment up to a limit of \$3,000 per Councillor upon the commencement of their term of office. The determination as to what equipment will be provided will be made by the General Manager based upon Council's general ICT program and identified business needs.
- 6.38. Reimbursements will be made only for communications devices and services used for Councillors to undertake their civic duties, such as:
- receiving and reading Council business papers
 - relevant phone calls and correspondence
 - diary and appointment management.
- 6.39. Councillors may seek reimbursement for applications on their mobile electronic communication device that are directly related to their duties as a Councillor, within the maximum limit.
- 6.40. Council may from time to time provide Councillors with upgraded equipment or new facilities where doing so will result in efficiencies and aligns to Council's general ICT program.

Special requirement and carer expenses

- 6.41. Council encourages wide participation and interest in civic office. It will seek to ensure Council premises and associated facilities are accessible, including provision for sight or hearing impaired Councillors and those with other disabilities.
- 6.42. Transportation provisions as outlined in this policy, such as access to Cabcharges, will also assist Councillors who may be unable or unwilling to drive a vehicle.

- 6.43. In addition to the provisions above, the General Manager may authorise the provision of reasonable additional facilities and expenses in order to allow a Councillor with a disability to perform their civic duties.
- 6.44. Councillors who are the principal carer of a child or other elderly, disabled and/or sick immediate family member will be entitled to re-imbursment of carer's expenses at a rate of \$20 per hour up to a maximum of \$2,500 per annum for attendance at official business, plus reasonable travel from the principal place of residence.
- 6.45. Carer expenses may be claimed only where the carer is not a relative. Note: carer expenses for child care are up to and including the age of 16 years. For children over 16 years refer clause 6.44.
- 6.46. In the event of caring for an adult person, Councillors will need to provide suitable evidence to the General Manager that reimbursement is applicable. This may take the form of advice from a medical practitioner.

Home office expenses

- 6.47. Each Councillor may be reimbursed for actual expenditure associated with the maintenance of a home office, such as minor items of consumable printer ink cartridges and stationery to a limit of \$300 per year.

7. Insurances

- 7.1. In accordance with Section 382 of the Local Government Act, Council is insured against public liability and professional indemnity claims. Councillors are insured under this Policy.
- 7.2. Insurance protection is only provided if a claim arises out of or in connection with the Councillor's performance of his or her civic duties, or exercise of his or her functions as a Councillor. Insurance cover is subject to terms, conditions, limits and exclusions set out in the policy wording.
- 7.3. Council shall pay the insurance policy excess in respect of any claim accepted by Council's insurers, whether defended or not.
- 7.4. Travel insurance is provided for Councillors traveling on approved Council business. This can include some incidental private travel.

8. Legal assistance

- 8.1. Council may, if requested, indemnify or reimburse the reasonable legal expenses of:
 - a Councillor defending an action arising from the performance in good faith of a function under the Local Government Act
 - a Councillor defending an action in defamation, provided the statements complained of were made in good faith in the course of exercising a function under the Act
 - a Councillor for proceedings before an appropriate investigative or review body, provided the subject of the proceedings arises from the performance in good faith of a function under the Act and the matter has proceeded past any initial assessment phase to a formal investigation or review and the

investigative or review body makes a finding substantially favourable to the Councillor.

- 8.2. In the case of a conduct complaint made against a Councillor, legal costs will only be made available where the matter has been referred by the General Manager to a conduct reviewer or conduct review panel to make formal enquiries into that matter in accordance with Council's Code of Conduct.
- 8.3. Legal expenses incurred in relation to proceedings arising out of the performance by a Councillor of his or her functions under the Act are distinguished from expenses incurred in relation to proceedings arising merely from something that a Councillor has done during his or her term in office. For example, expenses arising from an investigation as to whether a Councillor acted corruptly would not be covered by this section.
- 8.4. Council will not meet the legal costs:
 - of legal proceedings initiated by a Councillor under any circumstances
 - for legal proceedings that do not involve a Councillor performing their role as a Councillor.
- 8.5. Reimbursement of expenses for reasonable legal expenses must have Council approval by way of a resolution at a Council meeting prior to costs being incurred.

Part C – Facilities

9. General facilities for all Councillors

Facilities

- 9.1. Council will provide the following facilities to Councillors to assist them to effectively discharge their civic duties:
 - a Councillor common room appropriately furnished to include telephone, photocopier, printer, desks, computer, pigeon holes and appropriate refreshments (excluding alcohol)
 - access to shared car parking spaces while attending Council offices on official business
 - a name badge which may be worn at official functions, indicating that the wearer holds the office of a Councillor and/or Mayor or Deputy Mayor.
- 9.2. The provision of facilities will be of a standard deemed by the General Manager as appropriate for the purpose.
- 9.3. Council may from time to time provide additional facilities for Councillor use such as protective equipment for use during site visits.

Administrative support

- 9.4. Council will provide administrative support to Councillors to assist them with their civic duties only. Administrative support may be provided by staff in the Mayor's office or by a member of Council's administrative staff as arranged by the General Manager or their delegate.

- 9.5. As per Section 4, Council staff are expected to assist Councillors with civic duties only, and not assist with matters of personal or political interest, including campaigning.

10. Additional facilities for the Mayor

- 10.1. Council will provide to the Mayor a maintained motor vehicle to a similar standard of other Council vehicles, with a fuel card. The vehicle will be supplied for use in attending official business and professional development and attendance at the Mayor's office.
- 10.2. The Mayor must keep a log book setting out the date, distance and purpose of any substantial private use travel and supply that record to Council.
- 10.3. The Mayoral Fee will be reduced to cover the cost of any substantial private use calculated on a per kilometre basis by the rate set by the *Local Government (State) Award*.
- 10.4. A parking space at Council's offices will be reserved for the Mayor's Council-issued vehicle for use on official business, professional development and attendance at the Mayor's office.
- 10.5. Council will provide the Mayor with a furnished office incorporating a computer configured to Council's standard operating environment, telephone and meeting space.
- 10.6. In performing his or her civic duties, the Mayor will be assisted by a small number of staff providing administrative and secretarial support, as determined by the General Manager.

11. Part D – Processes

11. Approval, payment and reimbursement arrangements

- 11.1. Expenses should only be incurred by Councillors in accordance with the provisions of this policy.
- 11.2. Approval for incurring expenses, or for the reimbursement of such expenses, should be obtained before the expense is incurred.
- 11.3. Up to the maximum limits specified in this policy, approval for the following may be sought after the expense is incurred:
- local travel relating to the conduct of official business
 - carer costs
 - ICT expenditure.
- 11.4. Final approval for payments made under this policy will be granted by the General Manager or their delegate.
- 11.5. All requests for reimbursement will be reviewed by two staff members and payment will be authorised by a staff member with the appropriate financial delegation.
- 11.6. The General Manager will provide a system for the request of reimbursements for Councillors.

Direct payment

11.7. Council may approve and directly pay expenses. Requests for direct payment must be submitted through the appropriate system for assessment against this policy using the prescribed form, with sufficient information and time to allow for the claim to be assessed and processed.

Reimbursement

11.8. All claims for reimbursement of expenses incurred must be made on the prescribed form, supported by appropriate receipts and/or tax invoices and be submitted through the appropriate system.

Advance payment

11.9. Council may pay a cash advance for Councillors attending approved conferences, seminars or professional development.

11.10. The maximum value of a cash advance is \$200 per day of the conference, seminar or professional development to a maximum of \$600

11.11. Requests for advance payment must be submitted to the General Manager for assessment against this policy with sufficient information and time to allow for the claim to be assessed and processed.

11.12. Councillors must fully reconcile all expenses against the cost of the advance within one month of incurring the cost and/or returning home. This includes providing to Council:

- a full reconciliation against the provisions of this policy of all expenses including appropriate receipts and/or tax invoices
- reimbursement of any amount of the advance payment not spent in attending to official business or professional development.

Notification

11.13. If a claim is approved, Council will make payment directly or reimburse the Councillor through accounts payable.

11.14. If a claim is refused, Council will inform the Councillor in writing that the claim has been refused and the reason for the refusal.

Reimbursement to Council

11.15. If Council has incurred an expense on behalf of a Councillor that exceeds a maximum limit, exceeds reasonable incidental private use or is not provided for in this policy:

- Council will invoice the Councillor for the expense
- the Councillor will reimburse Council for that expense within 14 days of the invoice date.

11.16 If the Councillor cannot reimburse Council within 14 days of the invoice date, they are to submit a written explanation to the General Manager. The General Manager may elect to deduct the amount out of the Councillor's fee.

Timeframe for reimbursement

- 11.17 Unless otherwise specified in this policy, Councillors must provide all claims for reimbursement within three months of an expense being incurred. Claims made after this time cannot be approved.

12. Disputes

- 12.1 If the Councillor disputes a determination under this policy, the Councillor should discuss the matter with the General Manager.
- 12.2 If the Councillor and the General Manager cannot resolve the dispute, it will be mediated by a mutually agreeable third party.

13. Return or retention of facilities

- 13.1 All unexpended facilities or equipment supplied under this policy are to be relinquished immediately upon a Councillor or Mayor ceasing to hold office.
- 13.2 Should a Councillor desire to keep any equipment allocated by Council, then this policy enables the Councillor to make application to the General Manager to purchase any such equipment. The General Manager will determine an agreed fair market price or written down value for the item of equipment.
- 13.3 The prices for all equipment purchased by Councillors under Clause 13.2 will be recorded in Council's Annual Report.

14. Publication

- 14.1 This policy will be published on Council's website.

15. Reporting

- 15.1 Council will report on the provision of expenses and facilities to Councillors as required in the Act and Regulations. This will be published in full on Council's website and Annual Report.
- 15.2 Detailed reports on the provision of expenses and facilities to Councillors will be tabled at a Council meeting every twelve months. These reports will include expenditure summarised by individual Councillor and as a total for all Councillors.

16. Auditing

- 16.1 The operation of this policy, including claims made under the policy, will be included in Council's audit program and an audit undertaken at least every two years.

17. Breaches

- 17.1 Suspected breaches of this policy are to be reported to the General Manager.
- 17.2 In accordance with the Code of Conduct this Councillor Expenses and Facilities Policy is a policy of Council and must not be contravened.

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- 17.3 Alleged breaches of this policy shall be dealt with in accordance with Councils Code of Conduct, and Procedures for the Administration of the Code.

PART E – Appendices

Appendix I: Related legislation, guidance and policies

Relevant legislation and guidance:

- Local Government Act 1993, Sections 252 and 253
- Local Government (General) Regulation 2005, Clauses 217 and 403
- Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors in NSW, 2009
- Local Government Circular 09-36 Guidelines for Payment of Expenses and Facilities
- Local Government Circular 05-08 legal assistance for Councillors and Council Employees.

Related Council policies:

- Code of Conduct

Appendix II: Definitions

The following definitions apply throughout this policy.

Term	Definition
accompanying person	Means a spouse, partner or de facto or other person who has a close personal relationship with or provides carer support to a Councillor
appropriate refreshments	Means food and beverages, excluding alcohol, provided by Council to support Councillors undertaking official business
Act	Means the Local Government Act 1993 (NSW)
Annual Conference	Means Local Government NSW Annual Conference
clause	Unless stated otherwise, a reference to a clause is a reference to a clause of this policy
Code of Conduct	Means the Code of Conduct adopted by Council or the Model Code if none is adopted
Councillor	Means a person elected or appointed to civic office as a member of the governing body of Council who is not suspended, including the Mayor
General Manager	Means the General Manager of Council and includes their delegate or authorised representative
ICT	Means Telecommunications and Information Communications and Technology
incidental personal use	Means use that is infrequent and brief and use that does not breach this policy or the Code of Conduct
long distance intrastate travel	Means travel to other parts of NSW of more than four hours duration by private vehicle
maximum limit	Means the maximum limit for an expense or facility provided in the text and summarised in Appendix 1
NSW	New South Wales
official business	Means functions that the Mayor or Councillors are required or invited to attend to fulfil their legislated role and responsibilities for Council or result in a direct benefit for Council and/or for the local government area, and includes: <ul style="list-style-type: none"> • meetings of Council and committees of the whole • meetings of committees facilitated by Council • civic receptions hosted or sponsored by Council • meetings, functions, workshops and other events to which attendance by a Councillor has been requested or approved by Council
professional development	Means a seminar, conference, training course or other development opportunity relevant to the role of a Councillor or the Mayor

Regulation	Means the Local Government (General) Regulation 2005 (NSW)
year	Means the financial year, that is the 12 month period commencing on 1 July each year

Responsible Officer

Manager Governance

Attachments

Nil

11 DRAFT CODE OF MEETING PRACTICE

Report Author Rob Griffiths, Manager Governance
File No. / ECM Index Governance/Code of Meeting Practice
Date of Meeting 28 February 2018

SUMMARY OF REPORT

The Office of Local Government (OLG) has issued a draft Model Code of Meeting Practice for NSW Local Councils. The attached Draft Code of Meeting Practice has been developed using the OLG Draft Model Code of Meeting Practice with minor alterations specific to MidCoast Council added based on discussions held at the facilitated workshop on Wednesday, 7 February 2018.

SUMMARY OF RECOMMENDATION

That the attached Code of Meeting Practice be placed on public exhibition for a period of 28 days allowing for public submissions.

FINANCIAL/RESOURCE IMPLICATIONS

Nil.

LEGAL IMPLICATIONS

Council must adopt a Code of Meeting Practice that incorporates the mandatory provisions of the Model Code of Meeting Practice.

ATTACHMENTS

A: Draft Code of Meeting Practice

DISCUSSION

At the time of the amalgamation of the three former Councils, Greater Taree City, Great Lakes and Gloucester Shire Council in May 2016, it was proclaimed that MidCoast Council would use the existing Code of Meeting Practice of the former Gloucester Shire Council until such time as a new Code was adopted. A draft was prepared in December 2017 based on the former Greater Taree City Council Code of Meeting Practice with minor changes. In early December, the Office of Local Government issued a consultation draft Model Code of Meeting Practice requesting comments from NSW Councils.

At the Strategic Committee Meeting on 13 December 2017, Council agreed to hold a further workshop to discuss the Code of Meeting Practice. This was to facilitate the development of a draft Code of Meeting Practice for Council based on a mesh of the Office of Local Government Draft Model Code of Meeting Practice and the Draft Code of Meeting Practice which was presented at the Strategic Meeting on 13 December 2017.

A facilitated workshop was held 7 February 2018 with Councillors and from discussions at that workshop the attached Draft Code of Meeting Practice for MidCoast Council (Annexure A) is offered for consideration by Council.

The Policy will be required to be placed on public exhibition for at least 28 days to give the community the opportunity to make submissions and Council needs to allow 42 days for submissions to be received in accordance with Section 361 of the Local Government Act (below):

361 Preparation, public notice and exhibition of draft code

- 1) *Before adopting a code of meeting practice, a council must prepare a draft code.*
- 2) *The council must give public notice of the draft code after it is prepared.*
- 3) *The period of public exhibition must not be less than 28 days.*
- 4) *The public notice must also specify a period of not less than 42 days after the date on which the draft code is placed on public exhibition during which submissions may be made to the council.*
- 5) *The council must publicly exhibit the draft code in accordance with its notice.*

362 Adoption of draft code

- 1) *After considering all submissions received by it concerning the draft code, the council may decide:*
 - a. *to amend those provisions of its draft code that supplement the regulations made for the purposes of section 360, or*
 - b. *to adopt the draft code as its code of meeting practice.*
- 2) *If the council decides to amend its draft code, it may publicly exhibit the amended draft in accordance with this Division or, if the council is of the opinion that the amendments are not substantial, it may adopt the amended draft code without public exhibition as its code of meeting practice.*

CONSULTATION

Consultation with Councillors was undertaken at the Strategic Committee Meeting held 13 December 2017 and a workshop on 7 February 2018 facilitated by Mr Glenn Inglis, a specialist strategic local government advisor, and Mr Bruce McCann, Legal Officer for Local Government NSW.

COMMUNITY IMPACTS

This Policy provides information to the Community about the conduct of Council meetings and how they can participate in Council decisions.

BUDGET IMPLICATIONS

Nil.

RECOMMENDATION

That the attached Code of Meeting Practice be placed on public exhibition for a period of 28 days allowing for public submissions.

12 ESTABLISHMENT OF AUDIT RISK AND IMPROVEMENT COMMITTEE

Report Author Rob Griffiths, Manager Governance

File No. / ECM Index Audit, Risk and Improvement Committee

Date of Meeting 28 February 2018

SUMMARY OF REPORT

To propose that Council establish an Audit, Risk and Improvement Committee, approve the draft Charter for that Committee, and to outline arrangements for the appointment of external members of that Committee.

SUMMARY OF RECOMMENDATION

1. That Council resolve to establish a committee titled "Audit, Risk and Improvement Committee" in accordance with Council's authority granted under section 355 of the Act.
2. That Council adopt the proposed Charter for the "Audit, Risk and Improvement Committee" that is *Attachment A* to this report.
3. That Council note, for the purposes of s. 23A(3) of the Local Government Act 1993, that Council considered the "Internal Audit Guidelines" (*Attachment B*) published by the Chief Executive of the (then) Division of Local Government (now, Office of Local Government) in September 2010 when considering whether to establish the "Audit, Risk and Improvement Committee" and the content of the Charter for that Committee.
4. That Council undertake an open recruitment process to identify potential independent members of the "Audit, Risk and Improvement Committee".
5. That a report be provided to Council once the recruitment process is complete with recommendations for appointment.
6. That Council appoints two Councillors and one alternate Councillor who will stand in as required to the Audit, Risk and Improvement Committee.

FINANCIAL/RESOURCE IMPLICATIONS

The full extent of the financial impact is not yet known as it will depend on the pricing options for each of the successful independents. There is currently a budget amount to cover the establishment of the committee and the conducting of a recruitment process for external members within Council's 2017-18 budget.

LEGAL IMPLICATIONS

Council is not under any current legal obligation to have an Audit, Risk and Improvement Committee, however The *Local Government Amendment (Governance and Planning) Act 2016 No 38* ("the Amending Act") received assent on 30 August 2016. Some parts of the Amending Act have not commenced. One of the parts of the Amending Act that has not commenced is paragraph 41 of Schedule 1 to the Amending Act, which (once it commences) will amend the LG Act and require Council to establish an Audit Risk and Improvement Committee (ARIC).

Council can reasonably anticipate that it will be under a statutory obligation to appoint an Audit, Risk and Improvement Committee in the future.

ATTACHMENTS

- A: Audit Risk and Improvement Committee (ARIC) Charter
- B: Internal Audit Guidelines (September 2010) - Issued by the then Division of Local Government, now the Office of Local Government.

Attachments A and B have been circulated in hard copy to the Councillors and Senior Staff, however these Attachments are publicly available on Council's website.

BACKGROUND

In September 2010 the Chief Executive of the Division of Local Government (now Office of Local Government) issued guidelines pursuant to s. 23A of the *Local Government Act 1993* ("LG Act") titled "Internal Audit Guidelines". Council is not required to apply those Guidelines when determining whether to establish an audit committee and the charter for any such committee, but s. 23A(3) of the LG Act requires that Council consider those Guidelines. Those Guidelines are attached as *Attachment B*.

Council is not under any current legal obligation to have an Audit Committee, and does not currently have an Audit Committee.

The *Local Government Amendment (Governance and Planning) Act 2016 No 38* ("the Amending Act") received assent on 30 August 2016. Some parts of the Amending Act have not commenced. One of the parts of the Amending Act that has not commenced is paragraph 41 of Schedule 1 to the Amending Act, which (once it commences) will amend the LG Act to insert the following as a (new) Part 4A to the LG Act:

428A Audit, Risk and Improvement Committee

1. *A council must appoint an Audit, Risk and Improvement Committee.*
2. *The Committee must keep under review the following aspects of the council's operations:*
 - a. *compliance,*
 - b. *risk management,*
 - c. *fraud control,*
 - d. *financial management,*
 - e. *governance,*
 - f. *implementation of the strategic plan, delivery program and strategies,*
 - g. *service reviews,*
 - h. *collection of performance measurement data by the council,*
 - i. *any other matters prescribed by the regulations.*
3. *The Committee is also to provide information to the council for the purpose of improving the council's performance of its functions.*

428B Joint internal audit arrangements

A council may enter into an arrangement with another council, or a body prescribed by the regulations for the purposes of this section, to jointly appoint an Audit, Risk and Improvement Committee to exercise functions for more than one council or body.

Council can reasonably anticipate that it will be under a statutory obligation to appoint an Audit, Risk and Improvement Committee in the future.

DISCUSSION

The Committee is a Committee of Council, responsible for reviewing Council's strategy and operations across a broad range of governance matters, as prescribed in the legislation and the un-commenced provisions of the Amending Act.

- The Committee comprises three independent members and two Councillors. This optimises the likelihood of getting a diverse range of perspectives and expertise in the group.
 - 2 councillors – two year appointment and appointed by the Council;
 - 3 independents – two or three year term as it would be prudent to appoint independent members with different tenure periods to ensure continuity of committee and system knowledge when new members are appointed.
- The Chair of the Committee must be an independent.

The three External (Independent) Members will be appointed by resolution of Council following the recruitment process and can also be removed by resolution of Council. The recruitment of independent members should give consideration to relevant knowledge and skills including:

- Accounting or related financial management
- Auditing experience in the public sector
- Performance Improvement
- Governance, risk and compliance
- Knowledge of the local government environment
- The suite of activities and services that Council provides

The Committee members (in particular the independents) should be provided with a mix of opportunities to fully inform them of Council activities, risks and governance arrangements.

This should comprise formal meetings, presentations and briefings, observation, attendance at other meetings such as Councillor Workshops and the provision of ongoing updates and reports (rather than just through quarterly reports).

The Committee's functions are formalised in their Charter as *Attachment A*.

Proposed Committee Charter

The Committee must be able to meet the obligations that will be imposed by s. 428A of the Local Government Act 1993, when that section commences. Council is also bound to consider the relevant s. 23A guidelines when adopting a charter for the Committee. The attached Charter has been drafted with consideration to those requirements (OLG Internal Audit Guidelines) but also to ensure that the Charter is concise, written in plain English and provides for clearly defined roles for members and the Committee to reduce any ambiguity that may arise in the practical operation of the Committee.

Expressions of Interest

It is recommended that expressions of interest be invited for appointment as an independent member of the proposed Committee, and a report then be provided to the Council with recommendations for appointment

Steps required

The key steps to be carried out to establish an Audit, Risk and Improvement Committee are:

1. Determine how best a Committee will meet its future obligations under the new Part 4A of the LG Act, when the relevant provisions in the Amending Act commence.

2. Determine the structure, purpose and membership of the Committee in terms of independents and councillors.
3. Define the skill set and knowledge requirements for the Committee members.
Identify the optimum remuneration model for the independent members, based on their involvement and input on the Committee.
4. Determine the tenure of the independent members.
5. Establish a charter for the Committee in line with best practice, the model Charter in the *Internal Audit Guidelines* and the future commencement of Part 4A of the LG Act (upon the commencement of the relevant provisions of the Amending Act). The proposed Charter for the Committee forms an attachment to this report.
6. The Charter should be formally reviewed by the Committee on a regular basis and updated when additional regulation and guidelines are issued.
Establish the format for the Committee operations in a way that enables it to fulfil the Committee's broad scope. Put in place processes to facilitate and support that in an effective way.
7. Undertake a recruitment process for the independent members and formalise the arrangement with contracts and letters of appointment.
8. Establish performance measures for the Committee and implement measurement and reporting mechanisms on progress.
9. Establish an agenda for the first meeting, after which the Committee itself determines what information is represented to the meeting and how, to assist them with the discharge of their responsibilities.

COMMUNITY IMPACTS

The establishment of the ARIC will provide independent assurance and transparency to the community that Council has effective risk management, governance and organisational performance measures in place.

ALIGNMENT WITH COMMUNITY PLAN/OPERATIONAL PLAN

Establishment of an Audit, Risk and Improvement Committee aligns with 12.5.3 of Council's current Operational Plan (Extract Below).

Strategy 12.5 Provide good governance

Activity ref.	2017/18 Actions	Performance Measure
12.5.3	Develop and implement MidCoast Councils Internal Audit Framework to ensure appropriate independent oversight of Council processes. Develop charter, establish and commence operating an Audit Committee, establish Internal Audit function and commence work plan	Audit Committee and Internal Audit function resourced and operating

TIMEFRAME

1. Appointment of two Councillors and one alternative Councillor to take effect immediately.
2. Recruitment of Independents to commence in March 2018.
3. Further ongoing discussion regarding internal audit structure, processes, meeting schedules, and audit plans to commence in March 2018 with appointed Councillors, Senior Management and independent committee members once they are appointed.

BUDGET IMPLICATIONS

The full extent of the financial impact is not yet known as it will depend on the pricing options for each of the successful independents. There is currently a budget amount to cover the establishment of the committee and the conducting of a recruitment process for external members within Council's 2017-18 budget.

RISK CONSIDERATION

The Audit, Risk and Improvement Committee will be an integral part of Council's Risk Management initiatives. The establishment of the ARIC will provide independent assurance and assistance to the Council on risk management, controls, governance, internal audits, organisational performance and external accountability.

RECOMMENDATION

1. That Council resolve to establish a committee titled "Audit, Risk and Improvement Committee" in accordance with Council's authority granted under section 355 of the Act.
2. That Council adopt the proposed Charter for the "Audit, Risk and Improvement Committee" that is *Attachment A* to this report.
3. That Council note, for the purposes of s. 23A(3) of the Local Government Act 1993, that Council considered the "Internal Audit Guidelines" (*Attachment B*) published by the Chief Executive of the (then) Division of Local Government (now, Office of Local Government) in September 2010 when considering whether to establish the "Audit, Risk and Improvement Committee" and the content of the Charter for that Committee.
4. That Council undertake an open recruitment process to identify potential independent members of the "Audit, Risk and Improvement Committee"
5. That a report be provided to Council once the recruitment process is complete with recommendations for appointment.
6. That Council appoints two Councillors and one alternate Councillor who will stand in as required to the Audit, Risk and Improvement Committee.

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13 AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION CONFERENCES

Report Author Rob Griffiths, Manager Governance

File No. / ECM Index Councillors / Conferences

Date of Meeting 28 February 2018

SUMMARY OF REPORT

The Australian Local Government Association has advised Council of the three convened 2018 Conferences. Those are:

1. Regional Cooperation and Development Forum, 17 June 2018, Canberra
2. National General Assembly of Local Government, 17-20 June 2018, Canberra
3. National Local Roads and Transport Congress, 20-22 November 2018, Uluru

The National General Assembly (NGA) of Local Government attracts in excess of 800 Mayors and Councillors each year and provides an opportunity for Local Government to engage directly with the Federal Government, to influence national policy and to submit motions relating to policy areas being developed by the Australian Local Government Association.

SUMMARY OF RECOMMENDATION

1. That Council approve the Mayor to attend the National General Assembly of Local Government to be held in Canberra 17-20 June 2018.
2. That Council considers and proposes motions to be put forward at the National General Assembly of Local Government in accordance with the Call for Motions Discussion Paper attached (Annexure A).

FINANCIAL/RESOURCE IMPLICATIONS

Expenditure for this conference is available in Council's 2017-2018 budget

LEGAL IMPLICATIONS

Attendance at this conference would be in accordance with Councils adopted Expenses and Facilities Policy

BACKGROUND

The National General Assembly (NGA) of Local Government is convened annually by the Australian Local Government Association (ALGA) and attracts in excess of 800 Mayors and Councillors each year.

This event provides an opportunity for Local Government to engage directly with the Federal Government, to develop national policy and to influence the future direction of councils and communities.

DISCUSSION

The National General Assembly of Local Government will be held in Canberra from 17 June to 20 June 2018. It is an opportunity to engage with the Federal Government and for Council to submit motions relating to policy areas being developed by the Australian Local Government Association. Motions must meet set criteria as detailed in the Call for Motions Discussion Paper attached as Annexure A. Motions must be submitted online by 30 March 2018.

BUDGET IMPLICATIONS

Expenditure for this conference is available in Council's 2017-2018 budget.

RECOMMENDATION

1. That the Council approve the Mayor to attend the National General Assembly of Local Government to be held in Canberra 17-20 June 2018.
2. That Council considers and proposes motions to be put forward at the National General Assembly of Local Government in accordance with the Call for Motions Discussion Paper (Annexure A)

ANNEXURES

A. Correspondence from the Australian Local Government Association including Call for Motions Discussion Paper



To the Mayor, Councillors and CEO (please distribute accordingly)

2018 Australia's Future: Let's Make it Local

I have no doubt that 2018 will be a huge year for Local Government in Australia. It is becoming increasingly likely there will be a federal election. The Australian Local Government Association (ALGA) is well advanced in planning for the next election and, with your support, we can influence the national agenda before, during and after the election.

You and your Council can be involved in a number of ways but one of the key mechanisms is to have your issues recognised on the national stage through ALGA's conferences. Three major national conferences will be convened next year and I encourage you to 'save the dates' for these in your calendar now, the conferences are:

1. Regional Cooperation and Development Forum, 17 June, Canberra
2. National General Assembly of Local Government, 17 – 20 June, Canberra
3. National Local Roads and Transport Congress, 20-22 November, Uluru

Updates and information on the conferences and ALGA's advocacy will be published regularly in ALGA News, to subscribe go to the ALGA website alga.asn.au

Each year these conferences provide unique opportunities for you to hear from the leaders in our sector and across government giving you unparalleled one on one access to the most influential decision makers in the nation.

We received terrific feedback from delegates at each of the conferences in 2017. We know they addressed the key topics that impact your community. In 2018 they will once again inform, motivate and inspire elected members and staff alike and elevate your local issues to the national stage.

To deliver on your aspirations, and those of all conference delegates, I've met with dozens of politicians at Parliament House, and attended regular COAG and Ministerial council meetings. Join us at every opportunity to push the Local Government case and the need for a greater partnership with the federal government. I'd like to thank you personally for your support and participation in these activities throughout 2017. Your support has strengthened the voice of Local Government and increased the weight and reach of our message.

I look forward to meeting you at one or more of our major events in 2018.

Yours Sincerely

Mayor David O'Loughlin
President

National General Assembly of Local Government Call for Motions Discussion Paper

Australia's Future, Make it Local

The purpose of this discussion paper is to provide guidance to councils for the development of Motions for debate at the 2018 National General Assembly. The paper provides an overview of policy areas in which the NGA has well-established positions and identifies potential new and emerging policy areas which are being developed by ALGA and require detailed consideration. Councils are particularly encouraged to submit Motions on these policy areas.

Highlighting the issues below contributes to implementing ALGA's Strategic Plan 2017-2020 and its objectives to:

- strengthen Local Government in the areas of financial sustainability; delivering services in regional cities; infrastructure; and innovation and digital transformation, as well as,
- facilitating collaboration between state and territory associations in Local Government's role in Indigenous policy issues, scale and capacity; women in Local Government; and diversity in representation.

Criteria for Motions

Motions must meet the following criteria:

- ✓ be **relevant** to the work of local government **nationally**
- ✓ be **consistent with the theme** of the NGA
- ✓ **complement or build** on the policy objectives of your state and territory local government association
- ✓ be submitted by a council which is a **financial member** of their state or territory local government association
- ✓ propose a **clear action and outcome**
- ✓ **not be advanced** on behalf of external third parties that may seek to use the NGA to apply pressure to Board members or to gain national political exposure for positions that are not directly relevant to the work of, or in the national interests of, local government.

Your Opportunity

The primary focus of all Motions should be to strengthen the capacity of local government to provide services and infrastructure in Australia. Providing clear actions within areas that are still emerging provides councils with an opportunity to influence the development of ALGA policy and advocacy by ALGA on federal election commitments.

Emerging Issues

Councils across Australia are constantly being asked to do more with less. Changing community needs, including ageing populations, technological advancements and changing economic circumstances, are a challenge for all communities.

Analysis suggests that a Commonwealth election may well be called between August 2018 and May 2019. The 2018 NGA therefore provides an important opportunity to progress Local Government issues in the Federal agenda. Below are some critical areas in which Local Government needs to consider the role it can in local communities on the national stage. In particular, the 2018 NGA is calling for Motions that provide clear policy advice and/or policy initiatives that will help Local Government to address the following policy challenges:

Housing Affordability

Housing affordability is a major challenge in many communities. The Commonwealth frequently asserts that housing affordability is a problem because of the supply of housing. As such there has been a focus on planning reform.

Motions are called for on ways to improve housing supply and improve land use planning and associated local government infrastructure to support increased housing supply.

Financial Sustainability – Oppose Cost Shifting

In 2005 The House of Representatives Inquiry into Cost Shifting from States onto Local Government estimated that cost shifting amounted to between \$500m - 1.4b annually. This includes regulatory and other services that Local Government provided on behalf of states without adequate compensation.

Motions are called for on ways to reduce cost shifting from states and the Commonwealth on to Local Government and on areas of regulatory reform and services that Local Government could provide efficiently and effectively on behalf of states or the Commonwealth if appropriately funded.

Innovation and Digital Transformation – Smart Communities

Technological advancements are changing the way councils communicate with citizens and deliver services and infrastructure.

Motions are called for on ways to improve the ability of councils to support their community to understand and benefit from digital transformation, ways to improve data, protect privacy and increase security of council-held data.

Harmonising Local Government Data

National Local Government data is held in a variety of places and is often of variable quality. National advocacy on behalf of Local Government needs a strong evidence base. ALGA has been working with JRA on the State of the Assets project which collects data on the quality and condition of all local government assets. Increasingly, councils are being required to provide data to third parties.

Motions are called for on ways to improve the collection of local government data, how data could be better linked across the sector, and ways to improve the quality of data.

Cyber Security

Recent malware attacks have highlighted the vulnerability of business and government computer systems. Strong measures are required to ensure that all Australians and Australian businesses and governments are aware of the risks and take appropriate measures to ensure cyber security.

Motions are called for on ways to improve local government cyber security.

Environment

Local Government plays a critical role in environmental management, with actions often embedded into other day to day operations as well as included in economic management considerations

Motions are called for on what should be national priorities and on ways to improve environmental management systems, waste management, product stewardship and biodiversity.

Regional Development

Local Government plays a critical role in regional development, with an active role working with neighbouring councils, industry, state government agencies, community and other key stakeholders to set and achieve regional goals.

Motions are called for on ways to improve regional policy approaches, funding ideas on regional sustainability and equity.

Motions should be lodged electronically using the online form available on the NGA webpage at: alga.asn.au. All Motions require, among other things, a contact officer, a clear national objective, a summary of the key arguments in support of the motion, and the endorsement of your Council.

Motions should be received by ALGA no later than **11:59pm on Friday 30 March 2018**.

Established ALGA Policy Areas

Financial Assistance Grants

Adequate and appropriate Local Government services and infrastructure are critical to all communities. The Commonwealth Financial Assistance Grants are important to all councils. Success has been achieved in the last 12 months by restoration of the indexation of the Financial Assistance Grants (FAGs). ALGA's priority in this area is to continue advocating for FAGs funding to be increased to a level equal to at least one per cent of commonwealth taxation revenue.



Freight Strategy

Local government manages around 75 per cent of Australia's local roads network. These roads were generally built decades ago and today are required to carry increasing amounts of freight, including higher productivity vehicles. Poor and unsafe roads are a barrier to increased productivity. ALGA's priority is the promotion and development of a freight strategy with funding of \$200m per year for five years to address first and last mile access issues, leading to an increase in local, regional and national productivity.



Roads to Recovery

The Roads to Recovery Program provides councils with essential additional funding to help address the backlog of maintenance and renewal of local roads. Success was achieved with Roads to Recovery by having the expiration date removed and essentially creating an ongoing program. Further work in this area is being undertaken to ensure Roads to Recovery funding is permanently doubled.



Additional Local Roads Funding for South Australia

Additional funding for South Australian local roads to address an anomaly in FAGs ceased in 2014. It was reinstated in 2017–18 but only for two years. The focus is now on securing ongoing additional funding for South Australian local roads, indexed annually in line with FAGs.

Climate Change Plans

Many councils are addressing or wish to address climate change. With the important role Local Government can play helping the Australian Government to achieve internationally agreed climate change targets, a priority has been placed on supporting councils to work with local businesses and communities to implement local and regional Climate Change Adaptation Plans.



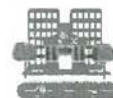
Indigenous

Addressing Indigenous disadvantage across Australia is a priority for all Australian governments. Advocacy is about closing the gap between Indigenous and non-Indigenous Australians in the areas of housing, health, early childhood development, education, economic participation and remote service delivery.



Community Infrastructure

Funding support for community infrastructure will enable all local councils to plan and deliver adequate and appropriate community infrastructure. ALGA is urging political parties to commit to specific local government community infrastructure funding at the level of \$300 million per annum over the next four years.



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DIRECTOR WATER SERVICES

14 WATER SERVICES EXECUTIVE MONTHLY PERFORMANCE

Report Author Darryl Hancock, Executive Manager Corporate Services

File No. / ECM Index A630711

Date of Meeting 28 February 2018

SUMMARY OF REPORT

The report provides key information on MidCoast Water Services financial position, risk and compliance, injury statistics, customer service and request for maintenance.

MidCoast Water Services financial position as at 31 January 2018 is better than expected against the current budget. Our current financial position shows an operating surplus of \$3.8m, an improvement over the projected original budgeted deficit of \$3.1m. This is due to increased revenue due to increases in charges and water consumption, along with significant reductions in operating expenses.

MidCoast Water Services actual capital expenditure as at 31 January 2018 is \$8.7m. Expenditure on capital projects is not consistent over the financial year, therefore timing variations on actual expenditure is normal.

As at 31 January 2018, there is an outstanding debt of \$3.1m, with \$2.6m debt in arrears of greater than 60 days. A total of 3,445 customers are currently in arrears, with 2,735 in arrears for more than 90 days. We are continuing to work with our customers to establish payment plans to manage the outstanding debt. There was a spike in outstanding debt over the Christmas/New Year period; this is a normal occurrence as families struggle with additional expenses during this period.

MidCoast Water Services environmental performance continues to show excellent compliance. Water production for the month of January is consistent with previous years.

There was one Lost Time Injury in January 2018; our current 2017/18 Lost Time Injury Frequency Rate is 26.1.

The Lost Time Injury Frequency Rate for FY2016/17 was 10.5

SUMMARY OF RECOMMENDATION

MidCoast Water Services Executive Monthly Performance Report for January 2018 be received and noted.

FINANCIAL/RESOURCE IMPLICATIONS

This report indicates that MidCoast Water Services is currently generating sufficient funds to service our operational and capital expenditure. An internal loan from the sewer to the water fund may be required in the second half of the financial year.

LEGAL IMPLICATIONS

Nil

ATTACHMENTS

A: MidCoast Water Services Executive Monthly Performance Report for January 2018

Attachment A has been circulated in hard copy to the Councillors and Senior Staff, however this attachment is publicly available on Council's Website.

BACKGROUND

MidCoast Water Services provides a monthly report as a snapshot of critical business metrics. This enables Council and management to identify and take appropriate action on a timely basis if any areas of concern are identified.

ALIGNMENT WITH COMMUNITY PLAN/OPERATIONAL PLAN

This report aligns to MidCoast Water Services Strategic Objective 3.4: Ensure responsible financial management.

TIMEFRAME

January 2018

BUDGET IMPLICATIONS

There are no outstanding budget implications as a result of the report findings.

RISK CONSIDERATION

The Risk and Compliance section specifically reports on treatment plant licence compliance, drinking water quality and any environmental impacts from sewage spills.

RECOMMENDATION

MidCoast Water Services Executive Monthly Performance Report for January 2018 be received and noted.

15 WATER SERVICES INFRASTRUCTURE PROJECT STATUS

Report Author **Brendan Guiney, Director Water Services**

File No. / ECM Index **A631183**

Date of Meeting **28 February 2018**

SUMMARY OF REPORT

This monthly report provides the status of major infrastructure projects and highlights potential issues with schedule, cost or impacts on delivery. Recommendations to change project budget or schedule are identified against individual projects or programs.

SUMMARY OF RECOMMENDATION

That the infrastructure project status reports be received and noted

FINANCIAL/RESOURCE IMPLICATIONS

Projects are currently progressing within or less than their allocated budget. Projects listed within this report have been included in the 2017/18 Operational Plan

LEGAL IMPLICATIONS

Nil

ATTACHMENTS

A: Project Status Reports

Attachment A has been circulated in hard copy to the Councillors and Senior Staff, however this Attachment is publicly available on Council's website.

BACKGROUND

The attachment to this report contains individual status reports and a covering index.

DISCUSSION

A brief synopsis of the project status reports for the period ending 31 January 2018 is as follows:

- Sewer gravity mains renewals program – renewal of the gravity sewer network in Gloucester catchment no. 3 is continuing.
 - Pacific Palms Sewage Treatment Plant Stage 1 – this project has been delayed as resources have been committed to other high priority projects. Design is scheduled to be completed by June 2018
 - Gloucester Water Treatment Plant Upgrades – Delivery of the remaining scope of chemical dosing, electrical work and process controls is continuing.
-

- Nabic Water Supply Scheme – Construction of the Nabic Water Treatment Plant has continued with the installation of doors and fit out of pumps and electrical switchgear. The low voltage electrical contract for the Darawank Pump Station project is nearing completion. Acceptance testing of SCADA control system is complete and operations and maintenance manuals have been commenced.
- Water Mains Renewals Program – Renewal works are continuing in Taree and Wingham.
- Bootawa Dam Safety Works 2017 – Although piezometer installation is late, the project will be completed well under the approved budget and surplus funds may be used for other projects in the 2017-18 financial year
- Switchboard Renewals Program – Tendering is underway for the next group of switchboards closing on 22 February.
- Water Treatment Plant (WTP) Chemical Systems Renewals – Procurement of a new chlorine gas dosing system has commenced for Stroud Water Treatment Plant, and reconfiguration of chemical dosing lines has commenced at Tea Gardens Water Treatment Plant.
- Implement Enterprise Business Management Systems (Technology One) Software – Reporting on the previous MidCoast Water implementation of Technology One had been continued in 2017 awaiting handover to the business. Any remaining issues are now being merged with the MidCoast Council Technology One (MC1) project, and reporting on the former MidCoast Water implementation will now cease.

CONSULTATION

The management and coordination of all aspects of infrastructure projects are undertaken in consultation with a range of internal and external stakeholders.

The internal stakeholders which have contributed to the preparation of this monthly report include the Planning & Development Group and Capital Works Group.

COMMUNITY IMPACTS

Community impacts are considered and management in accordance with communication plans tailored to individual infrastructure projects.

ALIGNMENT WITH COMMUNITY PLAN/OPERATIONAL PLAN

These activities align with the following objectives of MidCoast Water's Operational Plan:

- 1.1.3 Deliver our asset management strategy
- 3.1.5 Monitor and report on our progress towards our strategic goals

TIMEFRAME

The timeframes associated with each infrastructure project are outlined in Attachment A.

BUDGET IMPLICATIONS

These activities are proceeding within existing financial and resource allocations. Projects listed within this report have been included in the 2017/18 Operational Plan.

RISK CONSIDERATION

The risks associated with each infrastructure project are identified and managed within individual management plans in accordance with MidCoast Water Services' corporate risk management framework.

RECOMMENDATION

That the infrastructure project status reports be received and noted.

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CLOSED COUNCIL

16 TAREE AVIATION BUSINESS PARK (STATUS UPDATE)

Report Author Allison Anthony, Acting Manager Property and Commercial Services
File No. / ECM Index Taree Aviation Park
Date of Meeting 28 February 2018

REASON FOR CONFIDENTIALITY

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(c) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:

- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business

It is considered that it would be contrary to the public interest to reveal commercially sensitive sales information which if disclosed to the general public would jeopardise Council obtaining the best price possible for unsold properties at the Taree Aviation Business Park.

17 TRANSFER OF LAND IN PAYMENT OF RATES - TENTERFIELD ROAD, NORTH ARM COVE

Report Author Lee Howard, Revenue Coordinator
File No. / ECM Index Rate Recovery
Date of Meeting 28 February 2018

REASON FOR CONFIDENTIALITY

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(b) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:

- (b) the personal hardship of any resident or ratepayer

18 OUTSTANDING WATER ACCOUNT - 185 KOLODONG ROAD, TAREE

Report Author Brendan Guiney, Director Water Services

File No. / ECM Index A631186

Date of Meeting 28 February 2018

REASON FOR CONFIDENTIALITY

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(b) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:

(b) the personal hardship of any resident or ratepayer

This report discusses a large outstanding water account and involves the personal hardship of a resident.

A handwritten signature in black ink, appearing to read 'Steve Embry', with a large, sweeping flourish extending downwards and to the right.

Steve Embry
Acting General Manager