



Agenda for the Northern Rivers

Joint Organisation

Ordinary Board Meeting

Date: 20 May 2022

Location: Lismore City Council

Time: 9.30am

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1 ACKNOWLEDGEMENT OF COUNTRY

We acknowledge that this meeting is held upon the land of the Bundjalung people who are the Traditional Custodians of this Land. We pay our respects to Elders past, present and future.

2 APOLOGIES

Apologies have been received from Tenterfield Shire Council

3 DECLARATIONS OF INTEREST

4 MOTIONS

5 ADDRESS BY OFFICIAL VISITOR(S)

A presentation by James McTavish, Cross Border Commissioner, will be made to the meeting at the culmination of Board business

6 CONFIRMATION OF MINUTES AND BUSINESS ARISING FROM THE MINUTES

6.1 CONFIRMATION OF MINUTES OF THE ORDINARY MEETING OF THE NORTHERN RIVERS JOINT ORGANISATION HELD 4 FEBRUARY 2022

MINUTES OF THE ORDINARY MEETING OF THE NORTHERN RIVERS JOINT ORGANISATION HELD AT BALLINA SHIRE COUNCIL FRIDAY 4 FEBRUARY 2022

ATTENDANCE

Crs Kylie Thomas, Chris Cherry, Steve Krieg, Sharon Cadwallader, Michael Lyon, Robert Mustow

General Managers Mark Arnold, Paul Hickey, Vaughan Macdonald

Eber Butron (LCC)

Cr Ian Tiley (CVC), Tim Williamson (RDA NR)

Troy Green (TSC), Michael Thurston (DNC), Laura Black, (CVC) via Zoom,

Nicole Reeve, Donna McIntyre (minute taker)

1 NRJO OVERVIEW

For the benefit of new Board members, a brief overview of the Northern Rivers JO including history of formation, funding and staffing was provided by Executive Officer, Nicole Reeve. A copy of the presentation is included with the meeting minutes.

2 ELECTION OF CHAIRPERSON

The elections commenced at 9.42am and the Board acknowledged Nicole Reeve, Executive Officer as the Returning Officer for the election of a Chair for the NRJO.

Voting representatives for the election of Chairperson are the Mayors of the member councils. These are:

- | | |
|-------------------------|-------------------------------|
| • Cr Kylie Thomas | Mayor Kyogle Council |
| • Cr Robert Mustow | Mayor Richmond Valley Council |
| • Cr Steve Krieg | Mayor Lismore City Council |
| • Cr Michael Lyon | Mayor Byron Shire Council |
| • Cr Sharon Cadwallader | Mayor Ballina Shire Council |
| • Cr Chris Cherry | Mayor Tweed Shire Council |

By show of hands it was unanimously agreed

That the Joint Organisation determines the election of the Chairperson proceed by open voting.

CARRIED

FOR VOTE: All Councillors voted unanimously.

Two nominations were received for the position of Chair, one from Cr Sharon Cadwallader (Ballina Shire Council) and one from Cr Michael Lyon (Byron Shire Council)

Cr Cadwallader received three votes

Cr Lyon received three votes

Under Section 6.4 of the NRJO Code of Meeting Conduct, the Chair was then drawn by lot by Cr Ian Tiley, Mayor of Clarence Valley Council (an associate member of the NRJO).

Cr Cadwallader was appointed as Chair of the NRJO.

Cr Cadwallader assumed the role of Chair for the meeting.

3 ELECTION OF DEPUTY CHAIRPERSON

Voting representatives for the election of Deputy Chairperson are the Mayors of the member councils. These are:

- | | |
|-------------------------|-------------------------------|
| • Cr Kylie Thomas | Mayor Kyogle Council |
| • Cr Robert Mustow | Mayor Richmond Valley Council |
| • Cr Steve Krieg | Mayor Lismore City Council |
| • Cr Michael Lyon | Mayor Byron Shire Council |
| • Cr Sharon Cadwallader | Mayor Ballina Shire Council |
| • Cr Chris Cherry | Mayor Tweed Shire Council |

By show of hands it was unanimously agreed

That the Joint Organisation determines the election of the Chairperson proceed by open voting.

CARRIED

FOR VOTE: All Councillors voted unanimously.

Two nominations were received for the position of Deputy Chair, one from Cr Kylie Thomas (Kyogle Council) and one from Cr Chris Cherry (Tweed Shire Council)

Cr Cherry received two votes

Cr Thomas received four votes

Cr Kylie Thomas was appointed as Deputy Chair of the NRJO.

4 ACKNOWLEDGEMENT OF COUNTRY

The Acknowledgement of Country was read by the Chair

5 APOLOGIES

Apologies have been received from Cr Jeff McConnell, Scenic Rim Regional Council, Michael Donnelly, Lismore City Council, Graham Kennett, Kyogle Council.

04022022/1 RESOLVED

MOVED: K Thomas/ C Cherry

THAT the apologies received for the meeting be noted

CARRIED

FOR VOTE: All Councillors voted unanimously.

6 DECLARATIONS OF INTEREST

Information regarding definitions of declarations of interest was included in the meeting papers

No declarations were made.

7 NOTICES OF MOTION

Nil received.

8 ADDRESS BY OFFICIAL VISITOR(S)

No official visitors

9 CONFIRMATION OF MINUTES AND BUSINESS ARISING FROM THE MINUTES

04022022/2 RESOLVED

MOVED: C Cherry/M Lyon

THAT the minutes of the NRJO Board meeting held 12 November 2021 be accepted as a true and accurate record of proceedings of the meeting

CARRIED

FOR VOTE: Cr Cherry, Cr Lyon, Cr Mustow

Cr Cherry requested information regarding the issue of council ownership fire fighting equipment raised as urgent business. Executive Officer Nicole Reeve reported that she has approached DPIE and other JO's for advice and will circulate a report in the coming weeks.

10REPORTS

ASSOCIATE MEMBER REPORT - DESTINATION NORTH COAST

04022022/3 RESOLVED

MOVED: C Cherry/ K Thomas

THAT the report from Destination North Coast be received and noted.

CARRIED

FOR VOTE – All Councillors voted unanimously.

ASSOCIATE MEMBER REPORT – RDA NORTHERN RIVERS

04022022/4 RESOLVED

MOVED: C Cherry / M Lyon

THAT the report from RDA Northern Rivers be received and noted.

CARRIED

FOR VOTE – All Councillors voted unanimously

Cr Cherry requested the background data for the creative industries study and also information on the Town Hall meetings noted in the RDA NR report.

ASSOCIATE MEMBER REPORT – CLARENCE VALLEY COUNCIL

04022022/5 RESOLVED

MOVED: R Mustow/ C Cherry

THAT the report from Clarence Valley Council be received and noted.

CARRIED

FOR VOTE – All Councillors voted unanimously

Cr Tiley advised the Board of his intention to raise a Mayoral Minute for CVC to consider joining the NRJO as a full member.

Executive Officer Nicole Reeve will investigate the process of appointing new members.

EXECUTIVE OFFICER REPORT

04022022/6 RESOLVED

MOVED: C Cherry / R Mustow

THAT the Board agree the prospectus now be publicly distributed and the information contained there-in form the basis of the Northern Rivers Joint Organisation's ongoing policy on renewable energy.

CARRIED

FOR VOTE - All Councillors voted unanimously.

04022022/7 RESOLVED

MOVED: M Lyon/ K Thomas

THAT the Board agree to not progress an application for a UNESCO Biosphere for the Northern Rivers and look at alternate mechanisms for the dispersal of tourists across the region.

CARRIED

FOR VOTE - All Councillors voted unanimously.

04022022/8 RESOLVED

MOVED: C Cherry/ R Mustow

THAT the Executive Officer report be received and noted.

CARRIED

FOR VOTE - All Councillors voted unanimously.

FINANCIAL REPORT

04022022/9 RESOLVED

MOVED: R Mustow / C Cherry

THAT the financial reports for the period ending 31 December 2021 be accepted

CARRIED

FOR VOTE - All Councillors voted unanimously.

BANKING CHANGES

04022022/10 RESOLVED

MOVED: C Cherry / K Thomas

That two of following three signatories be required to sign and approve payments: The Chair, the Executive Officer and the General Manager of the Council to which the Chair belongs

That the Board nominates the new Chair and respective General Manager as a "Beneficial Owner" of the Joint Organisation bank accounts.

That the Board approve a Visa debit card to be issued to the new Chair. This card will be attached to an individual Everyday account under the Northern Rivers Joint Organisation main account. This account will be 'one to sign' only. A limit of \$2000 will apply to this card.

CARRIED

FOR VOTE - All Councillors voted unanimously.

PROPOSED MEETING DATES 2022

04022022/11 RESOLVED

MOVED: K Thomas/ R Mustow

THAT the proposed Board meeting dates for 2022 be accepted

Cr Mustow moved an amendment:

THAT the proposed Board meeting dates for 2022 be accepted and that the Board allow for workshops and briefings as required for the term of the Board.

MOVED: K Thomas / R Mustow

The amendment became the motion

MOVED: K Thomas/ R Mustow

CARRIED

FOR VOTE - All Councillors voted unanimously.

11 URGENT BUSINESS

Cr Cherry raised an item of urgent business

04022022/12 RESOLVED

MOVED: C Cherry/S Cadwallader

THAT the Board discuss the issue of capping rates and statutory fees and charges and its impact on all of council operations as a matter of urgent business

CARRIED

FOR VOTE - All Councillors voted unanimously.

04022022/13 RESOLVED

MOVED: C Cherry/S Cadwallader

THAT the NRJO Chair urgently request a meeting with the Minister of Planning and the Minister of Local Government to convey concerns with regards to rate pegging and caps to statutory fees and charges and its impact on council operations.

THAT an urgent notice of motion be made to the Local Government NSW Conference and JO Chairs Forum

CARRIED

FOR VOTE - All Councillors voted unanimously.

12 CONFIDENTIAL ITEMS

No items of confidential business were raised

13 CORRESPONDENCE REPORT

04022022/14 RESOLVED

MOVED: C Cherry/ R Mustow

THAT the correspondence report be noted

CARRIED

FOR VOTE - All Councillors voted unanimously.

MEETING CLOSED 11.23am

Next meeting

20 May 2022 at Lismore City Council

RECOMMENDATION

THAT the minutes of the NRJO Board meeting held 4 February 2022 be accepted as a true and accurate record of proceedings of the meeting

6.2 RATIFICATION OF CIRCULAR RESOLUTION

On 12 April 2022, a circular resolution relating to the appointment of an Acting Executive Officer was distributed to all voting members.

As per Section 15.11 of the Northern Rivers Joint Organisation Code of Meeting Conduct:

Out of session decisions

15.11 Decisions that are required in between meetings may be determined by a majority written response to an email from the Chair. Any out of session decision that has recorded a majority from a quorum of responses will be brought to the Board at its next meeting for noting

The circular resolution was approved by all voting members

RECOMMENDATION:

THAT the Board of the Northern Rivers Joint Organisation note the decisions of the Circular Resolution dated April 2022

Attachment 1:

Circular Resolution April 2022

7 REPORTS



Market Conditions

Operator feedback indicates that we have had a busy Easter period with most destinations experiencing healthy levels of visitation. The Northern Rivers was not able to operate at full capacity with multiple destinations not being ready for visitation due to the flooding events and ongoing staffing issues across the industry. After two years of cancellations Bluesfest was delivered with a reduced capacity (compared to pre-2019) due to Covid protocols but was able to operate across the five days. The staging of the event represents a significant milestone with the delivery of the first major, multistage event of this scale on the North Coast since the first Covid outbreak.

DNC North Coast, Destination Management Plan Renewal

The [DNC, North Coast Destination Management Plan](#) is in the process of being refreshed and will cover from 2022-2030 mirroring the state-wide Visitor Economy Strategy 2030. The document is the key strategic document for the North Coast with the priorities and areas of focus outlined within having greater scope and opportunity to secure public funding moving forward.

One virtual session and six in person stakeholder sessions have been held across the region to gain stakeholder insights in view of determining industry priorities, opportunities and challenges covering this period. Most LGA's have been represented at these sessions. If you would like to discuss further or have a component that you would like included in the plan, please contact me directly.

Recovery for Regional Tourism Funds

North Coast Festival of Flavour Open Weekend

Due to the recent flooding events this festival has had to be delayed from late March to now operate from 3-5 June. Nearly forty North Coast operators have signed up to hold events over the festival dates. The event is being promoted through a 6-week umbrella marketing campaign conducted through DNC and Destination NSW. The aim of the event is to help stimulate incremental business for operators who have often been disproportionately impacted throughout Covid. Additional activations are being sort so please encourage any relevant businesses to participate.

Aboriginal Product Development Mentoring program – DNC and the NSW Aboriginal Tourism

Operators Council (NATOC) who we have engaged to conduct this program are currently seeking Northern Rivers operators to participate. There is an opportunity for up to six existing or emerging Northern Rivers businesses to partake in the program.

Business Accelerator & Mentoring Program – This program is in its final phase with space for up to eight additional businesses to join. The mentoring can be tailored to whatever the business operator needs, and preference will be given to any applicants from flood impacted areas.

Northern Rivers Rail Trail Product Development Program

DNC and Wrey Consulting have commenced the mentoring component of this program. Twenty-one Northern Rivers businesses have signed up to the program and commenced the mentoring process that will help them turn their Rail Trail concept into an operating tourism business.

RECOMMENDATION

THAT the report from Destination North Coast be noted



The unprecedented size and scale of the March 2022 flood event on the NR business and industry community has urged a refocus of priorities from RDA business as usual activities to a more urgent 'Regional Recovery Program'. In some locations, such as Lismore, the recovery phase could take years

The Northern Rivers Reconstruction Corporation (NRRC) will be the lead agency for many reconstruction activities and RDANR will seek to work closely with this, and other relevant agencies to turn policy into action and to give communities assurance that progress toward recovery is underway.

High Priorities

- **Accommodation and housing**

- o Short term- emergency accommodation for those without suitable housing due to flood relocation. This will include innovative solutions, assisting proposed programs such as pods etc.
- o Medium term- transitional housing and accommodation leading to more long term sustainable solutions, including permanent relocation similar to Grantham (Qld) experience, voluntary acquisition, voluntary house raising
- o Long term- appropriate social and affordable housing that satisfies the regional demand using innovative as well as traditional models.

- **Industrial land audit (in collaboration with NRJO)**

- o Audit of industrial land, both private and publicly held. The audit will incorporate analysis of susceptibility to natural disaster. Identification of potential industrial land will also be valuable for planners and the development industry.
- o Audit of residential land, to identify suitable flood free land in each LG, noting publication of findings will need to be classified confidential.

- **Business and Industry recovery**

- o Provision of advice for grants and assistance, reactive and proactive workload.
- o Advocating for expedited delivery of funding to all applicants
- o Participate actively on recovery committees, advocate for policy and program improvements, provide intelligence from the business community and liaise between committee and federal government program deliverers and managers

Medium Priority

- **Infrastructure, assist LG with grants, tenders etc.**

- o Assist councils to access large value infrastructure grants to "build back better".

- o Assist with resilience planning for key infrastructure

Employment and workforce development

- o Some of the more complex work of the entire program. Over 9000 displaced workers and hundreds of businesses will require a regional plan, resourcing, innovative thinking and solutions
- o Employers and workers will need assistance with training, reskilling, workforce development, displaced worker programs
- o Promotion of, and linking employers to Local Job Program and other assistance programs

• Flood Mitigation

- o Maintain an advocacy role for flood mitigation, water security and water quality
- o Liaise between all levels of government, Rous Water and communities to deliver effective and timely solutions to flood mitigation issues.

• Local Buy, Supply Chain development

- o Supplier capability/ Buyer program (via development of online platform)
- o Driving campaigns to ensure recovery and rebuild programs have inbuilt local purchasing policies.

Low Priority

• CBD and main st redevelopment

- o CBD and Main St are the heart of communities and it is imperative that these spaces are quickly rebuilt and resettled.
- o Advising Council redevelopment committees on 'open for business' campaigns

Some of the above priorities will link to the Northern Rivers Strategic Regional Plan 2025 actions, and where alignment exists, completion of relating actions will be recorded. In general, the implementation of the SRP25 will be subordinated to the urgent demands of the Regional Recovery Program.

RECOMMENDATION

THAT the report from RDA Northern Rivers be noted



Update on Rous County Council's Governing Body and *Future Water Project 2060*

Purpose

The purpose of this report is to inform the Northern Rivers Joint Organisation about the makeup of Rous County Council's ('Council') new governing body and resolutions made in relation to governance and the *Future Water Project 2060* ('FWP 2060') at its first ordinary meeting.

Background

Following the latest local government elections held in December 2021, Council's new governing body was formed to manage its affairs for the next council term.

Council's governing body comprises eight county councillors – two delegates from each of its four constituent councils who are elected from among their own local councillors.

The councillors appointed by each constituent council to serve as their delegates to Council's new governing body are:

- Councillor Sharon Cadwallader (Ballina Shire Council)
- Councillor Rod Bruem (Ballina Shire Council)
- Councillor Michael Lyon (Byron Shire Council)
- Councillor Sarah Ndiaye (Byron Shire Council)
- Councillor Big Rob (Lismore City Council)
- Councillor Andrew Gordon (Lismore City Council)
- Councillor Robert Mustow (Richmond Valley Council)
- Councillor Sandra Humphrys (Richmond Valley Council).

The first ordinary meeting of Council's new governing body was held on Wednesday 16 February 2022.

Election of chairperson and deputy chairperson

At its February 2022 ordinary meeting, Council's new governing body elected a chairperson and deputy chairperson.

Richmond Valley Mayor Robert Mustow was unanimously elected chairperson.

Ballina Shire Mayor Sharon Cadwallader was unanimously elected deputy chairperson.

Chairperson Mustow and Deputy Chairperson Cadwallader will hold office for two years.

The following appointments were also made:

- Councillor Sarah Ndiaye was appointed chair of Council's Reconciliation Action Plan Advisory Group (with Councillor Big Rob selected as the alternate chair).
- Councillor Big Rob was appointed as the governing body's member on Council's Audit, Risk and Improvement Committee.

Adopted three-stage *Future Water Project 2060*

At an extraordinary meeting on 21 July 2021, the Council adopted a three-stage approach over the next 40 years to secure its regional water supply.

Stages one (2021–2025) and two (2026–2029) of the *FWP 2060* focus on delivering new groundwater sources to help ensure forecast demand for water is met from 2024 through until 2040.

The project's first two stages also prioritise ongoing water conservation measures, implementing groundwater and drought emergency supplies and developing a pilot purified recycled water plant.

Work on stage one of the *FWP 2060* is well underway.

The new water sources required as part of stage three (2030–2060) – that is, to help meet forecast demand beyond 2040 – are yet to be determined and depend on the outcome of extensive investigations into the merits of a diversity of water supply security options. At the time of the project's adoption in July 2021, these options included purified recycled water, desalination and more groundwater schemes.

Addition to stage three of the Future Water Project 2060

At its February 2022 ordinary meeting, Council's new governing body also considered a Notice of Motion in relation to the *FWP 2060*.

Ultimately, it resolved to complete detailed cultural heritage and biodiversity assessments for the proposed Dunoon dam in consultation with relevant Traditional Custodians. Work on these assessments is expected to start in 2022 and take a number of years to complete.

This decision does not affect the delivery of the project's first two stages.

Rather, it means stage three now depends on further investigations into the potential use of either purified recycled water, desalination, more groundwater schemes or a new dam on Rocky Creek as additional regional sources post 2040.

Importantly, the actions delivered through the project's initial stages will provide the time and security of supply needed to properly consider the merits of these various longer-term water supply security options.

Once these diverse options have been assessed further and discussed with the community, Council can consider whether to proceed with the relevant approval processes.

Conclusion

As required following the latest local government elections, Council has formed a new governing body comprised of eight delegates from its four constituent councils.

At its first ordinary meeting in February 2022, Council's new governing body elected Richmond Valley Mayor Robert Mustow as chairperson and Ballina Shire Mayor Sharon Cadwallader as deputy chairperson for two-year terms.

The new governing body also resolved to complete detailed cultural heritage and biodiversity assessments for the proposed Dunoon dam in consultation with relevant Traditional Custodians.

As a result, the new water sources to be delivered as part of the final stage of Council's adopted, three-stage *FWP 2060* will be determined after the merits of a diversity of water supply security options (purified

recycled water, desalination, more groundwater schemes and a new dam on Rocky Creek) have been appropriately considered.

A handwritten signature in dark ink, appearing to read 'Phillip Rudd', written in a cursive style.

Phillip Rudd
General Manager

RECOMMENDATION:

THAT the report from Rous County Council be received and noted.



Below is an update of key initiatives, projects and successful grant funding announcements for the Scenic Rim.

GET READY TO HAVE YOUR SAY ON REGION'S FIRST DRAFT GROWTH MANAGEMENT STRATEGY

Council endorsed the region's first *draft Growth Management Strategy* to proceed to community consultation in February 2022. The Scenic Rim Growth Management Strategy 2041 is the first region-wide strategy of this nature which provides a framework to guide and responsibly manage our region's future growth.

With the region's population growth forecast to increase to more than 67,000 people by 2041, requiring more than 7,600 new jobs and around 11,000 additional dwellings, it's vital Council develops strategies to guide and manage this growth. The *Scenic Rim Growth Management Strategy* will ensure we can maximise the benefits of the region's future growth by ensuring it is well-planned and protects the region's lifestyle for future generations.

This growth is outlined in the State Government's statutory planning framework and so Council sought input from the community to ensure the strategy reflects the community's expectations and is fit for use for years to come.

SCENIC RIM TO PLAY A PART IN GAMES PLANNING

Council has accepted an invitation from the Council of Mayors South East Queensland (COMSEQ) to join the 2032 Regional Working Group.

The Scenic Rim will play its part in planning for the 2032 Olympic and Paralympic Games, with Mayor Greg Christensen joining a working group to represent the interests of Council and the community and ensure the best legacy outcomes for the region.

Council will ensure that South East Queensland delivers a successful 2032 Games that showcases the region to global audiences as a connected destination that is clean and sustainable, attractive and liveable. The most important aspect will be visitors' experience and that will be heavily influenced by other factors such as how easily they are able to move around the region, the quality of the region's natural and built environments and the liveability of the region as a whole.

A CALL-OUT TO THE COMMUNITY TO HAVE A SAY ON COUNCIL SERVICES

Community members are being asked to rate their satisfaction with Scenic Rim Regional Council services in a survey on new digital platform Let's Talk Scenic Rim.

Through the survey, Council is seeking feedback on its waste services, planning and development services, roads and footpaths, Council-owned facilities, the region's lifestyle and identity, and communications and regulatory services.

Survey participants have the option to rate their level of satisfaction across all categories or to choose to respond only to questions relating to specific service areas relevant to them.

The survey is one of the first community engagement projects on Council's newly-launched online platform, Let's Talk Scenic Rim where community members can stay engaged, and have their say on Council projects and programs and by sharing their views to help guide Council's decision making.

FAMILY'S TIES TO LAMINGTON RECOGNISED IN RENAMING OF CREEK CROSSINGS

The Buchanan family's long association with the Scenic Rim's picturesque area of Lamington will be officially recognised with the renaming of three crossings on Christmas Creek Road.

At a recent Ordinary Meeting, Scenic Rim Regional Council resolved to rename the crossings after being advised in May 2021 that the existing names did not align with the Buchanan family's request which had been adopted by the former Beaudesert Shire Council in October 1999.

Council will name the top crossing on Christmas Creek Road John T Buchanan Crossing, with the next crossing to be named John Buchanan Crossing and the third Roy J Buchanan Crossing, which is in line with the family's submission to Council in 1998.

COUNCIL APPROVES FLOORPLAN FOR NEW TAMBORINE MOUNTAIN LIBRARY

A review of Scenic Rim libraries in 2016 highlighted the need for additional space to meet community needs at Tamborine Mountain and Council is grateful for the funding that has made this project possible, which will provide a new space that is almost three times the size of the current library.

Council's purchase of the former IGA supermarket near the existing Tamborine Mountain library has enabled the delivery of this landmark project.

TAKE A LEAF OUT OF OUR HANDY WASTE GUIDE

How to Reduce Waste, Your Handy Guide, has been produced to help residents make choices that will improve their world as well as the environment by avoiding waste and maximising opportunities to reuse and recycle while saving money.

The guide is available online via Council's website, with limited copies available at Council's Customer Service Centres, Libraries and Waste Transfer Stations.

SUPPORT FOR FLOOD-AFFECTED RESIDENTS AND BUSINESSES

Local residents impacted by floods are encouraged to contact Council for information to access support to help recovery. Council has created a webpage with information on various support avenues, grants and more which are available to impacted residents and businesses. This page can be found at: www.scenicrim.qld.gov.au/flood-recovery

A CHAT OVER A CUPPA WILL HELP STRENGTHEN COMMUNI-TEA SPIRIT

Community members across the Scenic Rim are invited to drop in for a casual cuppa and a friendly chat at Council's Cuppa in the Communi-tea sessions which launched in March 2022.

Funded by the Queensland Government, Mental Health and Wellbeing Package under Queensland's Economic Recovery Strategy, aimed to reduce social isolation and strengthen community connections across the region.

Cuppa in the Communi-tea is a simple but effective way of reaching out to those who may feel isolated and helping them to connect with others in a safe and friendly environment.

SEQ CITY DEAL PAVES THE WAY FOR SAFER, BETTER CONNECTED ROADS FOR SCENIC RIM

More than \$7.76 million in funding will kickstart planning for priority transport, economic and liveability projects across Scenic Rim, plus the Region will have access to more than \$400 million in regional funding pools through the SEQ City Deal announced on Monday 21 March 2022.

The SEQ City Deal is a 20-year partnership between the Australian Government, Queensland Government and 11 Councils which make up the Council of Mayors (SEQ) which provides a shared commitment to transform SEQ and deliver region-shaping infrastructure. It will deliver a significant foundation investment of more than \$1.8 billion that will generate thousands of local jobs, boost digital and transport connectivity, enhance liveability and support one of the fastest growing regions in the country.

Funding breakdown includes:

- \$5 million aimed at unlocking the Bromelton State Development Area.
- \$2.1 million to improve transport and freight route planning and to identify priorities for infrastructure investment to improve service reliability and safety along critical routes like the Mt Lindsay Highway.
- \$2.76 million investment for community infrastructure that could include sporting facilities that will help provide Scenic Rim's youngest residents a running start to 2032.
- More than \$400 million in funding aimed at creating new jobs, supporting emerging industries, enhancing local environment and boosting innovation and connectivity across the South East.
- \$5 million to jointly identify the infrastructure and land use planning needed to keep pace with the region's extraordinary population growth.
- More than \$105 million to improve the region's waste infrastructure, building on the Council of Mayors (SEQ) Waste Management Plan and furthering the south-east's transformation towards a cleaner, more sustainable region.
- An additional \$40 million over the next 5 years towards delivering priority, on-ground works to improve their overall health and resilience through the Council of Mayors (SEQ) Resilient Rivers Initiative.

COUNCIL APPROVES OFFERING ASSISTANCE FOR SCENIC RIM'S FLOOD-AFFECTED RATEPAYERS

Scenic Rim residents and business operators suffering financial hardship as a result of the recent torrential rain and flooding may be eligible for rates assistance from Council until June 2023.

Council approved a concession to defer rates payments by residents and local businesses directly impacted by south east Queensland's flood disaster of 22 February to 7 March 2022.

The concession for those eligible will apply to the second rates levy of the 2021-2022 financial year, as well as both levies for 2022-2023, effectively extending the rates discount period until 30 June 2023. The rates concession will be available only until 30 June 2023 and applicants must meet the conditions required by Council.

MORE THAN 1500 SITES REQUIRE EMERGENCY WORKS ACROSS SCENIC RIM

Following the flooding event in early 2022, Council crews have been carrying out visual inspections to an extensive 1,756-kilometre road network, more than 100 bridges, almost 1,000 culverts and multiple parks and community facilities across the region as part of the disaster recovery and emergency works phase. This comes after similar works were undertaken following the severe weather in November 2021 that in some instances has been re-damaged.

The assessment identified more than 1500 sites requiring emergency works with remaining inspections to be completed in early April and these emergency works are forecast to be completed by mid-May.

The priority works that have occurred are a short-term solution, however, a long-term plan for infrastructure restoration under the Disaster Recovery Funding Arrangements is, jointly funded by the Queensland and Australian governments is underway. The anticipated timeframe for the completion of these works to be around two years.

A CALL-OUT FOR COMMUNITY FEEDBACK ON FLYING-FOX IMPACTS IN THE SCENIC RIM

Scenic Rim Regional Council used digital community engagement platform Let's Talk Scenic Rim to understand concerns that residents and/or community groups might be experiencing due to close proximity of flying-fox roosts and foraging areas within the Scenic Rim Urban Flying-Fox Management Area. This might include noise, odour and/or property damage.

Following consultation, clearer provisions can then be created regarding Council's management of problematic sites. This includes developing new support services for impacted private properties.

LET'S TALK: SCENIC RIM'S FIRST DRAFT AGRIBUSINESS AND AGRITOURISM ROADMAP

Community consultation was opened in April for residents to have their say on the draft Scenic Rim Agribusiness and Agritourism Industry Development 10-Year Roadmap 2022-2032.

The agriculture and tourism industries in the Scenic Rim are critical to our region's economy, accounting for more than \$400 million of the regional economy's Gross Regional Product (GRP) and employing more than 4,000 locals. This Roadmap is the next step in Council's ongoing commitment to drive economic growth, jobs, innovation and resilience for these industries and build a more prosperous region.

Delivery of this 10-Year Roadmap is included under Phase 2 of a three-phase grant-funded Agribusiness and Agritourism Industry Development Program to build on the strengths of the region and capitalise on emerging opportunities within these sectors.

BEAUDESERT TOWN CENTRE REVITALISATION WORKS FORGING AHEAD

Council has appointed a specialist civil contractor to carry out the early stages of the redevelopment of the Beaudesert Town Centre, including traffic improvement works along Selwyn and Brisbane Streets, and construction of a new carpark adjacent to Helen Street.

The revitalisation of the Town Centre will create a relaxed and rural atmosphere for residents and visitors alike captured by welcoming public spaces and appealing streetscapes and infrastructure, while maintaining the unique character of the area.

SPEAK UP ABOUT CLIMATE CHANGE IN THE SCENIC RIM

Scenic Rim Regional Council is calling on the community to share their ideas on how Council and community should best respond to the challenge of climate change.

Council's job is to now produce Council's final Statement of Intent which will guide future projects and programs of work in keeping with community values. The Statement provides a framework to monitor and review Council's progress towards its climate change and adaptation goals.

LOCAL CANDIDATES ASKED TO SUPPORT PROJECTS FOR REGION'S PROSPERITY

Local candidates will be asked to support key projects identified by Scenic Rim Regional Council for the region's future prosperity in the lead-up to 2022's Federal election.

The support of local candidates for major projects such as Mount Lindesay Highway, Inland Rail, Bromelton State Development Area (SDA) and the 2032 Olympics is vital for the region's economic prosperity. Scenic Rim has dealt with the challenges of a long series of significant natural disaster impacts and has continued to show the resilience and capacity to grow and maintain a positive outlook and continue to generate strong economic performance.

Key priorities:

1. Mt Lindesay Highway upgrading to improve efficiency and safety, creating a major freight access route to Brisbane.
2. Inland Rail connectivity with a highly efficient, dedicate high-speed freight corridor from Kagaru to Port of Brisbane.
3. City Deals - agreed commitment to the 20 year program.
4. Water for Warrill - investigate the viability of a range of infrastructure and non-infrastructure solutions to deliver reliable, high priority water to the Warrill and Fassifern Valleys.
5. 2032 Olympic and Paralympic Games - transport links needed to facilitate venues within Scenic Rim.
6. Climate Change and Biodiversity - including biosecurity such as maintaining Fire Ant Program.
7. Increased mobile and digital coverage and reliable connectivity across the region.
8. Electric Vehicle Super Highway - does not pass through the Scenic Rim region despite being located in SEQ.
9. Disaster Relief Funding Arrangements Support.
10. Commitment to Financial Assistance Grants (as it relates to the formula) and review of Tied and Untied Grants Program to be relevant to the Australian Government grants, such as:

11. Building Better Regions
12. Bridge Renewal Program
13. National Heavy Vehicle Program.

RESIDENTS INVITED TO SHARE THEIR FEEDBACK ON HOW COUNCIL'S WASTE TRANSFER STATIONS CAN BE IMPROVED

These stations are distributed across the region in populated areas to provide maximum convenience for local residents and located in Boonah, Canungra, Central (Bromelton), Kalbar, Peak Crossing, Rathdowney, and Tamborine Mountain. The community can share their feedback on any of the seven sites.

Council has a responsibility to ensure a user-friendly service that is accessible and straight forward for the community is provided. Community feedback will be used to ensure our services and infrastructure prioritise waste diversion and resource recovery.

GET SAVVY AT FREE HEALTH AND WELLBEING EXPOS

Scenic Rim residents are encouraged to Get Savvy and tap into the wealth of information at Council's free health and wellbeing expos across the region during May.

The Get Savvy community events, to be held at Tamborine Mountain, Boonah and Beaudesert, will include dozens of stallholders offering free giveaways and information for all ages on local organisations, community services and health and wellbeing.

MINOR GRANTS MAKE A MAJOR DIFFERENCE TO SCENIC RIM'S COMMUNITY ORGANISATIONS

Twenty grassroots organisations across the Scenic Rim will share in more than \$60,000 in grants adding value to community life throughout the region.

Council's funding support for local organisations, through Round Two of the Minor Community Grants Program for 2021-2022, was endorsed at today's Ordinary Meeting following a rigorous selection process which considered a total of 24 applications for a wide range of projects.

The Minor Community Grants Program provides funding of up to \$5,000 for projects by not-for-profit groups and sporting organisations which make a positive difference in the lives of Scenic Rim residents.

The latest funding round has provided grants totalling \$61,699.14 for projects as diverse as the preservation of historical documents, building refurbishments, first aid training and the purchase of sporting equipment, electrical goods and astrophotography gear.

It has also provided support for local events which bring the community together and also draw visitors to the region.

CELEBRATING RESURGENCE OF SCENIC RIM SMALL BUSINESSES

In celebration of Queensland Small Business Month 2022, Scenic Rim Regional Council is excited to announce a month-long program of events to help local business connect with industry specialists, government and each other.

More than 15 events will be on offer throughout May, hosted by Council, local Chambers of Commerce, industry specialists, government departments and more, where local businesses can learn new skills, reconnect, and get inspired for the future.

Small businesses account for more than 98.5% of our region's businesses, so it's important to provide opportunities for business owners and their employees to upskill and learn from one another.

COUNCIL APPROVES 54 RESIDENTIAL LOTS AND NEW PARK AT ARATULA

The approved subdivision is the first stage of a proposed two stage development totalling 126 lots. The second stage will require a future subdivision application. The residential lots range in size from 800m² to 2,548m² and the park area is 1.060ha which includes areas for stormwater management.

All 54 proposed residential lots will be connected to urban infrastructure networks including reticulated water supply, stormwater drainage and sewerage networks, and electrical and telecommunications supply infrastructure. The development will involve the creation of three new roads, with vehicle access to the site being obtained via Phillip Street.

UPDATED FLOOD HAZARD INFORMATION FOR VERESDALE AND CANUNGRA TOWNSHIP ADOPTED AT COUNCIL MEETING

Scenic Rim Regional Council has endorsed a new flood study for Veresdale and a minor update to the existing flood study for the Canungra township to inform a Minor Amendment to the Scenic Rim Planning Scheme 2020.

As part of Council's ongoing commitment to increasing the community's awareness of the risk of flooding and ensuring that the best information is used to inform planning for flood-affected land, a new flood study for Veresdale and a minor change to the Canungra township flood study have been completed.

The updated flood hazard information provided by these studies will ensure that Council can provide improved information to landowners about the nature of flood hazard on the land to inform new development and building work.

SCENIC RIM RESIDENTS TO CHOOSE EKKA HOLIDAY FOR 2023 AND BEYOND

Scenic Rim residents are being asked to have their say for when the annual Royal Queensland Show holiday should be held from 2023 onwards.

There are five options which are the days of EKKA week, Monday to Friday. The community will be able to leave their preference through Let's Talk Scenic Rim and the response will inform the decision on the 2023 Ekka public holiday.

WORKS COMMENCE FOR SOMMERS ROAD EXTENSION

Three remote property owners west of Boonah will soon have access to the Scenic Rim's sealed roads network thanks to a tailored agreement with Council.

The collaborative solution to extend Sommers Road was reached between Scenic Rim Regional Council's Asset and Sustainability teams and the residents. Out of this agreement, local residents get a fully functioning road to keep them connected and Council expands the region's road network with a brand new, high-quality road.

Works have commenced and the residents have entered into a payment plan with Council to get them connected quicker, with Council responsible for ongoing maintenance as part of its regular roads program, spanning over 1,750 kilometres.

VOTE FOR OUT SCENIC RIM TOP TOURISM TOWNS

Residents and visitors are being asked to show their support by voting for four Scenic Rim communities - Boonah, Canungra, Kalbar and Tamborine Mountain – which have been announced as finalists in the Queensland Tourism Industry Council's 2022 Top Tourism Town Awards.

The Top Tourism Town Awards aim to recognise and reward towns that offer outstanding visitor experiences and demonstrate a strong commitment to encouraging tourism and increased visitation.

Through a collaborative submission process supported by Scenic Rim Regional Council, each of the four towns was able to showcase how their tourism operators, businesses and community groups work together to make the region the best tourism destination possible.

Scenic Rim towns feature as finalists in three award categories:

- Tamborine Mountain as a Top Tourism Town (population over 5,000)
- Boonah as a Top Small Tourism Town (population between 1,500 and 5,000)
- Canungra and Kalbar as Top Tiny Tourism Towns (population under 1,500)

7.5 DELEGATES REPORT: LOCAL GOVERNMENT NSW SPECIAL CONFERENCE

The report below has been submitted by Cr Danielle Mulholland to Kyogle Council following her attendance at the Local Government NSW Special Conference held in Sydney 28 February – 2 March 2022.

DELEGATES REPORT: CR DANIELLE MULHOLLAND - LOCAL GOVERNMENT NSW SPECIAL CONFERENCE

Author: Councillor
Authoriser: General Manager
Attachments: Nil

SUMMARY / PURPOSE

The following Delegate's Report by Cr Danielle Mulholland provides information for Councillors on the Local Government NSW Special Conference held in Sydney from 28 February – 2 March 2022.

RECEIVE AND NOTE

That Council:

1. Receive and note the report on LGNSW Special Conference and the resolutions passed at conference;
2. Endorse the recommendations that Council;
 - a) Engage with local groups and media to promote distribution of information around domestic violence, causes, assistance available for victims and perpetrators;
 - b) Encourage the inclusion of women in sport;
 - c) Encourage respectful relationships in businesses;
 - d) Ensure its social responsibilities are reflected in its strategic planning;
 - e) Refers the recently released *Northern Rivers Joint Organisation Renewable Energy Blueprint for the Northern Rivers* report to the Climate Change Working Group, requesting they make appropriate and practical recommendations to Council around the opportunities the report presents for the Kyogle LGA
 - f) Refers the IPCC report of February 2022 to the Climate Change Working Group, requesting they make appropriate and practical recommendations to Council around how the Kyogle LGA can reduce its carbon footprint in line with the recommendations contained within that report.
 - g) Correspond with the NRJO through the Chair, Mayor Sharon Cadwallader to request urgent and immediate advocacy be undertaken with state and federal government Ministers to address the housing crisis occurring in the Northern Rivers including but not limited to, social housing which is currently below the state average;
 - h) Write to the Minister for Housing and the Minister for Crown Lands requesting that crown land within the Kyogle LGA be unlocked for affordable housing and development;
 - i) Advocate around the housing crisis being experienced post flood and request state and federal government take urgent action to provide accommodation in the short term, and implement strategic responses that reduce the flood risk in the longer term.

BACKGROUND INFORMATION

Due to the COVID-19 pandemic restricting participation in the 2021 LGNSW Annual Conference, the conference was split into two parts, with an AGM occurring in 2021 and a Special Conference organised for 28 February – 2 March 2022, held at the Hyatt Regency in Sydney, to debate council motions.

At its 14 February 2022 Ordinary meeting, Council resolved to nominate Mayor Cr Kylie Thomas as the voting delegate at the Special Conference, with Cr Danielle Mulholland attending the conference as a non-voting delegate.

After the 28 February 2022 floods prevented Cr Thomas from travelling to Sydney for the Special Conference, Cr Mulholland became Council's voting delegate.

REPORT

Domestic Violence

The various types of domestic violence (DV), the responses and training that councillors can undertake in this space was discussed. One in four women experience domestic violence from the age of 15. However, there has been an increase in the use of claims of domestic violence against women and men for their own personal benefit.

If we invest in initiatives, we can start to address these issues at a grass roots level.

The LGBTIQI community experience high levels of DV, but are marginalised in many communities.

Domestic Violence NSW has a framework around domestic violence - it is preventable when communities work together. There are three tiers of domestic violence prevention:

1. Tertiary prevention (after violence has occurred);
2. Secondary prevention (identifying early signs of violence);
3. Primary prevention which involves programs that target the whole community.

We need to foster positive, equal and respectful relationships between genders and across the gender spectrum.

A new national draft plan has just been released targeting women and children in the domestic violence space. Feedback includes a need to prevent domestic violence and to be more active in addressing the issue. Council has a role in domestic violence prevention, however we need resources to effectively undertake the role. We are community influencers. We can implement gender equality plans, promotion of respectful workplaces, education programs around changes in behaviour, co-designing family domestic violence prevention plans etc. There are community groups in Kyogle who are doing work in this space, and going forward there is a need to partner with these groups around the aforementioned actions.

Blue Mountains Council (BMC) has a strategy for addressing domestic violence in rural and regional areas. Councils are often the largest employers in a local government area and set the tone for gender equity.

We also need a funded National plan to end domestic violence.

Blue Mountains Council has elevated the stats around domestic violence. See Coalition against Violence and Abuse (CAVA). <https://www.mcrn.org.au/index.php/our-sector/coalition-against-violence-abuse>

A national primary prevention framework is the best formula to use to address underlying issues which promote domestic violence.

What can we do? Coordinate vigils and hold monthly meetings with key domestic violence service providers are just a couple of examples of how councils can get involved. We need a whole of community change in delivering services across the LGA. Developing a domestic violence toolkit and developing internal and external projects to address undying issues. Gender equity strategies are needed as well as a change to the eligibility of our community grants - this requires a motion of council so that local community providers can deliver domestic violence services.

For example:

1. The Love Bites program costs approximately \$15-\$20k for four schools.
2. A day against homophobia, transphobia etc. Something Council could consider implementing and funding. Get local speakers to talk about their experiences. What support is available?
3. White Ribbon Day - what are we actively doing in this space?
4. Team up with a local legal firm to provide free advice around family and DV.
5. Paint a fingernail purple - indicates a person is a domestic violence survivor.
6. Male change rooms and toilets can be redesigned to be gender neutral. Support for community groups to change these rooms can be something with which council can assist.

There is a stigma attached to asking for help, particularly men, both as victim of domestic violence and perpetrators - early intervention can save relationships, families and lives.

Mainstream services may not understand LGBTQI needs - threats of making public a person's sexuality before they have made that decision themselves, gender shaming, etc. There are additional barriers in culturally and gender diverse communities. For example, in migrant and refugee communities, there is a lack of awareness of services, fear, etc. Often Non-Government Organisations (NGOs) are in council buildings which are not fit for purpose.

Disabled women are significantly over-represented in the domestic violence space.

Domestic violence against elderly parents; ie elder abuse is on the rise - housing prices are increasing, kids are staying home longer and abuse against parents or a parent is trending upwards.

Recommendation:

That Council:

1. Engage with local groups and media to promote distribution of information around domestic violence, causes, assistance available for victims and perpetrators;
2. Encourage the inclusion of women in sport;
3. Encourage respectful relationships in businesses;

Climate Change - The Gap Between Recognition And Action

Climate change is accelerating and we need to address the burning of fossil fuels including coal, oil and gas. If we continue to consume these products at the same or an increasing rate, we will have loss of life due to extreme heat, which kills more people in Australia than any other weather pattern. There will be increasing impacts on primary producers with extreme weather events including prolonged drought and flood events. The Climate Council states we need to reduce our net emissions by 2025 - 2050 is too late to prevent the global temperature exceeding the two degree limit.

What to say to those who don't believe in climate change?

Just get out of the way. There are people who distrust the findings of thousands of scientists and nothing will change their minds. Fortunately, every State Government in Australia as well as the

Federal Government, Bureau of Meteorology, the Australian Academy of Science and many other institutions across the country and the world are committing to action on climate change.

There is also a lot we can learn about sustainability from First Nations people.

Councils and communities are starting to mitigate and adapt to climate change. If all the targets that councils have set are met, we would be 96% of the way to achieving the targets set by the Federal Government.

For example, solar farms are saving Newcastle residents around \$9m per annum. This covers about half of their council's energy use. Administration emissions have been cut by 70%. They have transferred their vehicles and machinery to battery power, including larger trucks, chainsaws etc. and are currently transitioning garbage trucks to electric power reducing mechanical wear and tear, while also looking at hydrogen cell technology to power vehicles.

Intergovernmental Panel on Climate Change (IPCC)

We cannot deal with climate change without a genuine relationship between council and the Federal Government. We need to turn this around. The new report released by the IPCC covers climate change extensively.

Things in Australia will get much worse if we can't make substantial changes. We have spent the last two decades talking about whether we need to take action. Every major party in Australia supports zero net emissions, but we need to get on with the job of reducing our own emissions in partnership with them.

The new IPCC report shows Australia is at real risk from climate change, with impacts worsening, future risks high, and wide-ranging adaptation is needed. Climatic trends, extreme conditions and sea level rise are already hitting many of Australia's ecosystems, industries and cities hard.

As climate change intensifies, we are now seeing cascading and compounding impacts and risks, including where extreme events coalesce. These are placing even greater pressure on our ability to respond.

While the work of adaptation has begun, they have found the progress is uneven and insufficient, given the risks we face.

These findings are from their work as co-authors of the new Australia and New Zealand chapter in the Intergovernmental Panel on Climate Change (IPCC) 6th Assessment Report on Impacts, Vulnerability and Adaptation, released on 28th February 2022. The report can be found here www.ipcc.ch/assessment-report/ar6/

The Working Group II contribution to the IPCC Sixth Assessment Report assesses the impacts of climate change, looking at ecosystems, biodiversity, and human communities at global and regional levels. It also reviews vulnerabilities and the capacities and limits of the natural world and human societies to adapt to climate change. The Summary for Policymakers (SPM) provides a high-level summary of the key findings of the Working Group II Report and is approved by the IPCC member governments line by line.

The Summary for Policymakers (SPM) presents key findings of the Working Group II (WGII) contribution to the Sixth Assessment Report (AR6) of the IPCC1. The report builds on the WGII contribution to the Fifth Assessment Report (AR5) of the IPCC, three Special Reports, and the Working Group I (WGI) contribution to the AR6 cycle.

This report recognises the interdependence of climate, ecosystems and biodiversity, and human societies, and integrates SPM knowledge more strongly across the natural, ecological, social and economic sciences than earlier IPCC assessments.

The assessment of climate change impacts and risks as well as adaptation is set against concurrently unfolding non-climatic global trends eg biodiversity loss, overall unsustainable consumption of natural resources, land and ecosystem degradation, rapid urbanisation, human demographic shifts, social and economic inequalities and a pandemic.

The scientific evidence for each key finding is found in the 18 chapters of the underlying report and in the seven cross-chapter papers as well as the integrated synthesis presented in the Technical Summary. Based on scientific understanding, key findings can be formulated as statements of fact or associated with an assessed level of confidence using the IPCC calibrated language. The WGII Global to Regional Atlas facilitates exploration of key synthesis findings across the WGII regions.

https://www.ipcc.ch/report/ar6/wg2/downloads/report/IPCC_AR6_WGII_SummaryForPolicymakers.pdf

How will we get to net zero? We can easily get to net 50% but achieving net zero emissions by 2050 will be more challenging. Change is happening in an unmanaged way - we need to build skills in this space as well.

Timber and primary producers will continue to produce emissions but these can be mitigated through soil management etc but there are very few and very new technologies around these industries. More work needs to be undertaken in this area.

The benefits of taking action on climate change far outweigh the cost of inaction. Because we have delayed taking action, the mountain has grown exponentially and had we put zero net targets in place 20 years ago, we would realistically be better positioned. However, we now need to accelerate our targets, otherwise we are looking at severe consequences.

Recommendation:

That Council:

1. Ensure its social responsibilities are reflected in its strategic planning;
2. Refers the recently released *Northern Rivers Joint Organisation Renewable Energy Blueprint for the Northern Rivers* report to the Climate Change Working Group, requesting they make appropriate and practical recommendations to Council around the opportunities the report presents for the Kyogle LGA
3. Refers the IPCC report of February 2022 to the Climate Change Working Group, requesting they make appropriate and practical recommendations to Council around how the Kyogle LGA can reduce its carbon footprint in line with the recommendations contained within that report.

Housing Crisis

Housing supply and affordability has reached crisis point. The Shadow Minister for Planning and Public Spaces, Paul Scully, has committed to the following:

- No matter your income, there is a home for you in NSW. The question is - where?;
- Commitment to provide affordable, social and Aboriginal housing;
- The development of shared equity schemes allowing first home owners to enter the market;
- Unlocking new housing through developer investment;
- Building housing supplies in the regions based on the housing taskforce recommendations;

- Probity, process and productivity approach;
- Rate pegging - supports review of IPART recommendations as proposed by the current Minister.

The relevant questions are as follows:

- When is the IPART review going to happen? When will the results of the review be released?
- There is no real “meat on the bone” - a failure to recognise that additional housing stock is needed now, particularly in the Northern Rivers following the disastrous flood events we have experienced, displacing thousands of residents currently in temporary accommodation or homeless;
- Nothing for the Northern Rivers - where is our housing investment?
- The dialogue was all Sydney, Sydney, Sydney being the high growth capital for the state. What is planned for the regions?

There was a discussion about the need to build around 42,000 homes for the next 40 years to meet demand. This is insufficient. Population pressure will continue to build through time and the Northern Rivers in particular is feeling that pressure. The escalation in property prices, both developed and undeveloped, demonstrates that the Covid population migration, our proximity to SE Qld and the coast where existing property is already over developed and unaffordable, is placing heavy stress on the housing market. Kyogle is one area where we have insufficient housing stock to meet demand.

We need to come up with a suite of options to address this issue and we need to work in partnership with the other levels of government.

The NSW Government has published their housing strategy but it is a disappointing document. We were promised action plans and we have yet to see these. The housing strategy can be found at

<https://www.planning.nsw.gov.au/-/media/Files/DPE/Reports/Policy-and-legislation/NSW-Housing-Strategy-Report-2021-Mayv2.pdf>

The main pillars of the strategy are as follows:

Coordinated growth

- State Infrastructure Strategy 2018
- Greater Sydney Region Plan and District Plans
- Future Transport Strategy 2056
- Local strategic planning framework
- Planning reforms
- NSW Smart Places Strategy

Environment

- NSW Waste Strategy Discussion Paper
- Premier's Priority – Greening our city
- NSW Electricity Strategy
- Premier's Priority – Greener Public Spaces

Communities

- NSW Ageing Strategy 2016–2020
- Future Directions for Social Housing in NSW
- Strong Family, Strong Communities: A Strategic Framework for Aboriginal Social Housing in NSW 2018–2028
- NSW Homelessness NSW Disability Strategy 2018–2023 Action Plan

Economic growth

- Kickstarting the Productivity Conversation: NSW Productivity Commission
- 20-year Economic Vision for Regional NSW
- NSW 2040 Economic Blueprint

Access to information

- Common Planning Assumptions
- NSW Open Data Policy
- Digital NSW: Designing Our Digital Future
- Internet of Things Policy Statement

Strategy timeframes

The NSW Government's recommended responses in the strategy have been grouped together within the following timeframes:

0-2 years

Actions in this period predominantly seek to address or respond to the COVID-19 pandemic and resulting economic recession, as well as recent environmental disasters including the drought, bushfires and floods.

Actions taken in the first two years will shape the foundations for future action plans. These include facilitating increased supply in appropriate locations, more diverse housing products and tenure types, improved support for vulnerable groups and improved building sustainability and resilience.

Please note that there is no definition for "appropriate locations" and given the IPART decision to endorse higher rate caps for Councils experiencing growth, it is to be expected that this is where the focus will be.

Long term

The 20-year vision and objectives for housing in NSW will inform long-term actions. These will focus on improving housing outcomes for NSW communities, and incorporate potential changes to the way the housing system is conceptualised. This will ensure flexibility for responding to emerging technologies, new ways of thinking and improved housing design and delivery.

An inaugural action plan has been developed, covering the first two years of the strategy, alongside Housing 2041 to guide immediate action for improving housing outcomes.

Given the unique circumstances in which the NSW Government is planning for and delivering housing in 2020, the Government has prioritised short-term actions to shape the foundation for future action plans. Future action plans will outline new, long-term change or reform that aligns with the priorities of the NSW housing strategy.

Housing 2041 relies on a number of terms to distinguish housing typologies, products, and tenure types across the state. For example, 'affordable rental housing' refers to a type of housing product for people on very low to low incomes, and 'housing affordability' describes the ability of a household to afford the cost of living. The terms used that are relevant to the NSW Housing Strategy, and their explanations, are included at the end of this report for reference.

The Northern Rivers Joint Organisation (NRJO) in its last term, developed a submission on behalf of all NSW JOs to the State Government. With meaningful advocacy around recent floods and the desperate need for housing and accommodation, action is needed now.

Recommendation;

That Council:

1. Correspond with the NRJO through the Chair, Mayor Sharon Cadwallader to request urgent and immediate advocacy be undertaken with state and federal government Ministers to address the housing crisis occurring in the Northern Rivers including but not limited to, social housing which is currently below the state average;
2. Write to the Minister for Housing and the Minister for Crown Lands requesting that crown land within the Kyogle LGA be unlocked for affordable housing and development;
3. Advocate around the housing crisis being experienced post flood and request state and federal government take urgent action to provide accommodation in the short term, and implement strategic responses that reduce the flood risk in the longer term;

Miscellaneous

Kyogle Council's motion around the Financial Assistance Grants was not supported. The city councils, who have more delegate votes than the rural/regional sector, voted resoundingly "No".

A full report on resolutions passed at conference can be found here:

https://lgnsw.org.au/Common/Uploaded%20files/Annual%20Conference%20documents/Special_Conference/2022_Special_Conference-Resolutions.pdf

RECOMMENDATION:

THAT the report from LGNSW Special Conference be received and noted.

7.6 CLARENCE VALLEY COUNCIL'S JOINT ORGANISATION MEMBERSHIP

Purpose

The purpose of this report is to inform the Northern Rivers Joint Organisation Board ('the Board') about Clarence Valley Council's ('CVC') decision in relation to its membership of the Northern Rivers Joint Organisation ('NRJO').

Background

At its meeting on 4 February 2022, the Board resolved [at 04022022/5] to receive and note an associate member report from CVC.

During consideration of this report, CVC's Mayor (Councillor Ian Tiley) advised the Board of his intention to raise a Mayoral Minute for Council to consider joining the NRJO as a full member.

The Executive Officer also undertook to investigate the process of appointing new members to the NRJO.

Appointment of new members

Advice was sought from the NSW Office of Local Government regarding the necessary procedure to expand the voting membership of a joint organisation.

A change in membership needs to be by NSW Government Proclamation, with the following steps required:

- a. the relevant council passes a resolution seeking to join the joint organisation (this must be an unqualified resolution approving the inclusion of its area in the joint organisation's area);
- b. the council writes to the chair of the joint organisation seeking membership;
- c. the council's letter is tabled at a joint organisation board meeting for discussion;
- d. the joint organisation's board passes a resolution to accept the council as a member; and
- e. the joint organisation writes to the Minister for Local Government to request the council be added as a new member.

Outcome of Mayoral Minute

Council's Mayor advised the Board's Chair by way of email dated 28 April 2022 that the Council considered a Mayoral Minute at its ordinary meeting on 26 April 2022.

The minute aimed to seek the Council's support to obtain full membership of the NRJO.

The Council resolved not to support the minute. As a result, Council remains an associate (non-voting) member of the NRJO.

Conclusion

At its ordinary meeting on 26 April 2022, the Council resolved not to seek full membership of the NRJO. As such, Council will continue as an associate (non-voting) member of the NRJO.

RECOMMENDATION

The Board receive and note this report.

7.7 EXECUTIVE OFFICER REPORT

1. STRATEGIC DIRECTIONS

CAPACITY BUILDING FUND I

In March 2021 the NRJO applied to the OLG to redirect resources from the Capacity Building Fund to focus on two new studies: The Assessment of a UNESCO Biosphere Application; and the development of a Renewable Energy Prospectus which are strategic priorities for the NRJO.

RENEWABLE ENERGY PROSPECTUS

Consultants 100% Renewables were appointed to the project and a steering committee comprising representatives from Kyogle, Richmond Valley and Byron Councils have overseen the process with regular project meetings. The project is now completed and includes a master report, prospectus, PDF Flyer and guideline for possible future projects.

RECOMMENDATION:

THAT the Board note that the Prospectus is being rebranded as a Blueprint prior to being publicly distributed.

CAPACITY BUILDING FUND II

On June 24 2021 NRJO Chair, Cr Mulholland, received a letter from the Minister for the Office of Local Government outlining that Round II of the Capacity Building Fund for JOs with each organisation receiving and additional \$150,000 in funding.

The outcome of the funding is to assist JO's to further build capacity and demonstrate capability to work with State agencies, while delivering their strategic plans and improve each JOs sustainability. Four projects were proposed and approved for this funding:

- Business Case into Shared Services
- Audit of available industrial and employment land (Goal 12, Strategic Action 12.2)
- Energy and Waste Related Projects (Goal 10)
- Mobile Phone Black spots (Goal 7)

(I) BUSINESS CASE – ESTABLISHMENT AND OPERATION OF SPECIALIST EMPLOYEE POOL WITHIN THE NORTHERN RIVERS COUNCILS.

Councils in regional NSW are regularly impacted by skill-shortages in key positions. Many councils have had vacant roles for which they've advertised, but have been unsuccessful in finding candidates with the appropriate qualifications who are based in regional NSW or willing to relocate to Regional NSW

The body of work the subject of this study, is to determine whether the proposal for the NRJO to operate an employee pool of specialist staff to assist member councils is achievable, what structure would be most viable, profitable and practical for the NRJO, as a potential solution to address the regional NSW skills shortage in the short-and long-term.

The vision for the program is to address the fluctuating workloads of member councils. It is also acknowledged that smaller councils may not need full time equivalent roles, and this will body of work will determine potential models whereby the NRJO could bring on staff, which member councils can access as needed.

The study will also determine whether this concept will positively impact on professional service delivery and provide a potential long-term stream of income for the Joint Organisation.

A scope for the study was finalised and sent to the market for quotes the week of 30 November 2021. A steering committee of representatives from NRJO member councils has now been formed to oversee the project and include representatives from Tweed, Ballina, Richmond Valley and Lismore Councils. Assistance has been received from the Dept Planning, Industry and Environment and Office of Local Government who will also sit on the Steering Committee.

RECOMMENDATION:

THAT the Board note that a Consultant has been appointed to undertake the study over a 10 week period.

2. OTHER

STAFFING

On 11 April 2022 the Board agreed to the extension of the RDA service agreement through until 30 June 2022. This now includes 15 hours of administration support and 5 hours of financial management per week.

FINANCIAL MANAGEMENT

The financial management of the NRJO was noted in the Auditors report at the end of last financial year and we have been strongly encouraged to make changes.

A proposal has been received from Rous to take over the function. An email was sent to all councils to see if there was any interest in absorbing this role within their finance department and only Byron responded positively.

LGNSW AWARD WORKING PARTY

NRJO coordinated the nomination of a regional rep for the LGNSW Award working party. Clarence Valley Council was included in this nomination. This has been submitted.

RECOMMENDATION:

THAT the Executive Officer report be received and noted.

7.8 EXTENSION OF THE MYROADINFO PLATFORM

Purpose

The purpose of this report is to seek the approval of the Northern Rivers Joint Organisation Board ('the Board') to extend the operation of the MyRoadInfo platform and provide the funding needed to facilitate the platform's extended operation period.

Background

The MyRoadInfo platform provides Northern Rivers communities with up-to-date local road information across the Ballina Shire, Byron Shire, Clarence Valley, Kyogle, Lismore City, Richmond Valley, Tenterfield Shire and Tweed Shire local government areas.

Although no formal agreement is in place, the subscription to the MyRoadInfo platform is funded by the Northern Rivers Joint Organisation ('NRJO') via regular contributions from its member councils.

The MyRoadInfo platform is currently being wound up, with the information provided to it by member councils to be transitioned to the Live Traffic NSW service run by Transport for NSW.

Development of a new system called OneRoad is being finalised to facilitate this transition as well as the ongoing provision of local road information to the Live Traffic NSW service.

Status of transition to the Live Traffic NSW service

The MyRoadInfo platform was planned to be wound up by the end of the 2021–22 financial year.

However, Transport for NSW has advised the NRJO that it will not be in a position to facilitate the provision of local traffic information directly from councils until the third quarter of 2022.

In light of this timing, it is proposed extending operation of the MyRoadInfo platform for up to six months (only) until 31 December 2022.

An assessment indicates \$15,000.00 in funding from the NRJO will be needed for the extent of work and associated costs required to upgrade and maintain the platform so it can continue operating for this extended period.

Conclusion

The MyRoadInfo platform provides important information about local traffic conditions for Northern Rivers communities.

Its transition to the Transport for NSW Live Traffic NSW service will benefit these communities by ensuring they can access up-to-date traffic information about state and local roads via a single, combined source.

However, until this transition can be successfully completed towards the end of 2022, the MyRoadInfo platform is required to be extended.

RECOMMENDATION

The Board approve:

- 1. the extension of the MyRoadInfo platform's operation for up to six months until 31 December 2022; and*
- 2. funding of \$15,000.00 to facilitate the MyRoadInfo platform's extended operation period.*

7.9 SHARED AUDIT, RISK AND IMPROVEMENT COMMITTEE WITH ROUS COUNTY COUNCIL

Purpose

The purpose of this report is to seek the approval of the Northern Rivers Joint Organisation Board ('the Board') to enter into an arrangement with Rous County Council ('Rous') to share its Audit, Risk and Improvement Committee ('ARIC') and ensure the Northern Rivers Joint Organisation ('NRJO') is compliant with the *Local Government Act 1993* ('the Act').

Background

In August 2021, the NSW Office of Local Government ('OLG') advised that sections 428A and 428B of the Act had commenced.

Under section 428A, all councils (including county councils) and joint organisations are required to have an ARIC.

Councils and joint organisations must appoint an ARIC to keep under review several aspects of their operations including compliance, risk management, fraud control, financial management, governance, strategic planning, service reviews and collection of performance measurement data.

An ARIC must also provide information to councils and joint organisations for the purpose of improving their performance.

Councils and joint organisations are permitted under section 428B to enter into arrangements with other councils (including county councils) or joint organisations to share an ARIC.

The OLG also advised that, under the transitional provisions of the Act, all councils (including county councils) and joint organisations must have either appointed an ARIC or entered into an arrangement with another council or joint organisation to share an ARIC **before 4 June 2022**.

Current status

As of the Board's 20 May 2022 ordinary meeting, the NRJO does not have an ARIC nor has it entered into an arrangement with another council or joint organisation to share an ARIC.

Several joint organisations have requested the OLG reconsider the requirement for a joint organisation to have an ARIC, and the NRJO sought an extension to the 4 June 2022 deadline in light of the February/March 2022 natural disaster.

However, the OLG has recently advised all joint organisations are still required to either have an ARIC or entered into an agreement to share an ARIC by 4 June 2022 in order to be compliant with section 428A of the Act.

Proposal for a shared arrangement with Rous County Council

Entering into an arrangement with one of its member or associate member councils to share an ARIC provides the most effective and efficient way to ensure the NRJO's compliance with section 428A of the Act by 4 June 2022.

Rous is an associate (non-voting) member of the NRJO. Its four constituent councils (Ballina Shire, Byron Shire, Lismore City and Richmond Valley) are all member councils of the NRJO. Additionally, Rous currently provides services to the NRJO's other two member councils (Kyogle and Tweed Shire).

Given the similar 'constituent council' and 'member council' statutory models of county councils and joint organisations, there is significant alignment between Rous and the NRJO – especially in relation to their obligations under the Act.

As such, it is proposed per section 428B of the Act that the NRJO enter into an arrangement with Rous to share its ARIC.

Rous County Council's Audit, Risk and Improvement Committee

As required under section 428A of the Act, Rous has an ARIC that meets quarterly each year. Its ARIC is governed by a Charter made in accordance with the OLG guidelines under section 23A of the Act.

The membership of Rous' ARIC consists of one county councillor and two independent external members (one of whom is appointed as the committee's chair).

Its ARIC's county councillor member is appointed by Rous' governing body, which is comprised of eight delegates (or county councillors) elected by the four constituent councils (two delegates each) from among their own local councillors. A sitting fee/rate is not payable to the ARIC's county councillor member in addition to the annual fee they receive as a member of Rous' governing body.

Rous' General Manager is authorised to determine an appropriate method of recruitment and selection of independent external members including if and when a vacancy occurs. The General Manager is also authorised to negotiate a sitting fee/rate for independent external ARIC members that is commensurate with their skills, experience and qualifications and payable subject to attendance and participation at ARIC meetings.

Shared arrangement model

Under the proposal, a shared arrangement would be entered into whereby Rous' ARIC members are concurrently appointed as members of the NRJO's ARIC.

The 'shared' members would be appointed to the NRJO's ARIC for a period up to 30 June 2025. This appointment period ensures the NRJO has an ARIC until the next local government elections in 2024 and for a reasonable period thereafter to allow a new joint organisation board the time to endorse an ARIC or shared arrangement for its term.

Despite sharing the same members, the meetings of the Rous ARIC and NRJO ARIC would be completely separate.

At this stage, it is proposed to pay the 'shared' independent external members an additional NRJO ARIC sitting fee/rate that is 70% of the sitting fee/rate they currently receive as members of the Rous ARIC. This sitting fee/rate can be reviewed once the OLG adopts the new Guidelines for Risk Management and Internal Audit for Local Councils in NSW to guide the operations of ARICs.

Under this shared arrangement, the county councillor member of Rous' ARIC would be considered an independent member of the NRJO ARIC and, thus, entitled to a sitting fee/rate. It would be up to the

county councillor to determine whether to accept a sitting fee/rate for their membership of the NRJO's ARIC. In discussions with the Councillor, they have declined the sitting fee.

The financial impact per meeting until the new guidelines are in place is:

Chair fee: \$ 350.00

Member fee: \$210.00

Conclusion

The NRJO must have an ARIC by 4 June 2022 in order to comply with section 428A of the Act.

Per section 428B of the Act, the NRJO can enter into an agreement with another council (including a county council) to share an ARIC for the purposes of complying with section 428A.

Given the similarities between county councils and joint organisations, entering into an agreement with the NRJO's associate member Rous to share its established ARIC provides the most effective and efficient option to ensure the NRJO's compliance with section 428A of the Act by 4 June 2022.

RECOMMENDATION

The Board approve the interim Executive Officer to enter into an arrangement with associate member Rous County Council by 4 June 2022 to share its Audit, Risk and Improvement Committee with the Northern Rivers Joint Organisation and ensure compliance with section 428A of the Local Government Act 1993.

7.10 MANAGEMENT OF FINANCIAL SERVICES

Purpose

The purpose of this report is to seek the approval of the Northern Rivers Joint Organisation Board ('the Board') to engage a new service provider to provide the financial management services required by the Northern Rivers Joint Organisation ('NRJO').

Background

Current arrangements for the provision of financial management services required by the NRJO will expire at the end of the 2021–22 financial year.

Proposal for the provision of financial management services

In January 2022, the NRJO's former Executive Officer requested Rous County Council ('Council') put forward a fee-for-service proposal to provide the financial management services required by the NRJO. The main reasons a proposal was sought from Council included:

- It's a well-established local government organisation, well-versed in the financial governance requirements of the *Local Government Act 1993* and local government accounting practices.
- As a non-voting associate member of the NRJO it can deliver the required financial management services at an appropriate 'arm's length' position.

Amongst other things, Council was requested to provide an estimated fee to manage the NRJO's bookkeeping, financial reporting and financial statement requirements as well as assist with its external audit process.

Rous County Council's proposal

The NRJO's former Executive Officer received a proposal from Council in February 2022.

It provides an estimated yearly fee to provide the following financial management services to the NRJO:

- payroll
- accounts receivable and payable
- business activity statements
- quarterly and annual reporting
- budget preparation
- grant administration
- attendance at NRJO board meetings
- associated financial software platforms.

Council estimates the provision of these services could cost up to \$29,446.00 (excluding GST) per year, with a one-off additional cost of \$3,094.00 (excluding GST) in year one to cover setup expenses.

Council has stressed this is a cautious estimate based on available information from the NRJO at the time and considers it to be at the upper end of the potential costs ultimately involved.

The most significant annual cost is the subscription to LG Solutions' financial templates (currently estimated at \$6,860.00 per year excluding GST), which are updated each year to meet the rigorous accounting standards required for statutory obligations under the *Local Government Act 1993*.

Council is confident that if its use of LG Solutions' templates is expanded for the NRJO's requirements then a reduction to the annual subscription fee could be negotiated.

In any event, rather than a fixed-fee arrangement Council is proposing an open book cost recovery option whereby it only charges the NRJO for expenses incurred and hours spent in relation to the provision of financial management services required.

Conclusion

Although only a relatively small local government organisation, the NRJO nonetheless is subject to the rigorous financial management requirements of the *Local Government Act 1993*.

Current arrangements for the provision of financial management services required by the NRJO will expire at the end of the 2021–22 financial year. The NRJO needs to engage a suitable service provider to continue providing it with appropriate financial management services.

Associate NRJO member Rous County Council is a well-established local government organisation, well-versed in the financial governance requirements of the *Local Government Act 1993* and local government accounting practices. Council's proposal (as outlined in this report) for providing the financial management services required by the NRJO is considered appropriate and worthy of acceptance by the Board.

RECOMMENDATION

The Board approve the proposal from Rous County Council for the provision of the financial management services required by the Northern Rivers Joint Organisation.

7.11 STATEMENT OF REVENUE POLICY

Background

It is a requirement of the Joint Organisation that it adopts a Statement of Revenue Policy for 2022/23. It must be provided on the website for comment and adopted before 30 June 2022.

Introduction

This document constitutes the Northern Rivers Joint Organisation Statement of Revenue Policy and is prepared in accordance with section 405 of the Local Government Act 1993 ("the Act").

The Revenue Policy includes the following statements for the year 2022-23 financial year:

- a) an estimate of the Northern Rivers Joint Organisation income and expenditure;
- b) each membership and non-voting membership fee;
- c) types of fees to be charged by the Northern Rivers Joint Organisation and the amounts of each such fee;
- d) amounts of external borrowings, the sources from where these are to be borrowed, and the means by which these are to be secured; and
- e) any other such matters as may be prescribed by the regulations.

The statements in the Revenue Policy with respect to membership and non-voting membership fee include, as required, the following particulars:

- a) the base amount of the membership and non-voting membership fee;
- b) the ad valorem amount (the amount in the dollar) membership and non-voting membership fee;
- c) in the case of project participant fees the estimated amount and principle behind the application of this fee; and
- d) any expectations agreed by the membership regarding the fees.

Factors Influencing Northern Rivers Joint Organisation Revenue and Pricing Policy

The following factors will influence the Northern Rivers Joint Organisation's revenue and pricing policy.

Community service obligations

A community service obligation arises where a council provides a function or service that has general community benefits beyond those received by direct users.

Councils generally provide services that are considered to have community importance but are not viable or practical to be provided on a commercial basis.

Councils review their level of Community Service Obligations as they relate to fees and charges.

Where such a community service obligation may exist across the membership of the Councils, the Councils may consider the community service obligation as a group.

Cost recovery

Northern Rivers Joint Organisation applies the principle of full cost recovery to determine the total cost of services.

The user-pays principle

The User-Pays Principle involves pricing the provision of goods, projects, services and facilities that require the user or the consumer to pay the actual cost of the service provided.

The Northern Rivers Joint Organisation may apply this pricing policy for the provision of project works and activities to businesses or members of the community.

Corporate overheads

Northern Rivers Joint Organisation corporate overheads are for governance, employment, administration functions and compliance required to deliver on the Strategic Regional Plan and the annual Business Plan.

Competitive neutrality

Competitive Neutrality is one of the principles of National Competition Policy applied throughout Australia at all levels of Government, including Local Government. Competitive neutrality is based on the concept of a “level playing field” for competitors in a market, be they public or private sector competitors. All Government business organisations should operate without net competitive advantages over businesses as a result of their public ownership.

Where Northern Rivers Joint Organisation competes in the market place with other private businesses, Northern Rivers Joint Organisation will do so on the basis that it does not utilise its public position to gain an unfair advantage over private businesses that may be in competition with Northern Rivers Joint Organisation or the Councils.

Goods and services tax

The Federal Government’s Goods and Services Tax (GST) must be applied to non-exempt fees and charges. The current rate of the GST is 10% and is included in the price paid by the recipient of the service. The GST indicators (GST exempt or not) in the list of fees and charges are subject to change at any time from changes that occur in the GST Act and/or regulations.

Ordinary Membership policy

Each member council is to contribute a monetary payment or equivalent contribution based on the following methodology:

- a) an equal share of 50% of the required annual membership fees, plus
- b) a share of the remaining 50% of the required annual membership fees apportioned by population using the latest census population figures from the ABS by LGA

Member councils will be consulted about proposed contributions by:

- a) Draft budgets for each financial year are to be presented at the February meeting of the Northern Rivers Joint Organisation in order for the proposed annual membership fees to be identified before each member Council commences the budget cycle for the upcoming financial year.

Fees for service

Approved fees for service

Section 608 of the Local Government Act 1993 provides that the Northern Rivers Joint Organisation may charge and recover an approved fee for any service it provides, other than a service provided, or proposed to be provided on an annual basis for which it is authorised or required to make an annual charge under Section 496 or 501 of the Act.

Section 609 of the Act provides that when determining the approved fee, the Northern Rivers Joint Organisation must take into account the following factors:

- a. the cost of the Council providing the service;
- b. the price suggested for that service by any relevant industry body or in any schedule of charges published, from time to time, by the Division of Local Government;
- c. the importance of the service to the community; and
- d. any factors specified in the regulations under the Act.

Credit card surcharge

Northern Rivers Joint Organisation imposes a Credit Card Surcharge on all payments made via credit card in accordance with Reform of Credit Card Schemes in Australia (iv) and Final Reforms and Regulation Impact Statement August 2002.

Private works

Northern Rivers Joint Organisation may carry out any kind of work that may lawfully be carried out. Private work will be carried out on the basis of a charge representing full cost recovery of the work carried out plus a margin for profit. The profit margin is dependent on and subject to market forces applying at the time.

Draft Forward Financial Plan

NRJO BUDGET SUMMARY 2022/23

Income

Membership Fees	251,300
MyRoadInfo	16,000
LG Procurement Rebate	30,000
Interest	1,000

TOTAL Income	298,300
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Expenses

Conferences, Events, Travel	12,250
Professional Development	14,250
Exec Officer - Salary/Oncosts/Recruit	95,650
Exec Officer - Computer	-
Exec Officer - Vehicle Allowance	8,795
Exec Officer - Support (RDA)	44,000
Exec Officer – Financial Mgt (Rous)	30,000
Committee Support	5,400
Chair Stipend	10,000
MyRoadInfo	15,000
Professional Fees – Audit	11,000
ARIC Fees	3,000
Media and Communications	5,200
Vendor Panel Access	65,000
Sundry Expenses	3,750

TOTAL Operational Expenses	323,295
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Regional Projects (unspent funds from 30 June 2022 to be carried forward)

Regional Projects Management	
Capacity Building # 1 (2020/21 funding)	0
Capacity Building # 2 (2021/22 funding)	0
Other Regional Priorities	0
Disaster Dashboards	0

TOTAL Project Expenses	0
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NET MOVEMENT	(24,995)
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RECOMMENDATION

That:

1. The Board endorses the draft the 2022/23 Budget and Statement of Revenue policy attached to this report, for public exhibition.

2 Publish the Draft Budget and Statement of Revenue Policy for 2022/23 on the website for 28 days.

3. If public submissions are made during the public exhibition period, a report be furnished to the NRJO August 2022 meeting, including Executive Officer comments on how the submissions have been considered, for the Board to determine a position on endorsement of the 2022/23 Budget and Statement of Revenue policy.

4. If no public submissions are made during the public exhibition period, the version of the draft the 2022/23 Budget and Statement of Revenue policy placed on public exhibition, is deemed to be adopted by the Board.

7.12 FINANCIAL REPORTS

Purpose

The purpose of this report is to provide financial results for the year to date (April 2022) for the Northern Rivers Joint Organisation.

Background

A full copy of the Profit and Loss for April 2022 is included below.

Statement of Comprehensive Income and Statement of Financial Position for NRJO as at 30 April 2022

DRAFT ONLY

	2021/22 Budget	2021/22 Actual	2020/21 Actual
<u>Operating Revenues</u>			
Membership Fees	201,000	201,100	160,800
Myroadinfo Fees	33,725	33,725	33,725
LG Procurement Rebate	30,000	47,182	37,386
Power Infrastructure Upgrade Project	-	-	-
Capacity Building	-	-	150,000
State Gov't Contribution	-	57,600	-
Sundry Income / Recharge Workshops	-	-	-
Interest	2,000	1,272	2,235
Total	266,725	340,879	384,146
<u>Operating Expenses</u>			
Bank Charges	-	-	40
Conferences, Events, Travel	12,250	2,065	2,089
Consultants (Economic Report)	-	-	500
Professional Development	-	-	-
Prof Dev - Member Council Training	14,250	8,000	-
Exec Officer - Salary/Oncosts/Recruit	93,318	70,617	83,823
Exec Officer - Computer	-	1,817	-
Exec Officer - Vehicle Allowance	8,580	6,960	7,508
Exec Officer - Support (RDA)	54,000	45,000	54,000
Exec Officer - Office (Rous)	-	-	-
Chair Stipend	10,000	7,381	10,000
Committee Support	5,400	259	-
MyRoadInfo	29,300	16,842	24,072
Professional Fees – Audit	10,400	1,500	10,560
Media and Communications	5,200	-	-
Regional Projects - Capacity Building	250,200	91,132	49,800
Regional Projects - Other	476,537	242,688	32,349

Vendor Panel Access	63,250	22,553	58,363
Sundry Expenses	3,950	2,353	3,335
Total	1,036,635	519,166	336,439
Net Cash Movement	- 769,910	- 178,287	47,707
Retained Earnings - 1 July	1,043,966	1,043,966	996,259
Retained Earnings - 30 June	274,056	865,679	1,043,966

Balance Sheet

As of April 2022

Assets			
Cash			
Summerland Community First		\$18,691.25	
Summerland Saver		\$829,803.63	
Debit Card - Chair		\$1,336.06	
Debit Card - Exec Officer		\$1,042.12	
Total Cash			\$850,873.06
Debtors			
Trade Debtors		\$28,151.75	
Total Debtors			\$28,151.75
Total Assets			\$879,024.81
Liabilities			
Current Liabilities			
Creditors			
Trade Creditors	\$4,725.84		
Accrued Expenses	\$14,763.97		
Total Creditors		\$19,489.81	
GST Liability			
GST Collected	\$18.79		
GST paid	-\$7,648.72		
Total GST Liability		-\$7,629.93	
Payroll Liabilities			
PAYG	\$1,486.00		
Total Payroll Liabilities		\$1,486.00	
Total Liabilities			\$13,345.88
Net Assets			\$865,678.93
Equity			
Retained Earnings		\$1,043,966.18	
Current Year Earnings		-\$178,287.39	
Historical Balancing		\$0.14	
Total Equity			\$865,678.93

This report includes Year-End Adjustments.

Job Profit & Loss Statement

April 2022

PO Box 146
LISMORE NSW 2480

ABN: 68 587 813 167

Email: admin@northernriversjo.nsw.gov.au

Account Name	Selected Period	Year To Date
A100	Operational expenses	
Income		
Membership	\$0.00	\$201,100.00
LG Procurement Rebate	\$0.00	\$47,182.11
Interest Received	\$48.14	\$1,271.96
Total Income	\$48.14	\$249,554.07
Expense		
Computer Maint/Support	\$0.00	\$63.64
Computer ISP and Registrations	\$109.09	\$1,523.08
Phone charges	\$87.47	\$720.97
Stationery	\$0.00	\$45.45
Support services - Admin contr	\$4,500.00	\$45,000.00
Wages	\$11,359.89	\$66,442.23
Allowances	\$525.00	\$6,960.00
Superannuation	\$432.69	\$5,940.91
Provision for Staff Entitlemen	-\$7,590.93	-\$3,319.56
Temp Staff	\$129.69	\$259.38
Travel expenses (non payroll)	-\$187.89	\$650.47
Travel - Meals	\$0.00	\$31.82
Training/Prof Devt/Workshops	\$4,000.00	\$8,000.00
Conference & Forums (Staff)	\$58.53	\$58.53
Workers Comp Insurance	\$0.00	\$1,553.23
Audit Fees	\$0.00	\$1,500.00
Meeting Catering	\$0.00	\$554.25
Computer Equipment	\$0.00	\$1,817.27
Total Expense	\$13,423.54	\$137,801.67
Net Profit/(Loss)	-\$13,375.40	\$111,752.40
A102	Chair costs	
Expense		
Allowance-Chair Stipend	\$833.33	\$7,380.93
Travel expenses (non payroll)	\$711.44	\$711.44
Conference & Forums (Staff)	\$58.52	\$58.52
Total Expense	\$1,603.29	\$8,150.89
Net Profit/(Loss)	-\$1,603.29	-\$8,150.89
B104	Regional Business Power Infr	
Expense		
Project Contributions	\$0.00	\$237,988.15
Total Expense	\$0.00	\$237,988.15
Net Profit/(Loss)	\$0.00	-\$237,988.15

This report includes Year-End Adjustments.

Job Profit & Loss Statement

April 2022

Account Name	Selected Period	Year To Date
B105b	Cap Bldg1 Renewable Energy	
Expense		
Printing & Design	\$1,827.50	\$3,867.50
Project Contributions	\$0.00	\$63,100.00
Total Expense	\$1,827.50	\$66,967.50
Net Profit/(Loss)	-\$1,827.50	-\$66,967.50
B105c	Cap Bldg 1 Biosphere	
Expense		
Project Contributions	\$0.00	\$14,914.00
Total Expense	\$0.00	\$14,914.00
Net Profit/(Loss)	\$0.00	-\$14,914.00
B106	Disaster Dashboards	
Income		
State Govt Funding	\$0.00	\$57,600.00
Total Income	\$0.00	\$57,600.00
Expense		
Project Consultants	\$0.00	\$4,700.00
Total Expense	\$0.00	\$4,700.00
Net Profit/(Loss)	\$0.00	\$52,900.00
B107a	Cap blg 2_Shared Services	
Expense		
Project Consultants	\$9,250.00	\$9,250.00
Total Expense	\$9,250.00	\$9,250.00
Net Profit/(Loss)	-\$9,250.00	-\$9,250.00
C101	Myroadinfo	
Income		
Myroadinfo	\$0.00	\$33,725.00
Total Income	\$0.00	\$33,725.00
Expense		
Myroadinfo costs	\$0.00	\$16,841.75
Total Expense	\$0.00	\$16,841.75

This report includes Year-End Adjustments.

Job Profit & Loss Statement

April 2022

PO Box 146
LISMORE NSW 2480

ABN: 68 587 813 167

Email: admin@northernriversjo.nsw.gov.au

Account Name	Selected Period	Year To Date
Net Profit/(Loss)	\$0.00	\$16,883.25
C102 Vendor Panel		
Expense		
Vendor Panel Licence Costs	\$0.00	\$22,552.50
Total Expense	\$0.00	\$22,552.50
Net Profit/(Loss)	\$0.00	-\$22,552.50

RECOMMENDATION:*THAT the Board receive and note the financial reports for period ending 30 April 2022.*

This report includes Year-End Adjustments.

7.13 AUDIT ENGAGEMENT PLAN

The Annual Audit Engagement Plan for the financial year 2021-2022 has been received from the NSW Audit Office and is included as Attachment 2

The scope of the audit comprises an:

- audit of the Northern Rivers Joint Organisation's (the JO) general purpose financial report, with:
 - an Independent Auditor's Report on the general purpose financial statements in accordance with section 417 of the *Local Government Act 1993* (LG Act)
 - a Report on the Conduct of the Audit in accordance with section 417(3) of the LG Act

Attachment 2

Annual Audit Engagement Plan 2021-2022

RECOMMENDATION:

THAT the Board receive and note the Audit Engagement Plan for period ending 30 June 2022

7.14 TWEED SHIRE COUNCIL

At its recent meeting, Tweed Shire Council discussed the **Proposed Amendments to Local Infrastructure Contributions**.

Details of the Council resolution are included below and copies of the relevant meeting papers have been included as Attachment 3.

STAFF RECOMMENDATION

That Council endorses the submission to the Department of Planning and Environment, as shown in the DPIE Infrastructure Contributions submission Attachment.

MEETING RESOLUTION

ALTERNATE MOTION

Cr Chris Cherry (Mayor)
Cr Warren Polglase

RESOLVED that Council:

1. Strongly supports the submission to the Department of Planning and Environment, as shown in the DPIE Infrastructure Contributions submission Attachment and has grave concerns about the impact the removal of the requirement to contribute to the construction of community facilities for new developments would have on our existing ratepayers and the provision of these services into the future for our community.
2. Make representations to NRJO and LGNSW to advocate on local councils' behalf on this issue.
3. To send a copy of the submission to the Minister for Planning and Environment and the Mayor will make personal representation to the Local members on this issue.

The Motion was **Carried**

VOTE FOR - Cr Chris Cherry (Mayor), Cr Reece Byrnes (Deputy Mayor), Cr Rhiannon Brinsmead, Cr Meredith Dennis, Cr Nola Firth, Cr James Owen, Cr Warren Polglase

VOTE AGAINST - None

ABSENT. DID NOT VOTE - Nil.

Attachment 3

- Correspondence to Minister for Housing and Planning
- S7.11 report to Tweed Shire Council and associated documents
- Tweed Shire Council resolution

RECOMMENDATION:

THAT the NRJO advocate against the proposed amendments to local infrastructure contributions

8 URGENT BUSINESS

9 CONFIDENTIAL REPORTS

10 CORRESPONDENCE

Correspondence of significance - Incoming

- Mayoral Minute Lake Macquarie Council - Offering disaster recovery assistance to NSW councils affected by east coast flooding in February and March 2022 (attached)

Correspondence of significance - Outgoing

- Letter to Resilience NSW re Water Management Conference, Narrabri
- Letter to Graham Kennett re presentation to Water Management Conference, Narrabri
- Letter to Prime Minister Morrison regarding inclusion of the Northern Rivers in the proposed reinsurance pool operated by the Australian Reinsurance Pool Corporation
- Letter to Office of Local Government requesting Extension to Office of Local Government Financial Reporting Requirements
- Letter of welcome to David Witherdin on the announcement of the Northern Rivers Reconstruction Corporation

11 ATTACHMENTS

1. Circular Resolution April 2022
2. Audit Engagement Report
3. Tweed Shire Council meeting documentation
4. Mayoral Minute – Lake Macquarie Council

CIRCULAR RESOLUTION

DECISION TO BE RATIFIED – April 2022

Background

As communicated to the Board, Executive Officer Nicole Reeve has tendered her resignation, effective 22 April 2022. General Manager of Rous County Council. Phil Rudd has agreed to act as Interim Executive Officer until the recruitment process for a replacement is undertaken.

The following resolution is required to confirm the interim appointment:

1. *That the Board appoint Phil Rudd to the position of Acting Executive Officer of the Northern Rivers Joint Organisation, commencing Tuesday 26 April 2022.*

Following the appointment of the Acting Executive Officer, changes will need to be made to the delegations held for the Northern Rivers Joint Organisation by Summerland Credit Union. To comply with the banking regulations the following resolutions will need to be ratified:

1. *That the Board nominates Acting Executive Officer Phil Rudd as a “Beneficial Owner” of the Joint Organisation bank accounts.*
2. *That two of following three signatories be required to sign and approve payments: The Chair, the Interim Executive Officer and the General Manager of the Council to which the Chair belongs*
3. *That Nicole Reeve be removed as authorised signatory and beneficial owner of the NRJO bank accounts*
4. *That the Board approve Visa debit cards to be issued to Phil Rudd. This card will be attached to an individual Everyday account under the Northern Rivers Joint Organisation main account. This account will be ‘one to sign’ only. A limit of \$2000 will apply to this card.*
5. *That the debit card issued to Nicole Reeve be cancelled*

These changes are to take effect from 26 April 2022

Approved:





Ms Nicole Reeve
Executive Officer
Northern Rivers Joint Organisation
PO BOX 146
LISMORE NSW 2480

Contact: Gearoid Fitzgerald
Phone no: 02 9275 7392
Our ref: D2202971/1862

25 February 2022

Dear Ms Reeve

**Audit of the Northern Rivers Joint Organisation
for the year ending 30 June 2022**

Attached is the Annual Engagement Plan (AEP) for the audit of the Northern Rivers Joint Organisation's (the JO) financial statements for the year ending 30 June 2022. The AEP reflects conditions unique to this engagement. You will find the standard Terms of Engagement on the Audit Office website at <https://www.audit.nsw.gov.au/our-stakeholders/local-government>.

If you would like to discuss the AEP, please call me on 02 9275 7392 or Mr Adam Bradfield on 02 6626 3000. The AEP should be presented to the next Board meeting.

This AEP is not intended for publication. It may not be distributed to persons other than those who will sign the Statement by Members of the Board and Management made pursuant to section 413(2)(c) of the *Local Government Act 1993* or others you determine to be charged with governance of the JO.

Yours sincerely

A handwritten signature in black ink, appearing to read "Gearoid Fitzgerald".

Gearoid Fitzgerald
Delegate of the Auditor-General for New South Wales

cc: Danielle Mulholland, Chairperson

Annual Engagement Plan

for the year ending 30 June 2022

Northern Rivers Joint Organisation



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1. SCOPE

This Annual Engagement Plan (AEP) contains important information about this year's audit.

The scope of our audit comprises an:

- audit of the Northern Rivers Joint Organisation's (the JO) general purpose financial report, with:
 - an Independent Auditor's Report on the general purpose financial statements in accordance with section 417 of the *Local Government Act 1993* (LG Act)
 - a Report on the Conduct of the Audit in accordance with section 417(3) of the LG Act

2. KEY ISSUES

The table below details our audit assessment of issues and risks that may impact this year's audit and how the audit team will respond to them.

Issue or risk	Exposure	Audit response
Key audit issues and risks		
COVID-19 pandemic		
<p>The COVID-19 pandemic and its consequential impact has affected the way the JO delivers its services.</p> <p>This will have a flow on impact to the way the audit is conducted.</p> <p>A documented assessment of the continuing impact and response to the COVID-19 pandemic by the JO will be required.</p>	<p>The continuing impact on the JO includes:</p> <ul style="list-style-type: none"> • disruption to service delivery and the arising economic implications • delivery of new or expanded projects, programs, or services at short notice • changes in control environments and policies and procedures due to remote working environments • changes to operating models including processes to enable routine checks and balances • accessibility of technology and the maturity of systems and controls to prevent unauthorised and fraudulent access to data • increased fraud and corruption risk • availability of staff and resources • impact on fair values and accounting estimates. 	<p>As part of our audit we will:</p> <ul style="list-style-type: none"> • review management's assessment of the impacts of COVID-19 on the 2021–22 financial statements • obtain an understanding of new or expanded projects and ensure that these have been reflected in the financial statements, where relevant • obtain an understanding of changes to the control environment • assess the appropriateness of management's use of the going concern basis to prepare the financial statements • assess the reasonableness of: <ul style="list-style-type: none"> – expected credit losses for receivables and other financial assets – valuation/impairment of both financial and non-financial assets – accounting estimates determined by management – financial statements disclosures and any post balance date events.

Issue or risk	Exposure	Audit response
	<p>The identified impacts on the JO may have a flow on impact to the financial statements in the areas of:</p> <ul style="list-style-type: none"> • going concern • reduced revenue • impairment of assets • credit and liquidity risks • significant changes in key estimates and judgements • financial statement disclosures including subsequent events. 	
Quality and timeliness of financial reporting		
<p>Quality and timeliness of financial reporting is key for sound financial management, public accountability and effective decision making. Absence of an effective project plan for year-end financial reporting can result in delays, errors, poor quality and increased audit costs.</p> <p>Quality and timeliness can improve by:</p> <ul style="list-style-type: none"> • preparing proforma financial statements before 30 June 2022 • assessing the impact of material, complex and one-off significant transactions • documenting significant judgements and assumptions used to prepare financial statements • assessing the impact of new and revised accounting standards effective in the current and future years • regularly reconciling key accounts and clearing reconciling items 	<p>Inadequately planned financial reporting process increases the risk of poor quality financial statements and / or not meeting the statutory deadline.</p>	<p>We will review and comment on the effectiveness of the JO's financial reporting process.</p>

Issue or risk	Exposure	Audit response
Grant income		
It is estimated the JO will receive \$57,600 grant funding from Resilience NSW during 2021–22, which represents a significant portion of the JO's income. Further grant funding might be received if and when contracts are awarded to the JO.	<p>For the recognition of grant income, the risks to the JO include:</p> <ul style="list-style-type: none"> • incorrectly classifying the grant • unexpended grant funding not correctly treated • funding not expended as per funding agreement • not recognising grant income in the correct accounting period in accordance with the relevant Australian Accounting Standards. <p>These risks can result in financial reporting misstatements.</p>	<p>We will review the key controls the JO has implemented to manage grant income.</p> <p>For a sample of grants, we will assess:</p> <ul style="list-style-type: none"> • whether timing and amount of revenue recognition is appropriate • reasonableness of disclosures including the split between capital and operating grants • appropriateness of spending based on terms of the grant.

The significance of the issues and risks may change and new developments may emerge during the audit. We will inform you of significant new matters as they arise and the likely impact on the audit.

3. AUDIT APPROACH

Audit approach for key business and accounting processes

The audit approach is developed based on our understanding of the issues, new developments and key risks that may impact the financial statements.

We have obtained an understanding of the JO's business and accounting processes and internal controls relevant to the financial statements to help us identify risks that may impact the financial statements.

[Appendix one](#) details our observations on the business and accounting processes relevant to the financial statements and our planned audit approach. We will inform you of significant matters that impact the audit as they are identified.

Your feedback on the planned audit approach is welcomed.

Follow up of issues identified in the previous audit

The audit team will examine, update and report on the status of issues raised in last year's Engagement Closing Report and Management Letter.

4. ACCESS TO AUDITEE INFORMATION

Accessing and using auditee data

As part of the audit, relevant and reliable information from the JO is fundamental to the audit team being able to obtain sufficient and appropriate audit evidence to support the audit opinion. The ability by the audit team to access and utilise auditee data is increasingly being facilitated by technology to help auditors capture, store and analyse the data in more effective and efficient ways - whether it be to support the audit conclusion or provide insights to the auditee.

To assist the audit team conduct the audit in an effective and efficient manner, it is therefore important that the JO ensures the data is in a useable format and is complete and accurate before providing this to the audit team.

To protect the data provided to the audit team the JO should ensure:

- sensitive information (paper, electronic etc) is labelled accordingly
- any personal, health or other sensitive information that is not required for the audit is removed. While the Audit Office implements measures to prevent unauthorised access to sensitive information, removing any sensitive data fields that are not required helps protect the privacy of members of the public, staff, contractors etc
- electronic data files are transmitted or physically delivered to the audit team in encrypted format, delivered securely or have had similar steps taken to prevent the unauthorised access to, or misuse of the information.

Accessing accounting, consulting or legal advice from professional services firms that may impact the financial statements

As part of the audit, we will understand the issues, new developments and key risks that may impact the financial statements. This includes reviewing and assessing any advice (draft and final) that the JO has received that may impact the financial statements.

If the JO has or intends to obtain an opinion on proposed accounting treatments, interpretations of accounting standards, the application of auditing standards, legal or other advice from a professional services, consulting or legal firm, please provide us with copies of all draft and final reports when they are received.

For information on suggested protocol when obtaining advice that may impact the financial statements, please refer to section 10 of the [Terms of Engagement](#).

5. ENGAGEMENT COMMUNICATIONS

Communications to ‘Those Charged with Governance’

Senior members of the audit team will attend relevant Board meetings and brief those charged with governance on audit progress, identified issues and their resolution.

We will liaise with management and those charged with governance to determine the meetings we will attend.

We have identified those charged with governance for the JO as:

- the Executive Officer who will receive our Engagement Closing Report, identifying audit findings, and the type of opinion we anticipate issuing prior to signing the financial statements. The Executive Officer will also receive the Management Letter containing detailed explanations of significant matters, governance matters, significant weaknesses and recommendations for improvement identified in the current audit
- the Chairperson, who will receive the Independent Auditor’s Report for the general purpose financial statements and the Report on the Conduct of the Audit. The Chairperson will also receive copies of the Engagement Closing Report and Management Letter.

The Audit, Risk and Improvement Committee will receive copies of the Engagement Closing Report and Management Letter.

Please advise the audit team if additional persons charged with governance should be included in these communications. The [Terms of Engagement](#) contains more information on the Audit Office’s communication obligations.

6. ENGAGEMENT TIMETABLE

General purpose financial statements

The engagement timetable, designed to achieve statutory financial reporting requirements, has been discussed and agreed with Ms Nicole Reeve (Executive Officer).

Event	Date(s)
• Audit team starts audit planning	February 2022
• Audit team emails Engagement Information Request to Ms Nicole Reeve	30 June 2022
• The JO gives financial statements and supporting working papers listed in the Engagement Information Request to the audit team for the: <ul style="list-style-type: none"> – general purpose financial statements 	19 September 2022
• Audit team starts audit of financial statements	19 September 2022
• Audit clearance meeting	7 October 2022
• Audit Office issues Engagement Closing Report	14 October 2022
• The JO signs and gives Management Representation Letter to audit team (sample on the Audit Office website: https://www.audit.nsw.gov.au/our-stakeholders/local-government)	17 October 2022
• Board approves financial statements for lodgement to OLG and for public exhibition, and the Chairperson, Voting Representative Board Member, and Executive Officer sign the statement	17 October 2022
• Audit Office issues to the JO and to the Chief Executive of OLG, in accordance with section 417 of the LG Act the: <ul style="list-style-type: none"> – Independent Auditor's Report on the general purpose financial statements – Report on the Conduct of the Audit 	19 October 2022
• Audit Office reports any identified significant issues to the Minister in accordance with section 426 of the LG Act	As identified
• The JO gives the audit team final version of draft Annual Report to review for consistency with the financial statements	As soon as possible
• The JO presents audited financial statements and the Independent Auditor's Reports at the Board meeting	To be confirmed
• Audit Office issues final Management Letter	11 November 2022

7. OTHER ENGAGEMENTS

Please advise the audit team if the JO wishes or is required by legislation to engage the Audit Office to perform additional audits, reviews or acquittals. Separate engagement letters will be issued to confirm the terms, scope, key issues and fee arrangements for requests received after the issue of this AEP.

8. ENGAGEMENT FEES

	2022	2021	Increase/(decrease)	
	\$	\$	\$	%
Estimated audit fee	10,660	10,400	260	2.5
Fee variation	--	1,500	--	--
Total audit fee (excluding GST)	10,660	11,900	260	2.5
Total audit hours	56	64	--	--
Average hourly rate	190	186	4	2.2

The 2022 estimated audit fee includes:

- Independent Auditor's Reports in accordance with section 417 of the LG Act:
 - a report on the general purpose financial statements
 - a Report on the Conduct of the Audit

The estimated audit fee is based on estimated hours, the audit team structure and charge-out rates, known changes in the JO's operations and audit requirements.

The fee may change if matters, not known at the date of this plan, emerge during the audit and significantly change the estimated audit cost. Proposals for additional fees will be discussed with management.

The Audit Office has published its 'pricing approach' to provide transparency about its pricing model and hourly charge-out rates for each role. The Audit Office performs multi-layered benchmarking to promote accountability for its use of public resources. For more information, please refer to the publication on the Audit Office's [website](#).

The JO will be invoiced monthly as costs are incurred. The Audit Office's payment terms are 14 days.

Please provide the Audit Office with a purchase order for the total estimated audit fee.

9. ENGAGEMENT TEAM

Engagement team

The proposed audit team for this engagement is:

Engagement Controller:	Gearoid Fitzgerald, CA Delegate of the Auditor-General for New South Wales 02 9275 7392 Email: gearoid.fitzgerald@audit.nsw.gov.au
Audit Service Provider Engagement Partner:	Adam Bradfield, CA Partner, Audit & Assurance 02 6626 3000 Email: adam.bradfield@tnr.com.au
Audit Service Provider Engagement Manager:	Renee Moloney Manager, Audit & Assurance 02 6626 3000 Email: renee.moloney@tnr.com.au

Auditor independence

We confirm, to the best of our knowledge and belief, the proposed audit team meets the independence requirements of the Australian Auditing Standards, and other relevant ethical requirements relating to the audit of the financial statements. In conducting the audit of the financial statements, should any contraventions to independence arise you will be notified of these on a timely basis.

Ethical standards have specific restrictions on employment relationships between an auditee and members of its current or previous audit teams. Please discuss the prospective employment of a current or former audit team member before starting formal employment negotiations with them.

10. FINANCIAL REPORTING MATTERS

The JO should refer to the [‘Financial Reporting Issues and Developments’](#) for the local government sector available on the Audit Office website to identify:

- current issues and financial reporting developments that may impact the audit
- accounting standards and pronouncements issued during the year that may impact the financial statements and/or annual report.

11. REPORTING TO PARLIAMENT

The Auditor-General’s Report to Parliament (the Report) will report on trends and provide an independent assessment of the sector focusing on the following areas:

- the results of the council and joint organisation audits of the 2021–22 financial statements
- themes and key observations relating to financial reporting, performance, governance and internal controls.

We will advise of the specific topics the Auditor-General intends to comment on in the Report, the relevant performance data to be collected and the timetable for submitting the information to the audit team. The information reported may change depending on the matters identified during the audit. We will advise you if this occurs.

We may include commentary on specific councils or joint organisations with extreme or high risk issues reported in our management letters.

The Report may make recommendations for specific councils, joint organisations or the sector more generally.

The draft Report commentary will be given to the Secretary of the Department and the Minister for Local Government for consideration. If there are specific comments about the JO, they will be given to Ms Nicole Reeve for consideration. The Audit Office would appreciate receiving your JO’s specific comments, within five working days of receiving the draft commentary. Responses should only be provided where there is fundamental disagreement with significant issues raised in the Report, the factual content or the Audit Office’s interpretation of the data. This helps ensure the Report is not unduly delayed.

The draft Report needs to remain confidential during this process and not disclosed outside the JO.

Appendix two provides details of recently tabled reports which may be relevant to the JO.

12. OTHER MATTERS

Workplace Health and Safety Legislation

Workplace health and safety (WHS) laws make the JO responsible for meeting legislated standards to ensure the health, safety and welfare for the audit team when they are at your premises.

It is the JO's responsibility to:

- provide the audit team with suitable accommodation and appropriate WHS induction
- implement effective health and safety management systems to manage any hazards and risks
- ensure the audit team is aware of and complies with special personal protective equipment requirements
- appropriately brief the audit team and issue them with the necessary personal protective equipment and training in its proper use.

Further details are provided in the [Terms of Engagement](#).

Matters covered elsewhere

Please read the AEP together with the standard [Terms of Engagement](#), which provides additional information on:

- the Auditor-General's responsibilities
- auditee resources
- engagement approach
- communication and reports
- submitting financial statements for audit
- materiality, risk and the inherent limitations of an audit
- provision of working papers
- representations
- access
- clearance meetings
- accommodation, facilities and staff amenity
- determination of fees for engagements.

Publications

The Audit Office has the following useful publications on our website:

- ['Annual Work Program'](#) explains how the Audit Office decides what to focus on and what we intend to cover in the next year. It also gives Parliament, the entities we audit and the broader community some certainty over future topics and the timing of our reports
- ['Professional Update'](#) published quarterly to help auditees and our staff keep abreast of key accounting, auditing and legislative developments in the NSW public sector, including pronouncements by professional standard setters and changes in the regulatory environment. To subscribe or access previous editions please visit our website at: <https://www.audit.nsw.gov.au/our-work/resources>
- ['Local Government Pronouncements Guidance Note'](#) listing key reporting pronouncements issued by OLG.

APPENDIX ONE – AUDIT APPROACH FOR KEY BUSINESS AND ACCOUNTING PROCESSES

The table below details our observations on the business and accounting processes relevant to the financial statements and our planned audit approach.

Business / accounting process	Observation of business / accounting process	Audit approach
Revenue and receivables	The JO receives grant funding from the NSW Government, membership fees from member Councils, MyRoad Info subscription fees from subscriber Councils and a GST rebate.	We will evaluate the design and implementation of relevant controls within the revenue process and perform substantive procedures to provide assurance that grants and revenue are fairly stated
Purchasing and payables	<p>The JO uses MYOB to initiate, process and record purchases. Management relies on automated and IT-dependent manual controls to ensure that all valid purchasing transactions are processed and accurately recorded in accordance with the JO's policies.</p> <p>We have identified the following risks:</p> <ul style="list-style-type: none"> • non-compliance with policies and procedures • incorrectly classifying transactions • ineffective procurement controls • fraud and error. 	We will evaluate the design and implementation of relevant controls with a plan to test their operating effectiveness. This will include assessing management controls to ensure the JO's procurement policies are complied with. Our substantive audit procedures will be designed to address other identified risks.
Payroll and related provisions	<p>The JO uses system MYOB to initiate, process and record payroll transactions. Management relies on automated and IT-dependent manual controls to ensure that all valid payroll transactions are processed and accurately recorded in accordance with the JO's policies.</p> <p>We have identified the following risks:</p> <ul style="list-style-type: none"> • non-compliance with policies and procedures • incorrectly estimating provisions and on-costs • ineffective payroll controls, including lack of segregation of duties • fraud and error. 	We will evaluate the design and implementation of relevant controls with a plan to test their operating effectiveness. Our substantive audit procedures will be designed to address other identified risks.

APPENDIX TWO – RECENTLY TABLED AUDITOR-GENERAL'S REPORTS TO PARLIAMENT

Each year the Auditor-General produces Financial Audit, Performance Audit and Special Reports to Parliament (collectively referred to as Reports). Recently tabled Reports which may be relevant to the JO include:

Name	Issued	Overview
Financial Audit		
Local Government 2020	27 May 2021	<p>This report focuses on the results of the local government sector financial statement audits for the year ended 30 June 2020 of 128 local councils, nine county councils and 13 joint organisations.</p> <p>The report recommended the Office of Local Government should:</p> <ul style="list-style-type: none"> communicate the State's view that rural firefighting equipment is controlled by councils in the local government sector, and therefore this equipment should be properly recorded in their financial statements clarify the legal framework relating to restrictions of water, sewerage and drainage funds (restricted reserves) by either seeking an amendment to the relevant legislation or by issuing a policy instrument to remove ambiguity from the current framework. <p>The report also found that more can be done to reduce the number of errors identified in financial reports. Sixty-one councils required material adjustments to correct errors in previous audited financial statements.</p>
Internal Controls and Governance	23 December 2021	<p>This report analyses the internal controls and governance of the 25 of the largest agencies in the NSW public sector, excluding state owned corporations and public financial corporations for the year ended 30 June 2021. However, the matters covered in this report are relevant to all public sector entities.</p> <p>The report provides insights into the effectiveness of controls and governance processes in the NSW public sector by:</p> <ul style="list-style-type: none"> highlighting the potential risks posed by weaknesses in controls and governance processes helping agencies benchmark the adequacy of their processes against their peers focusing on new and emerging risks, and the internal controls and governance processes that might address those risks. <p>The Report recommended agencies should:</p> <ul style="list-style-type: none"> prioritise actions to address repeat control deficiencies, particularly those that have been repeated findings for a number of years prioritise improvements to their cyber security and resilience as a matter of urgency formalise and implement policies on tracking and monitoring the progress of implementing recommendations from performance audits and public inquiries.

Name	Issued	Overview
Performance Audit		
Integrity of grant program administration	8 February 2022	<p>This report assessed the integrity of the assessment and approval processes for two grant programs:</p> <ul style="list-style-type: none"> Stronger Communities Fund Round 2 (tied grants round), which was administered by the former Office of Local Government (OLG) and provided \$252 million to newly amalgamated councils and other councils that had been subject to a merger proposal during 2017–18 and 2018–19. Regional Cultural Fund, which was administered by Create NSW (now within the Department of Premier and Cabinet) and awarded \$100 million for cultural projects in regional NSW. <p>The report found the assessment and approval process for Round 2 of the Stronger Communities Fund lacked integrity. The government decided to prioritise funds for councils that had worked constructively with the government through the 2016 merger process.</p> <p>However, this information was not included in the program guidelines. The program guidelines were not published and did not contain details of selection and assessment processes. Councils and projects were instead identified by the former Premier, Deputy Premier and Minister for Local Government and communicated to OLG with little or no information about the basis for the council or project selection. There was no merit assessment of identified projects. This process resulted in 96 per cent of funds allocated to coalition state seats.</p> <p>The assessment process that Create NSW used for the Regional Cultural Fund was robust and produced transparent and defensible recommendations to the minister. However, the former Minister for the Arts, in consultation with the former Deputy Premier, did not follow the recommendations of the independent assessment panel in 22 per cent of cases. Reasons for these changes were not documented by Create NSW.</p>
Grants administration for disaster relief	24 June 2021	<p>The report examined whether NSW Treasury, Service NSW and the Department of Customer Service effectively administered grants programs funded under the \$750 million Small Business Support Fund, including the:</p> <ul style="list-style-type: none"> \$10,000 Small Business Support Grant \$3,000 Small Business Recovery Grant. <p>The report found:</p> <ul style="list-style-type: none"> agencies effectively implemented the grants within required timeframes, reflecting the NSW Government's decision to deliver urgent financial support to small businesses impacted by the COVID-19 pandemic NSW Treasury met urgent timeframes to design the grants and Service NSW made timely payments in line with the grants' objectives and eligibility criteria Service NSW and the Department of Customer Service strengthened processes to detect and minimise fraud in response to identified external fraud risks, and to investigate suspected fraudulent applications

Name	Issued	Overview
Managing cyber risks	13 July 2021	<ul style="list-style-type: none"> fraud security checks and investigations are ongoing, and the agencies will not know the full extent of fraud across the grants until these processes have been completed the agencies regularly monitored and reported on the timeliness of payments to small business applicants but have not yet measured all benefits of the grants programs. <p>This report assessed how effectively Transport for NSW (TfNSW) and Sydney Trains identify and manage their cyber security risks.</p> <p>The NSW Cyber Security Policy (CSP) sets out 25 mandatory requirements for agencies, including implementing the Australian Cyber Security Centre's Essential 8 strategies to mitigate cyber security incidents, and identifying the agency's most vital systems, their 'crown jewels'.</p> <p>The report found:</p> <ul style="list-style-type: none"> TfNSW and Sydney Trains are not effectively managing their cyber security risks both agencies have assessed their cyber security risks as unacceptably high and both agencies had not identified all of the risks we detected during the audit – some of which are significant both agencies have cyber security plans in place that aim to address cyber security risks. TfNSW and Sydney Trains have combined this into the Transport Cyber Defence Rolling Program, part of the Cyber Defence Portfolio (CDP). However, neither agency has reached its target ratings for the CSP and the Essential 8 and maturity is low in relation to significant risks and vulnerabilities exposed neither agency is fostering a culture where cyber security risk management is an important and valued aspect of decision-making TfNSW is not implementing cyber security training effectively across the cluster with only 7.2 per cent of staff having completed basic cyber security training.
Special Reviews		
Compliance with the NSW Cyber Security Policy	28 October 2021	<p>This report assessed nine agencies' compliance with the NSW Cyber Security Policy (CSP) including whether, during the year to 30 June 2020 the participating agencies:</p> <ul style="list-style-type: none"> met their reporting obligations under the CSP reported accurate self-assessments of their level of maturity implementing the CSP's requirements including the Australian Cyber Security Centre's (ACSC) Essential 8. <p>The report found key elements to strengthen cyber security governance, controls and culture are not sufficiently robust and not consistently applied. The CSP is not achieving the objectives of improved cyber governance, controls and culture because:</p> <ul style="list-style-type: none"> the CSP does not specify a minimum level for agencies to achieve in implementing the 'mandatory requirements' or the Essential 8

Name	Issued	Overview
		<ul style="list-style-type: none"> the CSP does not require agencies to report their target levels, nor does it require risk acceptance decisions to be documented or formally endorsed each participating agency had implemented one or more of the mandatory requirements in an ad hoc or inconsistent basis none of the participating agencies had implemented all of the Essential 8 controls agencies tended to over-assess their cyber security maturity – all nine participating agencies were unable to support all of their self-assessments with evidence there is no monitoring of the adequacy or accuracy of agencies' self-assessments.

A full list of our tabled Reports is available on the Audit Office [website](#).

OUR VISION

Our insights inform and challenge government to improve outcomes for citizens.

OUR PURPOSE

To help parliament hold government accountable for its use of public resources.

Office of the Mayor



TWEED
SHIRE COUNCIL

Customer Service | 1300 292 872 | (02) 6670 2400

tsc@tweed.nsw.gov.au
www.tweed.nsw.gov.au

Fax (02) 6670 2429
PO Box 816
Murwillumbah NSW 2484

Please address all communications
to the General Manager

ABN: 90 178 732 496

6 May 2022

The Hon. Anthony Roberts
Minister for Planning and Housing
52 Martin Place
SYDNEY NSW 2000

Dear Sir

Infrastructure Contributions Reform – Council Endorsed Submission

Council considered a report at its meeting on 21 April 2002 regarding The Infrastructure Contribution Reform process being undertaken by the Department of Planning and Environment. The report included the Technical Submission made by Council officers on 10 December 2021 along with an earlier submission to the Independent Pricing and Regulatory Tribunal (IPART) on 25 November 2021 in response to the draft report “Essential Works list, Nexus, Efficient design and Benchmarking costs for local infrastructure” paper dated 29 October 2021.

Council made the following resolution: (copy of Report and Resolution Attached)

RESOLVED that Council:

- 1. Strongly supports the submission to the Department of Planning and Environment, as shown in the DPIE Infrastructure Contributions submission Attachment and has grave concerns about the impact the removal of the requirement to contribute to the construction of community facilities for new developments would have on our existing ratepayers and the provision of these services into the future for our community.*
- 2. Make representations to NRJO and LGNSW to advocate on local councils' behalf on this issue.*
- 3. To send a copy of the submission to the Minister for Planning and Environment and the Mayor will make personal representation to the Local members on this issue.*

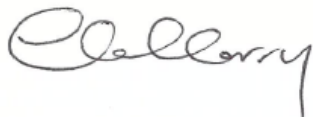
In particular Council does not support extending the ban on funding Community Facilities such as community centres and libraries through section 7.11 Plans from IPART's Eligible Works List (EWL). Such a decision will result in a shortfall of valuable community facilities and / or likely cost shifting from new residential development projects, which create the demand for such facilities (the link between development and demand) onto existing and future ratepayers. When a new development increases the population demand for infrastructure such as open space and community facilities, the cost of meeting this development-generated demand should proportionately be provided through development contributions.

The exclusion of community facilities from the Essential Works List also creates barriers to the achievement of liveability goals and directions as outlined in Regional and District Plans, and Community Strategic Plan and other key plans which constitute council's Integrated Planning and Reporting Framework – both of which include specific actions related to community facilities and open space.

Copies of the Submissions referred to above are attached for your information.

Please do not hesitate to contact me to discuss further if required.

Kindest regards



Cr Chris Cherry
Mayor of Tweed Shire

att. S7.11 Report
att. S7.11 Council Resolution
att. TSC Response to IPART Draft Report
att. DPIE Infrastructure Contributions Submission

cc. Northern Rivers Joint Organisation
cc. Geoff Provest, Member for Tweed
cc. Janelle Saffin, Member for Lismore
cc. Justine Elliot, State Member for Richmond

TITLE: Proposed Amendments to Local Infrastructure Contributions

Submitted By: Planning & Infrastructure

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK:

Leaving a Legacy

Looking out for future generations

1.4.1 Strategic Land-use Planning - To plan for sustainable development which balances economic, environmental and social considerations. Promote good design in the built environment.

ROLE:

COLLABORATOR - Council works together with a range of stakeholders to bring outcomes for the community to fruition.

EXECUTIVE SUMMARY

In April 2020 the NSW Government requested the NSW Productivity Commissioner to undertake a review of the infrastructure contributions system in NSW, and report back with recommendations for reform.

The EP&A Act provides the overarching framework for the NSW planning system. The EP&A Regulation supports the day to day operation of this system. It contains key provisions including those relating to development contributions and planning agreements.

The current developer infrastructure contributions system has not changed much since 1991.

After completing its review, the NSW Productivity Commissioner made 29 recommendations, all of which were accepted by the NSW Government in March 2021.

Accordingly the Draft Regulation and other documents were placed on exhibition in mid-October 2021 and the proposed regulation amendments implement the NSW Productivity Commissioner's recommendations by including either:

- additional detail and requirements to support new provisions in the Act.

OR

- new requirements that do not need Act amendments.

Some consequential amendments and housekeeping amendments to the EP&A Regulation are also proposed to make the infrastructure contributions system easier to understand and use.

Council staff made the attached submission provided for Councils information (Attachment 2).

Accordingly Councils endorsement of the submission is sought.

RECOMMENDATION:

That Council endorses the submission to the Department of Planning and Environment, as shown in the DPIE Infrastructure Contributions submission Attachment.

ATTACHMENTS

1. TSC Response to IPART Draft Report 25 11 2021
2. DPIE Infrastructure Contributions submission 10 12 2021

COUNCIL IMPLICATIONS:**a. Legislation/Policy/Existing Strategic Plans**

Proposed changes if adopted by NSW Government will impact legislation.
s7.11 contribution plan

b. Sustainability:**i. Financial (Budget/Long Term Financial Plan/Whole of Life Cost):**

Potential impacts on developer contribution income.

ii. Environmental (including climate change):

Not applicable.

iii. Social:

Not identified at this time. Dependent on outcome of NSW Government review of the Environmental Planning and Assessment Act and Regulations.

c. Legal Considerations:

Not applicable.

d. Risk Considerations:

Potential reduction in income from developer contributions.

e. Engagement/Communication:

Not applicable.

REPORT:

In April 2020 the NSW Government requested the NSW Productivity Commissioner to undertake a review of the infrastructure contributions system in NSW, and report back with recommendations for reform.

The Environmental Planning & Assessment (EP&A) Act provides the overarching framework for the NSW planning system. The EP&A Regulation supports the day to day operation of this system. It contains key provisions including those relating to development contributions and planning agreements.

The current developer infrastructure contributions system has not changed much since 1991.

After conducting a review of the infrastructure contributions system in NSW in November 2020, the NSW Productivity Commissioner delivered the findings and recommendations in a final report. This report contains 29 recommendations which will form the foundation of reform to create more certainty about how infrastructure is funded and delivered to support new and existing communities.

In March 2021, the NSW Government accepted all 29 recommendations to:

- Move towards a principles-based infrastructure contributions system based on certainty, efficiency, simplicity, transparency and consistency.
- Enhance the capacity of councils to support growth.
- Strike a balance between efficiency, simplicity and certainty for local infrastructure contributions.
- Develop a stronger funding base for State and regional infrastructure.
- Make the system more consistent, transparent and easy to navigate.
- Better align infrastructure contributions and strategic planning and delivery.

The Independent Pricing and Regulatory Tribunal (IPART) also undertook a review of some matters arising including. The final report was presented to the Minister for Local Government on 10 September 2021, who has endorsed the rate peg methodology and asked IPART to give effect to it in setting the rate peg from the 2022-23 financial year.

IPART also undertook reviews of:

- The essential works list, nexus and efficient infrastructure design. The Productivity Commission recommended the essential works list apply to all s7.11 plans. Currently it applies to s7.11 plans where rates exceed \$20,000 per lot or dwelling, or \$30,000 in specified urban release areas.
- Benchmark costs for local infrastructure.
- The new rating methodology <https://www.ipart.nsw.gov.au/Home/Industries/Local-Government/Reviews/Rate-peg-population-growth/Review-of-the-rate-peg-to-include-population-growth>.

The IPART report was placed on exhibition mid-2021 and accordingly, Council staff lodged a submission in November 2021 on these proposed changes along with the LGA and many other Councils (Attachment 1). One of the major impacts was the proposal to exclude Councils from including the costs of community facilities (community halls, libraries, sports buildings etc.) by applying the “Essential Works List” to all Contribution Plans.

This meant Councils will no longer be able to use contributions to fund infrastructure supporting 'general population' growth (such as community facility buildings).

The NSW Government reviewed the report from IPART on population growth and rates, and its findings and also considered the submissions received.

The Minister then announced a significant change and advised that applying the “essential works list” to all 7.11 plans would be deferred for 3 years. This means Councils which already have contribution plans covering such facilities can continue to include them for the time being.

Subsequently, proposed amendments to the EP&A Regulation and proposed amendments to the EP&A Act were in the bill introduced in NSW Parliament in June 2021. The bill was referred to the Legislative Council Portfolio Committee No. 7 – Planning and Environment for inquiry. In its report, handed down on 10 August 2021, the Committee made a single recommendation:

“That the not proceed, until the draft regulations have been developed and released for consultation and the reviews into the rate pegging system, benchmarking and the essential works list have been published by the Independent Pricing and Regulatory Tribunal.”

Accordingly the Draft Regulation and other documents were placed on exhibition in mid-October 2021 and the proposed regulation amendments implement the NSW Productivity Commissioner’s recommendations by including either:

- additional detail and requirements to support new provisions in the Act.

OR

- new requirements that do not need Act amendments.

Some consequential amendments and housekeeping amendments to the EP&A Regulation are also proposed to make the infrastructure contributions system easier to understand and use.

The documents that were on exhibition are available here <https://www.planningportal.nsw.gov.au/local-contributions>.

After consideration, Council staff made the attached submission provided for Councils information (Attachment 2).

Other changes are proposed, but some appear optional and others apply only to specific high growth areas such as greater Sydney and surrounds.

The advertising timeframe did not allow the submission to be presented to Council due to the upcoming election and “caretaker provisions” at the time.

As this was common for most Councils, the Department of Planning, Industry and Environment (DPIE) considered this matter and provided the following advice:

“To ensure council staff have the best possible opportunity to contribute and participate, within caretaker guidelines, there will be two stages of feedback and advice that can be submitted.

- A six-week consultation period from the start of the exhibition with technical submissions from council staff due at the end of this period (approximately mid-December 2021)*
- Council endorsed submissions due one week after the first meeting of the new Councils in early 2022 (approximately early March 2022).”*

Accordingly Council’s endorsement of the submission is sought.

OPTIONS:

Nil

PREVIOUS COUNCIL RESOLUTIONS:

Nil

Tweed Shire Council

Response to Draft Report Essential Works list Nexus Efficient design and Benchmarking costs for local infrastructure 29 October 2021 Review

25 November 2021

1. Do you think our proposed principles-based approach to the EWL, as part of our broader framework incorporating efficient design and delivery and benchmark costs, provides enough certainty? Have we got the balance right between flexibility and certainty?24

Council does not support extending the ban on funding Community Facilities such as community centres and libraries through section 7.11 Plans from the EWL. Such a decision will result in a shortfall of valuable community facilities and / or likely cost shifting from new residential development projects, which create the demand for such facilities (the link between development and demand) onto existing and future ratepayers.

The justification based on NSW Productivity Commission considering community facilities “general costs that are driven by population growth rather than development contingent” requires further clarification because generally if there is no development generating population growth, then there is no demand for additional community facilities, or for that matter any other infrastructure.

Reference to Councils being able to borrow more to fund such facilities based on a possible but unspecified change to rate regulation is a high risk proposal for Councils especially as what is proposed regarding “rate pegging” changes is currently unknown. Further uncertainty exists around developers actual timeframes for delivery of projects which could mean funds have been borrowed too early and facilities constructed too far in advance of any demand which would be an inefficient use of funding.

Further information is requested as to why IPART has recommended the removal of community facilities from the EWL for Plans that do not exceed the contribution thresholds of \$30k and \$20k already in place to ensure developer contributions are reasonable. There also needs to be discussion on how such change will be managed where exiting Plans are already in place, especially if the proposal is to be retrospective, which is not clear from the IPART document.

The inclusion of allowing strata space acquisition to be included is positive but problematic in terms of when a contributions Plan is established how is it known that such space will be created? And in what time frame (no certainty) and how is its value determined?

Community and cultural infrastructure plays a critical role in providing social inclusion spaces for all ages, cultural backgrounds and abilities, sharing knowledge and connections and creating a sense of belonging, as well as promoting and enhancing health and wellbeing for all members of our community. As the population of Tweed Shire continues to grow and change, so too does the community's demand for and use of infrastructure and facilities.

The population growth and forecast residential development across the Tweed Shire is significant. As identified in the *Tweed Shire Council Community Facilities Plan 2019 – 2036*, indicative gaps are identified in the current supply of local community halls, district community centres and district libraries to service the population growth expected in the coastal and Tweed

urban districts in particular. These additional facilities may comprise individual or multi-purpose or shared spaces, and their planning, funding and delivery will form part of the growth and development of these areas over time.

Whilst the proposed Essential Works List allows a contributions plan to fund land or strata space for community facilities, it does not allow a contributions plan to raise funds for the construction, fit-out or upgrade of these facilities. **This places the cost of constructing community facilities on the existing community, instead of the incoming population, despite demand for these facilities often being generated by new development.** Council should be able to appropriately levy development for the construction and fit-out of these essential facilities.

In the draft report, IPART states that “the NSW Productivity Commission considers community facilities to be ‘general costs’ that are driven by population growth rather than development contingent. As a result, the NSW Productivity Commission considers they should not be funded from infrastructure contributions, but that councils could borrow against future rates revenue to help fund these costs” (p. 25). This conception and application of development contingent costs is flawed as developments can directly contribute to and facilitate increased demand for community facilities, particularly where the costs for construction of community facilities would be avoided in areas where such developments did not occur.

Although community facilities and open space form part of residential development masterplans, they could remain unconstructed due to insufficient funding for their delivery. If councils are unable to fund the capital costs of community facilities through other sources of public funds (which is contrary to the user-pays and nexus principles of the contributions planning framework), significant areas of new residential development could be delivered without sufficient community facility infrastructure.

When a new development increases the population demand for infrastructure such as open space and community facilities, the cost of meeting this development-generated demand should proportionately be provided through development contributions.

It is stated in IPART’s review that Councils engaged in consultation as part of the Review, raised concerns related to excluding community facilities from the Essential Works List. It is acknowledged that the Terms of Reference for IPART’s review specify that the essential works list must not expand beyond the current parameters and community facilities works must not be included. However, Tweed Shire Council considers that there is insufficient evidence and support for this requirement as outlined in the Terms of Reference.

NSW Productivity Commission’s review of the infrastructure contribution system is identified as the impetus for IPART’s review. Both the *Review of Infrastructure Contributions in NSW Issues Paper* and the *Review of Infrastructure Contributions in New South Wales Final Report* identify the essential works list as a major concern for councils as the plans can only fund the land for community facilities, and not the cost of their construction.

A review of the 73 public submissions to the Infrastructure Contributions Review, as available via the website for the Infrastructure Contributions Review, demonstrates that 24 submissions specifically recommended expanding the Essential Works List to include the capital costs of providing community facilities, with an additional seven submissions raising concerns about the current restrictive nature of the Essential Works List. Most of these submissions were provided

by local councils, representative organisations of local councils, and representatives of public facilities.

It is noted that although 42 submissions either did not provide recommendations about the Essential Works List, raise concerns related to the Essential Works List, or supported the Essential Works List, these submissions were overwhelmingly provided by representatives of developers and private sector stakeholders. **Tweed Shire Council raises concerns regarding the transparency, evidence and justification which informed the provided Terms of Reference for IPART's review, specifically related to the exclusion of community facilities on the Essential Works List.**

The exclusion of community facilities from the Essential Works List also creates barriers to the achievement of livability goals and directions as outlined in Regional and District Plans, and Community Strategic Plan and other key plans which constitute council's Integrated Planning and Reporting Framework – both of which include specific actions related to community facilities and open space.

While it is acknowledged that the Essential Works List seeks to limit and place downward pressure on contribution rates and development costs, the application of the list is at the expense of providing adequate infrastructure outcomes that are required to support development. This effectively prioritises the reduction of contribution costs to the developer over the provision of essential infrastructure in the form of community facilities and open space.

Tweed Shire Council recommends that the proposed Essential Works List is reviewed and amended to include the capital costs of providing community facilities.

It is also noted that the provision and embellishment of open space is also affected by changes to the EWL including the potential reduction in the standard supply rate of 2.83ha/1000 additional population by utilizing performance based provision including co-location and suggest using drainage reserve is a viable option. This is opposed on safety and accessibility grounds but until more detail is provided further comment can't be made.

2. Is the proposed evidence to establish nexus for infrastructure in a contributions plan appropriate and reasonable? Is there any other guidance on nexus for local infrastructure that should be included in an updated practice note to assist councils, developers and other stakeholders in preparing and assessing contributions plans?34

This is already clearly set out in the current Legislation and Regulations and doesn't contain anything not already considered in establishing a contributions plan. It is interesting to note however the question above refers to "developers and other stakeholders" preparing plans which would be extremely rare as they have no authority to do so?

3. What further guidance on base level, efficient local infrastructure should be included in an updated practice note to assist councils, developers and other stakeholders in preparing and assessing contributions plans? How definitively should the guidance in an updated practice note specify the standards expected of infrastructure (e.g. legislation and other industry standards)?45

Whilst the IPART document is unclear and reluctant to define standards, efficient local infrastructure will always need to be designed to comply with relevant Australian Standards

,applicable legislation and other specific standards such as Austroads tNSW Standards
,Fisheries Department standards etc.

This should be clearly specified in any IPART Guideline to assist developers and other stakeholders in understanding how such legal and regulatory requirements and industry standards impact on efficient design in terms of IPARTS definition of base level efficient design.

4.Are there other items that we should consider benchmarking? 52

Benchmarking aims to simplify contributions plans, enabling them to be prepared earlier and exhibited with rezoning proposals resulting in lower admin costs for councils.

Has Cardnos benchmarking been released yet? Document states expected 12 November? It would have been beneficial and more transparent had it been released prior to the closing date for submissions on this document. Noting Benchmarking exercise started by IPART in 2014.

Some clarification required as follows:

Shared pathway 1.5m wide? Doesn't comply with relevant standards that specify 2.5 metres.

What is "road safety" as an infrastructure benchmark?

What are differences between bio filtration basin/filter/area/systems?

What is "basic landscaping"?

IPART is already using Cardnos, the consultants that undertook such benchmarking work in Victoria, which appears detailed and covering a much larger number of items than the IPART proposal (including community facilities).

IPART should model its benchmarking items on the Victorian work which is much more comprehensive. IPART should also include standard plans that clearly demonstrate what the benchmark item rates include. Using the standards set by Cardnos for Victoria will provide more detailed benchmarking data enabling benchmark costs to be more regularly utilized rather than individual project estimates.

This would be beneficial as it would provide greater certainty for all and make project estimating faster and cheaper.

See the Victorian Bench mark Items and Annual Indexation documents at the following link

<https://vpa.vic.gov.au/greenfield/infrastructure-contributions-plans/benchmark-costings/>

If the Benchmarking list is expanded and contains the same level of detail as the Victorian benchmarking it would be considered acceptable.

5.Do you agree with our approach to use adjustment factors so that the benchmarks are applicable to a broader range of projects?52

It may be effective but until detail is provided into what the adjustment factors relate to and their value it is too early to comment in any detail.

6.What other factors increase the complexity of a project that could be used as an adjustment factor?52

- Environmental Area Works

- Compensatory habitat costs
- Climate change costs for low level land projects

7. We seek stakeholder views on the approach to project allowances, including the rates and their application⁵⁴

As per the Benchmarking the details of how the rates have been derived are required but the approach is supported in general. It is noted that for roads the TfNSW use a range of contingency rates depending on the detail in the estimate to reflect levels of certainty so the rates provided by IPART depend greatly on the detail and accuracy of the benchmarking cost items and their adequacy reviewed once these are available.

8. We seek stakeholder views on alternative benchmarks for open space. Is there value in a per person benchmark? How would it work?⁵⁵

Up to IPART to make the case and present a proposal. The existing system is working effectively now for TSC.

9. Does 1.5% of the total value of works excluding land broadly reflect the actual cost councils face to administer a contributions plan? If not, what percentage would better reflect the actual cost councils face?⁵⁸

No it is unlikely to reflect costs to Council and is based on the existing system. IPART is proposing extensive extra work to be undertaken especially in developing and reviewing project options including determining life cycle costs. Furthermore when Benchmarking costs are not appropriate IPART is requesting significant extra work to document and justify why Benchmark rates are not accurate, the extent to which this occurs will depend on the quality of the Benchmarking. This is time consuming and then having to document reasons for option selection has not been accounted for in the 1.5%. Further extra work is required to adjust all plans regularly with updated cost estimates and 4 yearly reviews, again not current practice for most plans which are usually adjusted annually using an index to adjust contribution rates. Whilst it is difficult to estimate what the increased administration costs are, it is considered that at least 3% would be closer to reflecting all the additional administration costs.

The approach used by IPART to establish the proposed 1.5% does not reflect the costs of what IPART is proposing.

10. What other types of information or data would provide a clear evidence base for the true costs of plan administration?⁵⁸

IPART needs to develop a proposal to collect data if it considers such necessary but allowing for resultant further additional administration costs.

11. We seek views on our proposed approach to annual escalations and 4 yearly reviews of benchmarks, including the choice of index and timeframe.⁶³

Regular review is supported and indexation also takes place now so no concerns with the proposal including using separate land and infrastructure indices such as the road and bridge construction index for NSW as long as administration costs are taken into account as per (9) above.

12. We seek views on an appropriate feedback or data collection mechanism to obtain reliable and consistent project information to refine the benchmarks over time. 63

There are many sources of data that could be used including actual project costs and industry journal such as the "Built Environment Economist". However the approach Cardno used to determine the Benchmarking rates for Victoria should also be considered.

13. Are the proposed principles and information requirements for councils using an alternative costing approach adequate? Should councils be required to provide any further information to justify deviations from the standard benchmark costs? 68

It is common practice to undertake estimates as per chapter 9 already. The extent to which Councils will need to use this approach will depend on the quality and availability of suitable items provided in the Benchmarking project.

14. Are the proposed principles for reviewing plans and updating costs adequate? Are there any principles that should be removed from or added to this list? 71

Only concern is with Principle 2 in that this requirement maybe problematic as it is dependent on what information IPART provides around how the particular benchmark rate is established to enable the requested comparison e.g. if benchmark specifies a rate for a metre of road of specific width and doesn't provide data on the component costs such as cost of kerb and gutter, cost of road pavement, cost of subgrade, cost of service relocations etc. how does Council then identify the sub components to undertake a comparison of its component rates that result in a higher project specific rate?. The principle should be reworded to only require council to justify how its equivalent rate was derived.

15. Are the proposed information requirements for councils enough? Are there any other pieces of information that should be added to this list? 71

There is too much complexity and regulation in the overall IPART proposal, which will add to costs of all and introduce inefficiencies something the Government states it wants to reduce.

16. Do you support our approach for a threshold to determine which plans must be reviewed? 72

Supported provided adequate administration costs are included in the contribution plans.

17. Do you support our proposal for a fixed 4 yearly review of contributions plans? 72

Supported provided adequate administration costs are included in the contribution plans.

18. Does the annual update and four-yearly review provide an appropriate balance between cost reflectivity and certainty?

Supported provided adequate administration costs are included in the contribution plans.

Tweed Shire Council

Response to EPA Regulation Amendment - Infrastructure Contributions Reform Exhibition

10 December 2021

The opportunity to further comment on the draft Infrastructure Contributions reform is appreciated and comments on the four documents on exhibition are as follows:

Proposed Environmental Planning and Assessment Amendment (Infrastructure Contributions) Regulation 2021 and Explanatory Paper October 2021

- **Draft 25L (2) states** “*The cost of providing a public amenity or public service includes the cost of acquiring land in a land value contributions area that is identified in a contributions plan*” The indexation of land costs not established by a “Land Value Contributions area” but required for a public purpose does not appear to be covered by the regulation even though it is permissible to include land costs in S7.11 Plans without having a “Land Value Contribution area/plan” (see p10 Explanatory Paper). It is requested that indexation of all land required in S7.11 be clarified in the draft regulation.
- **Draft 25L (4)** appears to require the indexation of the cost of providing a facility (public amenity or service) by applying the Land Value Index (LVI) determined by the Valuer General. Whilst this is reasonable for the land component cost, the PPI should apply to the non-land components to more accurately reflect changing costs. It is noted that in Draft 25V Indexation of Maximum Levy Rates, PPI index is used. The Explanatory Paper does not seem to clarify this issue.
- **Draft 25M** appears to apply indexation to the Contribution Rates (amounts) using the same methodology of applying the LVI to non-land related costs but does separate the *land value contribution* and requires indexation by applying the LVI.

It is requested that these issues be clarified.

- **Draft Clause 25P Land Value Contribution Certificates.** Concern is raised with part (3) that requires councils to issue a certificate within 5 days of receipt of request. This time frame is likely unachievable as in some instances such as Christmas 2021 where there are 4 consecutive days of public holidays and similarly at Easter. This should be revised and suggested be replaced to state *within 10 normal work days*

Infrastructure Contributions Practice Note Review

- **Appendix D: What can be funded through section 7.11 and 7.12 local infrastructure contributions** The proposed changes to the Essential Works List to extend it to cover all contribution plans as opposed to the current situation of only applying to Plans that exceed the \$20k and \$30k contributions thresholds is a major concern and would adversely impact on the provision of community facilities in the rapidly growing Tweed LGA. Council has made a submission to IPART objecting to this change. Council does not support extending the ban on funding Community Facilities such as community centres and libraries through section 7.11 Plans from the EWL. Such a decision will result in a shortfall of valuable community facilities and / or likely cost shifting from new residential development projects, which create the demand for such facilities (the link between development and demand) onto existing and future ratepayers. When a new development increases the population demand for infrastructure such as open space and community facilities, the cost of meeting this development-generated demand should proportionately be provided through development contributions.

The exclusion of community facilities from the Essential Works List also creates barriers to the achievement of liveability goals and directions as outlined in Regional and District Plans, and Community Strategic Plan and other key plans which constitute council's Integrated Planning and Reporting Framework – both of which include specific actions related to community facilities and open space.

Tweed Shire Council recommends that the proposed Essential Works List is reviewed and amended to include the capital costs of providing community facilities.

A full copy of Council's submission to IPART is available upon request.

Since IPART submission was made, it is welcomed that the Minister for Planning and Public Spaces in his media release dated 24 November 2021 confirmed that after consultation with Councils and LGNSW, councils currently able to fund community infrastructure from developer contributions can continue to do so which is considered a fair outcome for the general community.

Land Value Contribution Exhibition Paper

- It is agreed that the value of land required for public purposes funded through contribution plans is a significant issue and identifying ways to ensure adequate funds or land dedicated as early as possible is supported.

- The proposed Land value contribution still appears complex and resource intensive to establish and may not meet its intent as land contribution values paid earlier in the cycle won't have the same purchasing power as those made later.(e.g. .In the Scofield's example if a smaller landholder sold in 2013 the contribution paid would be based on the VG valuation at the time (2013).If the land is not acquired from a larger land holder until 2017 the 2013 contribution value from the smaller landholder will be significantly below the purchase price (difference about \$120/m2) resulting in a funding shortfall?

Reporting and Storing Documents through the DPIE Planning Portal (web site)

- It is noted that there will be extensive work required by Councils to undertake the above and it is requested that the adopted system that is made available is extensively tested and user friendly. The establishment of the Digital Tools Technical Working Group is supported to assist in this work.

TWEED SHIRE COUNCIL - MEETING TASK SHEET

User Instructions

If necessary to view the original Report in CivicClerk, view it here. - [Click to View Agenda Item](#)

ACTION ITEM - Council Meeting - 21 April 2022

TITLE: Proposed Amendments to Local Infrastructure Contributions

STAFF RECOMMENDATION

That Council endorses the submission to the Department of Planning and Environment, as shown in the DPIE Infrastructure Contributions submission Attachment.

MEETING RESOLUTION

ALTERNATE MOTION

Cr Chris Cherry (Mayor)

Cr Warren Polglase

RESOLVED that Council:

1. Strongly supports the submission to the Department of Planning and Environment, as shown in the DPIE Infrastructure Contributions submission Attachment and has grave concerns about the impact the removal of the requirement to contribute to the construction of community facilities for new developments would have on our existing ratepayers and the provision of these services into the future for our community.
2. Make representations to NRJO and LGNSW to advocate on local councils' behalf on this issue.
3. To send a copy of the submission to the Minister for Planning and Environment and the Mayor will make personal representation to the Local members on this issue.

The Motion was **Carried**

VOTE FOR - *Cr Chris Cherry (Mayor), Cr Reece Byrnes (Deputy Mayor), Cr Rhiannon Brinsmead, Cr Meredith Dennis, Cr Nola Firth, Cr James Owen, Cr Warren Polglase*

VOTE AGAINST - *None*

ABSENT. DID NOT VOTE - *Nil.*

Mayoral Minutes**Monday 14 March 2022**

22MM003	Offering disaster recovery assistance to NSW councils affected by east coast flooding in February and March 2022
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File	F2022/00465/01 - D10597211
Author	Mayor - Kay Fraser

NSW is again in the grip of a natural disaster. Flooding records have been exceeded by extraordinary margins. In Woodburn, a village on the Richmond River in Far North NSW familiar with flooding, the previous highest record flood was 6.1 metres. The new record achieved last week is 7.18 metres. Homes considered flood-proof were inundated. Homes and businesses with underfloor areas designed to keep the most sensitive parts of buildings above flood levels have water in their living spaces.

In Mullumbimby, as I write this a week after the flood waters have subsided, 80 people are still homeless, relying on emergency shelter with little prospect of finding stable accommodation in the town until the clean-up is complete. A clean-up NSW Premier Dominic Perrottet suggests will take years, with an estimated 2000 homes and businesses unrecoverable, another 800 severely damaged, and 1500 more where inundation reached ceiling height. The Premier suggests some of the schools closed as a result of this weather event may never reopen.

The epicentre of the disaster seems to have been Lismore. The 2022 Lismore flood is being labelled a “1 in 1,000 year” flood. A flood that has 0.1 per cent chance of occurring in any single year. Its record flood now stands at 14.37 metres, two metres higher than the previous record in 1974 and 1954. Not only homes and businesses lost, but civic buildings thought to be located to ensure their safety from floods have been inundated; the cathedral, the art gallery, the library. Lismore has also furnished distressing scenes of hundreds of vulnerable people being rescued from the water by a flotilla of local small boat owners, the boats themselves appearing incredibly susceptible in raging flood waters.

Rainfall records are being rewritten and the stress on affected communities continues as La Nina rain systems hover along the coast. Overstretched response agencies, including the Australian Defence Force, have not been able to quickly address the needs of affected communities. There were 17 NSW Local Government Areas (LGAs) the subject of Natural disaster declarations at the time of writing. Some communities are still being supplied by boat and helicopter only.

Lake Macquarie City was on alert early for the rain event and SES crews from our city were deployed north for the expected flood response. We have however been relatively unscathed. This places us in a position where we have the capacity to offer assistance. We have proudly assisted LGAs regionally and across the state whenever recovery from a natural disaster has been needed in the past. We have capable staff who willingly put themselves forward to be away from home to assist those in greater need.

I ask the Council to again extend its hand to any LGA in NSW affected by a Natural Disaster Declaration arising from the current rain event, to the extent considered reasonable by the CEO.

Recommendation

Council:

- A. authorises the use of Council resources to be applied to disaster recovery, in Natural Disaster Declared LGAs to the value of \$200,000, pending further advice from the CEO,
- B. requests an update from the CEO on the adequacy, arrangements, and commitments to assist affected communities as the situation stabilises and more information is available, and
- C. requests the CEO to prepare a recommendation on funding sources for Council's commitment to disaster recovery in conjunction with the March review of the 2021-2022 Operational Plan and Budget.

Attachments

Nil.