

GUNDAGAI SHIRE COUNCIL - FIT FOR THE FUTURE (FFTF) – PUBLIC FORUM

Minutes of Public Forum held at 6pm on 18 June 2015 at the District Services Club.

Attending: 70 residents of Gundagai LGA

Mayor, Abb McAlister addressed the meeting.

"Thank you everyone for coming along tonight. The fact that it is pouring rain and cold tonight may have kept numbers down but despite this it is a good turn up. We do have a list of apologies but I won't run through them individually, I will mention that Cllr Peter Gain is an apology being away in Forbes on a work commitment. The NSW Government has a vision to rebuild our State and deliver a strong future for the people of NSW.

To have a strong future, NSW needs strong councils providing the services and infrastructure that communities need.

The NSW Government's "Fit for the Future" reform package for local government has been released, and involves a number of reforms for all of the 152 Councils in the State.

This is the Government's response to the findings of a 2 year process by the Independent Local Government Review Panel.

The Panel found that more than one third of Councils in NSW are facing financial problems. The Panel concluded that the current system of local government in NSW needs to change, and that part of the change should involve structural reform – or Amalgamation of Councils.

The Panel preferred for Gundagai to merge with Tumut, or a second option to be a Rural Council in the Riverina JO.

Tonight we are here to share information on what is proposed, and how Councils are to be determined Fit for the Future moving forward.

Council's General Manager and Director of Corporate Services will provide short presentations to you on how we believe that Gundagai is Fit for the Future to be a stand alone Rural Council.

We will open the floor for any questions to the presenters or Councilors.

We want to hear from you – What do you think about the merging option?

Do we have a sound argument against a merge?

Then in closing the session, I will ask for you all to vote, by show of hands, of what option is best for Gundagai.

Our Council needs to put forward a submission by 30th June 2015. The community's views are very important in framing our submission."

General Manager, Phillip McMurray delivered a power point presentation outlining the Local Government Reform from 2011 until now. He explained:

- Where are we going – FFTF Councils – Scale and capacity, Financially sustainable, Effective services and infrastructure, Efficiency.
- Scale and Capacity definition
- Gundagai Options offered by the Expert Panel
 - Option 1 to merge with Tumut
 - Option 2 to become a Rural Council in a Riverina Joint Organisation
- Merge options – benefit and risks
- The results of community feedback surveys on FFTF
- Rural Council characteristics

- Strategies for sustainability

Council's Fit for the Future Coordinator, Paul Luff, explained the 7 ratios required by IPART that Councils have to meet to be classed FFTF, explaining that Gundagai, although has not reached the ratios in the past 3 years will tick all the boxes in the coming 5 years.

The Mayor then called for questions from the floor.

██████████ stated that he was dead set against any amalgamation and would expect a 50% rate increase if Gundagai was to merge with Tumut. Suggested that if "they" have \$5m for Councils to merge, then they can throw the \$5m our way. Asks why does Gundagai have to go to Tumut, why not the option to go Cootamundra way. Will not vote to go to Tumut.

██████████ accepts the figures and ratios presented and the need for it to be proven, however feels that Gundagai Council should prove that it is better off not merging with Tumut and suggested that work be done to demonstrate this. He feels that the matter may be a weakness in Councils argument.

Mr McMurray explained that Gundagai had written to Tumut regarding merger benefits for Gundagai and Tumut responded saying that they could not provide specific benefits. However Council is willing to work with Tumut on efficiencies where there are areas of common interests.

██████████ asked where Council would stand ratio wise if it was to merge with Tumut. Mr McMurray advised that Gundagai has met the 7 required ratios and Tumut is working on their own ratios. It is not certain if Tumut had met all the ratios.

██████████ made 2 points:

1. 181 out of 3,700 residents answered the survey. She feels that it is a poor response and Council cannot take a positive from it.
2. Why could Gundagai not look at a merge with Cootamundra and why not do a comparison of the positives and negatives between a merger with Tumut or Cootamundra.

Mr McMurray explained that a merger with Cootamundra was not one of the options given by the panel, however explained that Gundagai did have an informal meeting with Cootamundra and Harden on 28/10/14 about pros and cons of potential merger. It appeared that all parties would retain the same administrative and operational arrangements. Note that out of the merge proposed between Cootamundra and Harden, approx. \$2M of the \$5M offered will be used to go to leave entitlements for Harden staff due to previous expenditure of their reserves.

NB- The survey forms were sent to each household – approx. 2000 – 181 responses would be statistically valid.

██████████ asked that out of the founding members of REROC, how many Councils are interested in a Joint Organisation (JO).

Mr McMurray stated that JO's will be mandatory for all Councils.

REROC was selected be a pilot for the JO. 12 Councils are involved, plus 2 County Councils. REROC will continue with its resource sharing. Over the time since its inception, \$45M in savings has been achieved by its member councils.

██████████ said he understood that if 3 Councils merged the offered amount by the Government was \$11M.

Mr McMurray agreed the figure was \$11M. According to the NSW Parliamentary Budget Briefing note, if Tumbarumba, Gundagai and Tumut were to merge the cost of merge \$10.8M – cost of IT and communications systems, employment transition, branding and other change management activities. No money would be available for community facilities, such as roads and bridges. Those costs were based on Queensland amalgamations.

██████████ said that he suspects the driver to meet the 7 ratios has come from asset re-evaluation and asked if that was so.

Mr McMurray said that Council had a complete review of their assets completed giving them actual condition data as opposed to historical figures based on age valuation, but also that a complete review of financials had occurred, looking at revenue increase and expenditure savings.

██████████ said that no way can Council afford to lose staff and local knowledge. Says the local knowledge and assistance held by staff would not continue if a merge with Tumut occurred. He is from Muttama and felt that in a merger with Tumut he would have no representation. He asked if the difference in town rates between Tumut and Gundagai was \$400 - \$600 what was the difference in the rural rates.

Councillor David Graham answered that Tumut's rural rates are approximately \$1 per acre more expensive.

██████████ If Gundagai goes the path of the Rural Council in a JO, how many Councils are in REROC

The Joint Organisation would be the 12 Councils plus 2 County Councils. REROC membership is 14.

██████████ asked why Forestry does not pay rates, stating that Forestry has a lot of land in the Gundagai LGA and do not pay for it. There is potential to increase revenue right there. The Mayor advised that Council continually lobby State Government on the issue but to no avail. Council cannot rate it. Forestry occupies 13% of Gundagai LGA.

Mr McMurray advised Tumut has the same situation with 40% land mass. Tumut may need to make a special rate variation to meet their ratios. Gundagai's submission will not include any special rate variation. Council will make mention of this potential financial benefit should State Government allow for a rating change, within our submission.

██████████ stated he was dead set against any amalgamation. He advised that not so long ago Batlow was feeling neglected by the Tumut Council and wanted to merge with Tumbarumba, and there were calls from Adelong wishing to merge with Gundagai. Pointing out that bigger is not better. He feels that local councilors are always easy to contact and fears Gundagai would lose representation if merged. Says our Council has always done well and wants it to remain the same.

██████████ asked if the Government can force an amalgamation.

Mr McMurray advised that the Government has not revealed what will happen if a Council is determined not fit – but forced amalgamation is a potential available to the Government.

██████████ said that we've been through all this a few times and that her advice is to tell them to do what they like in Sydney but to leave the country Council's alone.

There being no further questions then-

The Mayor called for a show of hands from the meeting. He asked "What is your preferred option for Gundagai?"

1. Merge with Tumut?

Show of hands count: 0 (nil)

2. Stand alone as a Rural Council?

Show of hands count: 65

The Mayor then asked the meeting if it felt that the decision was unanimous?
The meeting confirmed that the decision was unanimous.

The meeting closed at 7:15 pm.

Acting General Managers Report to the Ordinary Meeting of Gundagai Shire Council
9 December 2014

	479	DA 42/2014 – J&J Lewin & W&S Graham – Notify of approval of 4 lot subdivision approved with conditions of consent	MURS	COMPLETED
	480	Transfer Station Funding Application - Apply for maximum EPA funding for development and rehab of both Nangus and Muttama transfer stations.	MURS	Application prepared and lodged
	481	Transfer Stations - Development application be lodged and advertised for Nangus transfer station, and a mayoral report be provided to local newspaper	MURS GM	Letter to Crown Land. Waiting a reply from Crown Lands
	483	Free Disposal at Burra Landfill - Select 14 Dec 2014 as a trial free day for waste dumping with restrictions and advertise	MURS	COMPLETED
	486	Swimming Pool - Royal Life Saving Soc be invited to view safety signage and clarify regulations	MURS	Michael Dasey is unavailable for one month.
	487	Correspondence – Essential Energy - Allow REROC to make representation on Council behalf re formation of Streetlighting Committee and advise Gary Humphreys accordingly	GM	COMPLETED
	490	Trade & Investment Crown Lands - Council sign the licence document for Lot 7003, DP 1028671	GM	COMPLETED
	492	Fit for the Future - Convene a facilitated workshop; approach Terrey Kiss to undertake facilitation; GM report to Council on Rural Council Model; GM develop a Community Consultation Strategy.	GM	Mr Terry Kiss is in NZ. Meeting held with business partner over details. Waiting a response from Mr Kiss.

6.1.1 Recommendation

That the report relating to the Monthly checklist be received and those items marked as "Completed" be removed from the checklist.

6.2 FIT FOR THE FUTURE

6.2.1 Purpose of Report

The purpose of this report is to provide an update of information, meeting notes, discussions around the "Fit for the Future" requirements. This is provided to assist Council frame its response to Government.

6.2.2 Background

Council has previously been provided with information about the proposed Local Government reform, received reports, and held necessary discussion.

Council has resolved previously that:

"Gundagai Shire Council, as a member of REROC, endorses the submission by REROC of an Expression of Interest to be a pilot Joint Organisation in accordance with its proposed REROC Strategic Regional Council Model."

At the last Council meeting we discussed the Release of Fit for the Future Self-Assessment Tool, Templates and Guidance material by Office of Local Government (OLG), Viz:

Councils can continue working on their Fit for the Future Proposals, for submission by 30 June 2015.

- The Templates have been provided in PDF format. All Fit for the Future Proposals will be submitted online, with the online version and functionality available in early 2015.
- Councils should work on preparing their Proposal by considering scale and capacity using the Panel recommendations as a starting point.
- The Guidance material will assist councils in determining which of the two templates to complete.
- A third template, for those councils that decide to adopt the Rural Council model, will be available following further development and consultation.
- The OLG will be conducting a workshop series in November to assist councils in using the tools and guidance material. Details of dates and venues will be released shortly.
- Further information is available on the Fit for the Future website: www.fitforthefuture.nsw.gov.au

Following discussion, it was resolved that:

1. Council convene a facilitated workshop to work through the Future Self-Assessment Tool, Templates and Guidance material provided by DLG;
2. Council approach Mr Terrey Kiss with regards undertaking the facilitation;
3. A further report for Council be prepared by the Acting General Manager, following the release of the Rural Council Model, and
4. A Community Consultation Strategy be developed by the Acting General Manager for Council's consideration.

6.2.3 Key Issues

Joint Organisation (JO) Model Pilot.

As you know Riverina have been selected to be a JO Model Pilot. REROC Chairperson, Deputy Chairperson, Treasurer, and CEO were required to attend a meeting with the OLG on 17th November to discuss the JO rollout, and the Executive met on 21st November to discuss the JO pilot and the outcomes of that initial meeting.

The OLG has requested that REROC hold a consultation on the JO pilot with the REROC Board and state agencies and this will be held on 9th December as the Board is scheduled to meet on this day anyway. The OLG has proposed meeting between 10.30am and 3.30pm to discuss the JO Pilot. The Executive have agreed that the REROC Board should meet between 9.00am and 10.30am, so that members can be briefed on what has happened to date prior to the meeting with the OLG.

There will be papers provided to background Council on the JO sent prior to the 9 December, and a verbal report can be provided on Council meeting day.

In addition the Executive would like to hold an information session on Monday, 15th December for councillors and senior staff, to brief everyone on the outcomes of the meeting held on the 9 December and to talk about the

roll out of JO and the operation of the REROC in 2015. That meeting will be held in Wagga Wagga at the RSL Club. We will need to provide a list of attendees. I encourage your attendance if possible.

Fit for the Future templates and self assessment tool – Regional Workshop by OLG held 19 November 2014.

This session was attended by Mr Paul Luff and myself. Please find the presentation notes from this session, as Attachment 2. I will provide a verbal report of the key points on meeting day.

Correspondence from our neighbouring Councils.

Council has received 4 letters from other Councils seeking dialogue. These are Attachment 3, and are submitted for your consideration, and perhaps on an individual basis. In general terms though, my recommendation would be to meet, listen, state our preferred position on the evidence at hand, and provide the feedback to the community in due course. Such meetings will need to form part of our template response next year given the panels recommendation for a merger with Tumut, or be a Rural Council.

6.2.4 Assessment

a. Strategic Link

The report links to Outcome 1 of Council's Delivery Program and Operational Plan: "Provide good governance and administrative support for Council and the organisation that is accountable, transparent and meets all legislative requirements", and Outcome 5 "Facilitate strong two-way relationships and partnerships with State and Federal governments, regional groups of councils and other organisations and actively advocate on community's behalf"

b. Statutory & Policy

Nil

c. Consultation

Nil

d. Financial Implications

Nil

e. Technical Assessment

Nil

f. Attachments

Presentation Notes OLG Workshop: Preparing your council's Fit for the Future proposal is **Attachment 2**

Correspondence: Junee Shire, Cootamundra Shire, Tumut Shire, and Harden Shire is **Attachment 3**

6.2.5 Recommendation:

That the report be received and noted, and that Council determine a response to the correspondence as presented.

10. PRECIS OF CORRESPONDENCE

10.1 THE HON PETER DUTTON MP

12.11.14 (E.1/1) Letter from the Minister for Health acknowledging receipt of Council's letter regarding support for establishment of the Murray-Darling Medical School

Recommended: That the correspondence be received and noted.

10.2 MICHAEL McCORMACK

27.11.14 (C.14) Letter from Federal Member for Riverina advising that, following Council's request, representations have been made to the Hon Warren Truss MP regarding the plight of Angel Flight.

Recommended: That the correspondence be received and noted.

10.3 UNITED SERVICES UNION (USU)

28.11.14 (L.16) Fax from Graeme Kelly, General Secretary, attaching a letter to the Minister with concerns the USU have regarding the Fit for the Future reforms.

Recommended: That the correspondence be received and noted.

10.4 MURRAY DARLING BASIN AUTHORITY (MDBA)

02.12.14 (M.5/3) Letter from David Galeano, General Manager MDBA and Greg Toll National President MDA, seeking input on our community and the Basin Plan water reforms.

Recommended: For Council consideration

10.5 PAUL TOOLE MP

02.12.14 (I.16) Media release from the Minister for Local Government, announcing the five successful Joint Organisation pilots.

Recommended: That the correspondence be received and noted.

10.6 OFFICE OF LOCAL GOVERNMENT

02.12.14 (L.16) Circular from Steve Orr, Acting Chief Executive, advising of the announcement of the regional groupings of councils that will assist the NSW Government to pilot Joint Organisations.

Recommended: That the correspondence be received and noted.

10.7 LOCAL GOVERNMENT WEEKLY

Government Weekly 43/14 to 46/14 are tabled for Council's information. Copies of the Circular Indexes and Summary of Items are **Attachment 7**.

Recommended: That the Local Government Weekly be received and noted.

THE MINUTES OF THE ORDINARY MONTHLY MEETING OF THE GUNDAGAI SHIRE COUNCIL
HELD IN THE COUNCIL CHAMBERS, GUNDAGAI ON TUESDAY,
9 DECEMBER 2014 COMMENCING AT 2:02 P.M.

PRESENT:

Councillors A.J McAlister (Chairman), D.J. Graham, P.F. Batey, R.J. Moses, M.K. Kingwill, P.R. Gain, R. Magnone; Acting General Manager, Mr P. McMurray; Director Corporate & Community Services, Mr P. Luff; Manager Urban & Rural Services, Mr T. Shrestha; Executive Assistant, Mrs C. McGeachie.

Council's Auditor, Mr John Mason addressed Council in relation to his audit of the 2013/14 Financial Statements.

MS M CRANE, ECONOMIC DEVELOPMENT MANAGER ATTENDED CHAMBERS AT 2:05 PM.
MR MASON DEPARTED CHAMBERS AT 2:25 PM.

APOLOGIES:

- 494 IT WAS RESOLVED on the motion of Cr Graham, seconded Cr Batey, that the apology of Cr Crane (work commitments) be accepted and leave of absence granted.

DECLARATIONS OF INTEREST:

Councillor	Item	Report	Interest
Cr McAlister	9.3	Development Committee Matters – Bourke Estate Sales	Pecuniary
Mr P McMurray	14	Closed Committee – Recruitment of General Manager	Pecuniary

CR GRAHAM DEPARTED CHAMBERS AT 2:28 PM.

CONFIRMATION OF MINUTES:

- 495 IT WAS RESOLVED on the motion of Cr Batey, seconded Cr Gain, that the Minutes of the Ordinary Council Meeting held on Tuesday 11 November, 2014 which had been circularised to each member of the Council, be taken as read and confirmed.
- 496 IT WAS RESOLVED on the motion of Cr Moses, seconded Cr Kingwill that the Minutes of the Closed Committee of Council held on Tuesday 11 November, 2014 which had been circularised to each member of the Council, be taken as read and confirmed.

GENERAL MANAGER

CR GRAHAM RETURNED TO CHAMBERS AT 2:31 PM.

CHECKLIST:

- 497 IT WAS RESOLVED on the motion of Cr Magnone, seconded Cr Kingwill, that the report relating to the Monthly Checklist be received and those items marked as "Completed" be removed from the checklist.

FIT FOR THE FUTURE:

- 498 IT WAS RESOLVED on the motion of Cr Gain, seconded Cr Moses that, to keep moving toward Fit for the Future, the Senior Staff Committee, senior staff and a facilitator meet at a date prior to Christmas with a view to report back to Councillors as soon as possible.
Vote: 5/1
Against: Cr Magnone

GUNDAGAI TOURISM STRATEGY:

- 499 IT WAS RESOLVED on the motion of Cr Gain, seconded Cr Graham that the Gundagai Tourism Strategy be placed on public exhibition for a 28 day period.

TOURISM ACTION COMMITTEE (TAC):

- 500 IT WAS RESOLVED on the motion of Cr Kingwill, seconded Cr Moses that the Minutes of the TAC be received and noted.

TOURIST & ECONOMIC DEVELOPMENT REPORT

- 501 IT WAS RESOLVED on the motion of Cr Graham, seconded Cr Batey that the report be received and noted.

**THE MINUTES OF THE ORDINARY MONTHLY MEETING OF THE GUNDAGAI SHIRE COUNCIL
HELD IN THE COUNCIL CHAMBERS, GUNDAGAI ON TUESDAY,
9 DECEMBER 2014 COMMENCING AT 2:02 P.M.**

PRECIS OF CORRESPONDENCE:

UNITED SERVICES UNION (USU)

28.11.14 (L.16) Fax from Graeme Kelly, General Secretary, attaching a letter to the Minister with concerns the USU have regarding the Fit for the Future reforms.

518 IT WAS RESOLVED on the motion of Cr Graham, seconded Cr Gain that Council request a copy from the USU of the response from the Minister regarding Fit for the Future and comment on the excellent quality of the letter sent by USU.

519 IT WAS RESOLVED on the motion of Cr Magnone, seconded Cr Batey that the following seven (7) items of correspondence be received and noted.

THE HON PETER DUTTON MP

12.11.14 (E.1/1) Letter from the Minister for Health acknowledging receipt of Council's letter regarding support for establishment of the Murray-Darling Medical School

MICHAEL McCORMACK

27.11.14 (C.14) Letter from Federal Member for Riverina advising that, following Council's request, representations have been made to the Hon Warren Truss MP regarding the plight of Angel Flight.

MURRAY DARLING BASIN AUTHORITY (MDBA)

02.12.14 (M.5/3) Letter from David Galeano, General Manager MDBA and Greg Toll National President MDA, seeking input on our community and the Basin Plan water reforms.

PAUL TOOLE MP

02.12.14 (I.16) Media release from the Minister for Local Government, announcing the five successful Joint Organisation pilots.

OFFICE OF LOCAL GOVERNMENT

02.12.14 (L.16) Circular from Steve Orr, Acting Chief Executive, advising of the announcement of the regional groupings of councils that will assist the NSW Government to pilot Joint Organisations.

LOCAL GOVERNMENT WEEKLY

Government Weekly 43/14 to 46/14 tabled for Council's information.

OFFICE OF LOCAL GOVERNMENT

02.12.14 (L.16) Circular from Steve Orr, Acting Chief Executive, advising of new changes to boat trailer parking.

QUESTIONS WITHOUT NOTICE:

- Cr Graham thanked Council's Road Safety Officer, Mr Anthony Webb for his quick attendance to, and assistance in regard to an incident on Adjungbilly Road.

CLOSED COMMITTEE AT 3:47 PM:

520 IT WAS RESOLVED on the motion of Cr Moses, seconded Cr Kingwill that Council close the meeting to the Press and Public, as per Section 10A (a) of the Local Government Act 1993 for consideration of the Australia Day Awards and Minutes of the Closed Section of the Development Committee

The following resolutions arose from decisions made in the Closed and Confidential Section of the meeting on 9 December 2014.

AUSTRALIA DAY AWARDS:

521 IT WAS RESOLVED on the motion of Cr Batey seconded Cr Gain that Citizen of the Year be awarded to ANNE METCALFE

522 IT WAS RESOLVED on the motion of Cr Moses seconded Cr Kingwill that Young Citizen of the Year be awarded to GUNDAGAI RURAL FIRE SERVICE CADETS:
Stacey Lewin, Savannah Thompson, Marten Petty, Stuart Petty, Brodie Wilson, Mitchell Luff

g. Attachments

Nil

6.5.5 Recommendation

That the report is received and noted.

6.6 FIT FOR THE FUTURE

6.6.1 Purpose of Report

The purpose of this report is to provide an update of information, meeting notes, discussions around the "Fit for the Future" requirements. This is provided to assist Council frame its response to Government.

6.6.2 Background

Council has previously been provided with information about the proposed Local Government reform, received reports, and held necessary discussion.

Council has resolved previously that:

"Gundagai Shire Council, as a member of REROC, endorses the submission by REROC of an Expression of Interest to be a pilot Joint Organisation in accordance with its proposed REROC Strategic Regional Council Model.";

1. "Council convene a facilitated workshop to work through the Future Self-Assessment Tool, Templates and Guidance material provided by DLG;
2. Council approach Mr Terrey Kiss with regards undertaking the facilitation;
3. A further report for Council be prepared by the Acting General Manager, following the release of the Rural Council Model, and
4. A Community Consultation Strategy be developed by the Acting General Manager for Council's consideration.";

"To keep moving toward Fit for the Future, the Senior Staff Committee, senior staff and a facilitator meet at a date prior to Christmas with a view to report back to Councillors as soon as possible."

Correspondence from our neighbouring Councils.

Council has previously received 4 letters from other Councils seeking dialogue. These were submitted for your consideration in December. A response has now been framed following consideration by the Senior Staff Committee and is the basis of the recommendation as below.

6.6.3 Key Issues

In regards to Council's response to the State Government, we will have a significant focus on putting forward our best submission. Mr Paul Luff will be taken out of his regular role of Director Corporate and Community Services, and has accepted the task of coordination of Council's submission. This will be for a six month period. Paul will ensure that the self assessment tool and templates required for submission ensure that Council meets the criteria and is trending upwards towards a position of long term sustainability, and thus allow Council to stand alone. Becoming Fit for the Future is a process – it involves asking where are we now, how can we improve, what will

success look like? Two key focus areas will be review of our assets and finance. Paul will require assistance from staff, external resources and Councillors. Your assistance when required will be appreciated. Paul will appreciate your ideas in areas in which Council may improve. During this six month project, Rebecca Martin will be Acting Director Corporate and Community Services.

Joint Organisations were recommended by the Local Government Independent Review Panel as a mechanism to assist regional councils to achieve scale and capacity. It is envisaged that the Joint Organisations will operate at a higher level than REROC, taking on a larger and more influential role in regional planning activities and in working with State agencies to establish intergovernmental collaborations. I will have a focus on ensuring that the JO pilot model for the Riverina is established and operating to meet our Councils best interests.

Attached is an update report from Paul on discussions held to date with Mr Terrey Kiss and the Senior Staff Committee (Attachment 2).

The Rural Council Model has now been released, and once reviewed in detail, will be subject of a further report back to Council.

6.6.4 Assessment

a. Strategic Link

The report links to Outcome 1 of Council's Delivery Program and Operational Plan: "Provide good governance and administrative support for Council and the organisation that is accountable, transparent and meets all legislative requirements", and Outcome 5 "Facilitate strong two-way relationships and partnerships with State and Federal governments, regional groups of councils and other organisations and actively advocate on community's behalf".

b. Statutory & Policy

Nil

c. Consultation

Nil

d. Financial Implications

Nil

e. Technical Assessment

Nil

f. Graphs & Charts

Nil

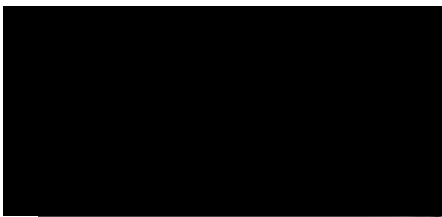
g. Attachments

Update Report from Mr Paul Luff is **ATTACHMENT 2**

6.6.5 Recommendation

It is **recommended**:

- A) That Council note that it has considered requests from surrounding Councils re discussions on proposed mergers or other Fit for Future issues in relation to the delivery of local government services within the Gundagai Shire.
- B) That Council confirm that it will continue discussions with REROC Councils concerning the formation of a Joint Organisation and will continue to participate in regional planning and collaborative arrangements under that banner.
- C) That Council confirm that it is of the firm view that it will satisfy the necessary requirements to be considered as "Fit For Future" and in so doing, has or will, put in place plans that:
 - 1) ensures that financial sustainability can be achieved – noting that financial sustainability includes achieving an operating surplus as well as providing satisfactory levels of service that are acceptable to the community of Gundagai Shire
 - 2) ensures that Council's Asset Management Plan is appropriately structured and has been incorporated into Council's Long Term Financial Plan.
- D) That Council therefore having regard to the above maintains that it desires to remain as a independent organisation that:
 - 1) has managerial and political independence
 - 2) has the ability to determine its own rating structure and its expenditure priorities
 - 3) has the ability to manage its assets and determine its community direction
 - 4) is seen as an independent Council for the receipt of Grants from the Federal Government under the Financial Assistance Scheme.



Phillip McMurray
GENERAL MANAGER

**THE MINUTES OF THE ORDINARY MONTHLY MEETING OF THE GUNDAGAI SHIRE COUNCIL
HELD IN THE COUNCIL CHAMBERS, GUNDAGAI ON TUESDAY,
10 FEBRUARY 2015 COMMENCING AT 2:00 P.M.**

CRS MAGNONE & KINGWILL RETURNED TO CHAMBERS AT 3:41 PM.

- 013 IT WAS RESOLVED on the motion of Cr Graham, seconded Cr Moses, that the report of the Economic Development Manager report be received and noted.

MS CRANE, ECONOMIC DEVELOPMENT MANAGER, DEPARTED CHAMBERS AT 3:47 PM.

FIT FOR THE FUTURE:

- 014 IT WAS RESOLVED on the motion of Cr Batey, seconded Cr Crane that:
- A. Council note that it has considered requests from surrounding Councils re discussions on proposed mergers or other Fit for Future issues in relation to the delivery of local government services within the Gundagai Shire.
 - B. Council confirm that it will continue discussions with REROC Councils concerning the formation of a Joint Organisation and will continue to participate in regional planning and collaborative arrangements under that banner.
 - C. Council confirm that it is of the firm view that it will satisfy the necessary requirements to be considered as "Fit For Future" and in so doing, has or will, put in place plans that:
 - 1. ensures that financial sustainability can be achieved – noting that financial sustainability includes achieving an operating surplus as well as providing satisfactory levels of service that are acceptable to the community of Gundagai Shire
 - 2. ensure that Council's Asset Management Plan is appropriately structured and has been incorporated into Council's Long Term Financial Plan.
 - D. Council therefore having regard to the above maintains that it desires to remain as a independent organisation that:
 - 1. has managerial and political independence
 - 2. has the ability to determine its own rating structure and its expenditure priorities
 - 3. has the ability to manage its assets and determine its community direction
 - 4. is seen as an independent Council for the receipt of Grants from the Federal Government under the Financial Assistance Scheme.
 - E. A letter be sent to the Hon Katrina Hodgkinson, and the Minister of Local Government advising Council wishes to take the amalgamation issue to the public and that we are willing to work under a Joint Organisation, however we need to know if the Government stand by their policy of no forced amalgamations.

DIRECTOR, CORPORATE & COMMUNITY SERVICES

RECONCILIATION OF BANK ACCOUNTS:

- 015 IT WAS RESOLVED on the motion of Cr Moses, seconded Cr Kingwell, that in accordance with the provisions of the Local Government Act 1993 the Director, Corporate & Community Services reconciliation of the Bank Accounts as at 31 December 2014 be adopted.

INVESTMENTS:

- 016 IT WAS RESOLVED on the motion of Cr Batey, seconded Cr Crane, that the Report on Investments as at 31 December 2014 be received and noted.

RATES AND CHARGES:

- 017 IT WAS RESOLVED on the motion of Cr Graham, seconded Cr Kingwill, that the Report on Rates & Charges as at 31 December 2014 be received and noted.

CR MAGNONE DEPARTED CHAMBERS AT 4.11 PM.

DEBTORS REPORT:

- 018 IT WAS RESOLVED on the motion of Cr Kingwill, seconded Cr Batey, that the Debtors Report as at 31 December 2014 be received and noted. Graham/ crane

g. Attachments

Nil

- 6.2.5 Recommendation:** that Council endorse the use of the Common Seal for the Transfer for execution by the Council for the sale of Lot 58, DP 1173450, 11 Banjo Paterson Place, Bourke Estate.

6.3 FIT FOR THE FUTURE (FFTF)

Author: Mr Paul Luff – Fit for the Future Coordinator

6.3.1 Purpose of Report

The purpose of this report is to provide an update of information, meeting notes, discussions around the "Fit for the Future" requirements.

6.3.2 Background

Council has previously been provided with information about the proposed Local Government reform, received reports, and held necessary discussion.

6.3.3 Key Issues

Meetings Since Ordinary Meeting of 10 February

Tumbarumba, Coolamon and Gundagai on 11 February 2015

- Extensive discussion of Transport Asset Management Plans and the need to ensure the information/detail in the Plan correlates perfectly with Council's financial records. This is particularly important given the road assets make up a significant amount of the value of all assets.
- Tumbarumba have utilised the services of an expert in condition assessing road assets, Moloney Assets Management Systems. Subsequent to the meeting Kyle Stevens spoke to Mr Peter Moloney with a view to assessing availability and estimated cost to undertake a review. Mr Moloney indicated he could take on the project almost immediately and that the cost would be \$64,954 (ex GST), payable over 1, 2 years (\$33,451) or 3 years (\$23,167). Mr Stevens considers employing the firm would be a solid move by Council as in his view it would provide independent confirmation of the accuracy of the figures contained in the Plan. The significance of this is that he believes the result would be quite positive for Council (ie many roads will have a useful life beyond that currently reported which in turn decreases depreciation and this fact assists in providing a positive bottom line result).
- Discussion also took place on the provision of motor vehicles to staff and in turn FBT liability.

Office of Local Government Seminar – Rural Council Model on 17 February 2015.

- Attended by the General Manager and myself. Mr Steve Orr provided a presentation on the “new” Rural Council Model. A summary of the issues raised follows:
 - The new Local Government Act comes into effect in 2016 to coincide with the commencement of the next Council term.
 - The starting point in the process is to ensure Council demonstrates scale and capacity. In this regard scale and capacity is assumed to generally automatically apply where Council opts for a position recommended by the Independent Panel. In Gundagai’s case the Panel recommended “merger’ (template 1), or Rural Council (Template 3).

In discussions on its position Council has been tending towards the “stand alone” improvement option (Template 2), however following the presentations by Mr Orr it is believed the best position is that of a “Rural Council”.

The identified 9 characteristics of a Rural Council are:

- i. High operating costs associated with a dispersed population and linked opportunities for return on investment;
- ii. Local economies that are (generally) based on agricultural /resource industries;
- iii. Low rate base and high grant reliance;
- iv. Long distance to a major regional centre;
- v. Limited option for mergers (a moot characteristic);
- vi. Difficulty in attracting and retaining skilled and experienced staff;
- vii. Challenges in financial sustainability and provision of adequate services and infrastructure;
- viii. High importance of retaining local identity, social capital and capacity for service delivery, and
- ix. Small and static or declining population spread over a large area.

While not all 9 characteristics fit perfectly for Gundagai their general flavour does so.

When asked what is the difference between Templates 2 and 3 Mr Orr responded -

- Fundamentally there is no difference (the proposed legislation will not distinguish between Template 2 and 3 councils) but the split fits with the Governments promise to work with rural councils.

- The benchmarks to be achieved by Rural Councils in being assessed as FFTF have more latitude (ie the bar will not be set as high)

Meeting with Mr Terrey Kiss on 18 February 2015

- Response to issues
 - Asset management – review insurance portfolio – done, possible saving of approx \$3,000 pa
 - Motor vehicle policy
 - Agree policy requires formalisation
 - Requires further consideration
 - Street Sweeping and Toilet Cleaning
 - Will review practice with consideration being given to using contractors
 - ELE
 - Arrangements to be put in place to address this issue
 - Swimming Pool
 - Consideration of recommendation to remove diving boards
 - The Manager of Urban and Rural Services is exploring feasibility/suitability of being classified a “low patronage pool”
 - Sporting Grounds
 - Suggested cost recovery (or a percentage) for ground usage be applied
 - However in discussing this matter with Glen Moore he suggested an alternative approach would be to leave the facilities to the respective sporting bodies/schools with a view to them undertaking ground preparation (eg linemarking) works and general cleaning. Further he is of the opinion Council should set up a Sports Council to assist in the oversight of sports undertakings.

FFTF Bootcamp – Sydney 23-24 February 2015

The two day seminar was attended by Phil McMurray, David Graham and myself and Gundagai was one of 28 councils in attendance, of which 20 were rural/regional.

A survey conducted of councils by Local Government NSW, the Seminar host, prior to the conduct of the seminar, revealed a break-up of council template application intentions as

Template 1 (merger) = 20.8%

Template 2 (improvement) = 91.7%

Template 3 (rural council) – 8.3%

Other Issues

Community Survey

Councillors will recall there was extensive public consultation undertaken as part of the Integrated Planning and Reporting exercise, with the intention of assessing the needs/desires of the community.

Until now, not a lot of strategic thought has been given to visiting this area however it is considered prudent to actively involve the community. With this in mind a newsletter/survey sheet is proposed to be circulated via a letterbox drop. While the survey would probably be lacking a little from a technical perspective it should provide evidence toward the mainstream thinking of the community.

6.3.4 Assessment

a. Strategic Link

The report links to Outcome 1 of Council's Delivery Program and Operational Plan: "Provide good governance and administrative support for Council and the organisation that is accountable, transparent and meets all legislative requirements", and Outcome 5 "Facilitate strong two-way relationships and partnerships with State and Federal governments, regional groups of councils and other organisations and actively advocate on community's behalf".

b. Statutory & Policy

Nil

c. Consultation

Nil

d. Financial Implications

Nil

e. Technical Assessment

Nil

f. Graphs & Charts

Nil

g. Attachments

Nil

6.3.5 Recommendation: For information.

6.4 TOURISM ACTION COMMITTEE (TAC)

6.4.1 Purpose of Report

The purpose of this report is to inform Council of the Tourism Action Committee Meeting held on 19 February 2015.

THE MINUTES OF THE ORDINARY MONTHLY MEETING OF THE GUNDAGAI SHIRE COUNCIL
HELD IN THE COUNCIL CHAMBERS, GUNDAGAI ON TUESDAY,
10 MARCH 2015 COMMENCING AT 2:10 P.M.

	44	Signature Quarries - Approve application for modification of consent DA 91/2007 (advise)	H & B OFFICER	COMPLETED
	45	Eulonga Quarry - Obtain opinion/advise from a legal practitioner re Councils position of enforcing royalty payments under the VPA.	H & B OFFICER	Legal advice sought Awaiting reply

- 050 IT WAS RESOLVED on the motion of Cr Batey, seconded Cr Kingwill, that the report relating to the Monthly Checklist be received and those items marked as "Completed" be removed from the checklist.

CR MCALISTER HAVING DECLARED A PECUNIARY INTEREST IN BOURKE ESTATE – LOT 58
DEPARTED CHAMBERS 2:43 PM.
CR GRAHAM TOOK THE CHAIR.

BOURKE ESTATE – LOT 58:

- 051 IT WAS RESOLVED on the motion of Cr Gain, seconded Cr Crane that Council endorse the use of the Common Seal for the Transfer for execution by the Council for the sale of Lot 58, DP 1173450, 11 Banjo Paterson Place, Gundagai.

CR MCALISTER RETURNED TO CHAMBERS AT 2:44 PM AND RESUMED THE CHAIR.

FIT FOR THE FUTURE:

- 052 IT WAS RESOLVED on the motion of Cr Graham, seconded Cr Moses that Council write to the Tumut Shire Council regarding Amalgamation to enquire as to what advantage it would be to Gundagai Shire to merge with Tumut Shire.

TOURISM ACTION COMMITTEE (TAC):

Tourism Strategy:

- 053 IT WAS RESOLVED on the motion of Cr Kingwill seconded Cr Batey that Council adopt the Draft Tourism Strategy presented to Council at its 9 December 2014 meeting with the following addition to – 3. Develop primary attractions in the town (page 15):

Key Focus	Strategic Action	Responsibility	Timeframe
Street Tree Plan	Implement the street tree plan.	GM	-As budget allows

TAC CHARTER

- 054 IT WAS RESOLVED on the motion of Cr Magnone, seconded Cr Kingwill that Council endorse the Draft Tourism Action Committee Charter as it appears below:

GUNDAGAI SHIRE COUNCIL - TOURISM ACTION COMMITTEE CHARTER

1. ROLE AND PURPOSE

The role and purpose of the Tourism Action Committee, as an advisory committee to Council, is to:

- *Advise the Council regarding issues related to tourism*
- *Increase awareness of and provide advice and input to the Council in matters relating to tourism development*
- *Prepare and update the Gundagai Shire Tourism Strategic Plan*
- *Provide Project Brief documentation to staff and/or Council regarding the development of new projects/initiatives*
- *Promote Gundagai to the Tourism Industry*

2. MEMBERSHIP

Membership shall consist of:

- (a) Chairperson*
- (b) Nominated Council Representatives*
- (c) Council Staff*
 - *Economic Development Manager*
 - *Visitor Centre Coordinator*

6.3 FIT FOR THE FUTURE (FFTF) UPDATE

6.3.1 Purpose of Report

The purpose of this report is to provide an update of information, meeting notes, discussions around the "Fit for the Future" requirements.

6.3.2 Background

The object of this brief report is to update Council on proceedings since the March Ordinary Meeting.

A meeting was held with Mr Terrey Kiss on Tuesday 31.03.2015 with a view to:

- the development of a Community information sheet and survey;
- flushing out further ideas/possible responses, and
- deciding on approaches to issues.

Officers have had additional dealings with:

- Peter Moloney: condition assessment of infrastructure;
- Glen Moore: condition assessment of buildings;
- CPE & Associates, representative Jacqui Hansen – asset management plans and infrastructure condition assessments, and
- Ms Therese Harley: initial contact only.

The ultimate aim of the exercise of course is for Council to resolve its desired course of action and also its responses to the questions posed by the Office of Local Government (OLG), with the golden egg being the determination by the Expert Panel of Council qualifying as a "rural council".

Summary of Meeting with Terrey Kiss

1. Community Information Sheet / Survey

As advised in a report prepared for Council's Ordinary Meeting of 10 March 2015, Council needs to adequately assess/determine the community's position as part of its decision making process. With this in mind a draft information sheet and survey was prepared and discussed in some detail with Mr Kiss. From this, a finalised info sheet/survey was developed and has been distributed to the community via a letterbox drop and also uploaded onto Council's website. Responses to the survey will be accepted until 24 April 2015.

2. Draft Executive Summary/Responses: General Outline

- T Corp summary of Council's sustainability;
- assessing "scale and capacity" under the rural council model
- SWOT analysis;
- how Council becomes/remains FFTF;
- self assessment of financial sustainability ratios – short and long term;
- issues confronting Council – responses;
- water utility, and
- improvement options and timing.

3. Detailed analysis of Note 3 (revenue) and Note 4 (expenses) items.

- Councillors have been informed of possible courses of action.

Additional discussions

Kyle Stevens has arranged for Mr Peter Moloney to meet with the General Manager and other relevant staff members to discuss issues such as infrastructure depreciation, assets reaching intervention levels, expenditure required to eradicate asset maintenance backlog overtime etc.

Ms Theresa Harley has agreed to assist in the development of the 10 year financial plan, with a particular emphasis on generating a series of positive ratios by the end of the process.

Once a rough draft response/report has been shaped it is proposed to go back to the Council FFTF Committee in order to settle on issues and to take the subject to the next level.

6.3.3 Key Issues

Joint Organisation (JO) Pilot Update Meeting

A general meeting of all REROC elected members and Senior Staff is arranged to be held in Gundagai on Thursday 23 April. The venue for the meeting is Gundagai Services Club, 254 Sheridan Street, Gundagai. Starting time is 10.00a.m. REROC anticipate that it will run for approximately 2 hours. The meeting is intended to update everyone on the progress of the JO and to seek feedback now that we are entering the implementation phase for the delivery of the Regional Priorities' projects.

The Executive is currently finalising the agenda.

REROC need numbers attending by COB on 20 April. It will be a fantastic opportunity for our Council to be well represented, particularly given our local venue is being utilised. Let me know if you can make it.

6.3.4 Assessment

a. Strategic Link

The report links to Outcome 1 of Council's Delivery Program and Operational Plan: "Provide good governance and administrative support for Council and the organisation that is accountable, transparent and meets all legislative requirements", and Outcome 5 "Facilitate strong two-way relationships and partnerships with State and Federal governments, regional groups of councils and other organisations and actively advocate on community's behalf".

b. Statutory & Policy

Nil

c. Consultation

Nil

d. Financial Implications

Nil

e. Technical Assessment

Nil

THE MINUTES OF THE ORDINARY MONTHLY MEETING OF THE GUNDAGAI SHIRE COUNCIL
HELD IN THE COUNCIL CHAMBERS, GUNDAGAI ON TUESDAY,
14 APRIL 2015 COMMENCING AT 2:00 P.M.

		Advise Mrs Martin	GM	COMPLETED
	75	Lease of Grazing Land Tenders - Tenders to Mr Paul Smith and Mr Jason Elphick – advise unsuccessful tenders	MURS	COMPLETED
	77	Fee Proposals for Preparation of Section 94 Plan - Engage Habitat Planning of Albury for preparation for Section 94 heavy haulage contributions plan – advise unsuccessful applicants	H & B OFFICER	COMPLETED
	78	Small National Infrastructure Programs Team - Letter of thank you to Warren Truss and cc to Michael McCormack	GM	COMPLETED.
	79	The Hon. Duncan Gay MLC - GM delegated to execute the Funding Deed to replace Gobarralong Bridge – Letters of thank you to Duncan Gay and cc to Katrina Hodgkinson	GM	COMPLETED.
	84	Gundagai Lions Club Incorporated - Advise Council agrees to the request and will order a plaque for Mr Mick Grange in Yarri Park	MURS	COMPLETED
	85	Gundagai Buses - Prepare a report for next Development committee re the cost of alterations required to workshop to secure it as a heavy vehicle inspection site	WHS	To 7 th April Development Committee Meeting COMPLETED

Moved: Cr Crane that the Manager of Urban and Rural Services do a costing on the erection of a cattery at the Council pound and explore other options for the control of cats.

Seconded: Cr Kingwill

089 HAVING BEEN PUT THE MOTION CARRIED.

090 IT WAS RESOLVED on the motion of Cr Graham, seconded Cr Kingwill that the report relating to the Monthly Checklist be received, and Resolutions No. 392 of September 2014 and No. 45 of February 2015 be not marked completed, with other items marked as "Completed" to be removed from the checklist.

FUNDING APPLICATIONS:

091 IT WAS RESOLVED on the motion of Cr Graham, seconded Cr Gain that the Funding Applications report be received and noted.

FIT FOR THE FUTURE (FFTF):

092 IT WAS RESOLVED on the motion of Cr Batey, seconded Cr Gain that the FFTF report be received and noted.

MR P LUFF, FIT FOR THE FUTURE CO-ORDINATOR, DEPARTED CHAMBERS AT 2:35 PM.

DIRECTOR OF ENGINEERING SERVICES RECRUITMENT:

093 IT WAS RESOLVED on the motion of Cr Gain, seconded Cr Batey that the Director of Engineering Services Recruitment report be received and noted and that the position be advertised in the Gundagai Independent.

6.3 FIT FOR THE FUTURE (FFTF) AND BUDGET CONSIDERATION

6.3.1 Purpose of Report

The purpose of this report is to:

- 1 provide an update of information, meeting notes, discussions around the "Fit for the Future" requirements, and
- 2 further consider exhibition of the proposed draft budgets and operational plans which are now strongly linked with FFTF reform

6.3.2 Background

See previous reports.

6.3.3 Key Issues

***Fit for the Future* - Expert Advisory Panel**

Minister for Local Government, Paul Toole, released the membership and operation of the Expert Advisory Panel on Monday 27 April 2015. The Minister announced that the Independent Pricing and Regulatory Tribunal (IPART) will be supported by a nationally-recognised Local Government finance expert John Comrie, to make an assessment and recommendation on each council's *Fit for the Future* submission.

The FFTF reforms require all councils to assess their current position against the Independent Local Government Review Panel's (ILGRP) preferred options and submit a proposal by 30 June 2015.

IPART has now released the consultation paper on their proposed Methodology for Assessment, as attachment 2. The paper is open for public consultation for 28 days.

IPART will be consulting with councils and other stakeholders throughout May, before finalising their approach in early June. IPART are seeking feedback on issues such as:

- How can we improve our approach to assessing scale and capacity of a council, consistent with the Office of Local Government guidance?
- What are the most relevant defining characteristics for a rural council?
- How can we improve our assessment of sustainability, infrastructure management and efficiency, consistent with the Office of Local Government guidance?
- How should we assess the way in which councils have engaged with their communities?
- How should council performance against FFTF proposals be monitored?

IPART's terms of reference has asked them to develop a methodology to assess FFTF proposals in a way that is consistent with the NSW Government's reform agenda, and then to assess councils against that methodology.

The first aspect IPART need to consider is whether a council has sufficient scale and capacity. This should be broadly consistent with the objectives of the preferred options recommended by the ILGRP. These options vary for different councils and include mergers, joint organisations or other structural improvements. Councils that choose not to follow these recommendations will need to provide a sound argument that they have the appropriate scale and strategic capacity.

Councils able to demonstrate the required scale and capacity will also be assessed against a set of specific benchmarks for their financial sustainability, infrastructure and service management, and that they are operating in an efficient way for ratepayers.

All councils will be rated as either 'fit' or 'not fit', or will be 'deemed not fit' if they do not submit a proposal by the 30 June 2015 deadline.

IPART will also be holding four public forums throughout May, at Sydney, Wagga Wagga, Dubbo and Coffs Harbour, to discuss the Methodology for Assessment.

I have registered to attend the session in Wagga on Thursday, 21 May 2015 at the Commercial Club from 9:30am to 1:30pm.

Local Government NSW (LGNSW) will be making a comprehensive submission on the proposed Methodology for Assessment and would welcome input from councils.

LGNSW would appreciate copies of council submissions or simply comments they would like to see included in the LGNSW submission. Comments to LGNSW are due Friday 15 May 2015.

The IPART Consultation Paper is available on their website, www.ipart.nsw.gov.au and submissions close on **25 May 2015**.

While this consultation is focused on the methodology, community members wishing to provide comment on their council's proposal should provide their feedback directly to their council. IPART have advised that Public submissions will be accepted directly by them once the council proposals have been lodged by 30 June. Submissions from the public on council proposals will close on 31 July to enable them to be considered as part of the assessment process.

Issues at hand

It was recommended by the ILGRP that Gundagai Shire Council "Merge with Tumut or Rural Council in Riverina JO".

Council's FFTF Committee has been working through the FFTF program to create its own roadmap of how it will be a stronger and more effective Council in the sector, and be sustainable and an efficient provider of services to the community.

This reform process is expected to benefit ratepayers by leading our Council in being financially sustainable into the future, and capable of being strategic partners with other levels of government.

The Committee has not been convinced to date of the need to undertake structural change by merging with one or more Councils to achieve sufficient

scale and capacity. This view is supported by feedback from the recently completed Community Survey.

A Rural Council proposal is the path for our Council to pursue, which is for Council's with "Rural Council Characteristics", (eg, small, declining populations spread over a large area) where mergers may not be feasible, but need to demonstrate plans and strategies for real change in order to increase their capacity and improve performance against the FFTF criteria.

The Committee has been meeting and reviewing our case against the template developed by OLG for a Rural Council.

A strong argument is being formed around meeting the criteria. Detailed analysis of the financials and assets plans is now well advanced.

Councillors are invited and encouraged to attend a presentation on the Road and Bridge Assets at 9am on meeting day 12 May 2015 at the chambers.

A final decision in regards to the proposal and submission content should be informed by the outcomes of further community consultation, and some further communication with Tumut Shire Council.

Revenue generation and expenditure reduction opportunities, as proposed through earlier FFTF reports), have now been built into the Draft Budget & Long Term Financial Plan, as attached. These should now be exhibited in line with the requirements of the LG Act.

Draft Operational Plan, as per Integrated Planning and Reporting guidelines, will further need to be exhibited.

6.3.4 Assessment

a. Strategic Link

The report links to Outcome 1 of Council's Delivery Program and Operational Plan: "Provide good governance and administrative support for Council and the organisation that is accountable, transparent and meets all legislative requirements", and Outcome 5 "Facilitate strong two-way relationships and partnerships with State and Federal governments, regional groups of councils and other organisations and actively advocate on community's behalf".

b. Statutory & Policy

Nil

c. Consultation

Nil

d. Financial Implications

Nil

e. Technical Assessment

Nil

f. Graphs & Charts

Nil

g. Attachments

IPART Methodology for Assessment of Council Fit for the Future
Proposals – Local Government Consultation Paper April 2015 is
Attachment 2

The Draft Budget & Long Term Financial Plan is attached.

6.3.5 Recommendation:

It is Recommended that:

- 1 Council pursues the Rural Council Proposal in the development of a FFTF submission.
- 2 Council convene a public meeting at an appropriate time, to further engage the community in the preparation of a FFTF proposal (likely early June following the release of IPART's Final Methodology for Assessment of Council Fit for the Future, and the availability of Councils draft developed submission that will be informed by the availability of an Operating Statement and Balance Sheets that includes the financial and asset system review information)
- 3 Council put on public display for 28 days the Draft Budget for 2015/16 including Fit for the Future strategies and also incorporating the Long Term Financial Plan, prior to end of May.
- 4 Resolve to put on public display for 28 days the Draft Operational Plan for 2015/16, per Integrated Planning and Reporting guidelines, prior to end of May.

6.4 RIVERINA PILOT JOINT ORGANISATION (JO Pilot)

6.4.1 Purpose of Report

The purpose of this report is to provide an update of information, meeting notes, and discussions around the "JO Pilot".

6.4.2 Background

A general meeting of all REROC elected members and Senior Staff was held in Gundagai on Thursday 23 April. The meeting provided an update to everyone on the progress of the JO and to sought feedback now that we are entering the implementation phase for the delivery of the Regional Priorities' projects.

6.4.3 Key Issues

Officers of the Office of Local Government (OLG) were in attendance and provided a presentation on the function of JO's, Pilot Process and progress to date. A copy of the presentation is Attachment 3.

The Riverina Pilot JO has now adopted a Charter that will guide the operation of the JO. Riverina Pilot JO Charter is Attachment 4.

The Riverina Pilot JO has now adopted an Action Plan that will provide direction over the trial period. Riverina Pilot JO Action Plan is Attachment 5.

THE MINUTES OF THE ORDINARY MONTHLY MEETING OF THE GUNDAGAI SHIRE COUNCIL
HELD IN THE COUNCIL CHAMBERS, GUNDAGAI ON TUESDAY,
12 MAY 2015 COMMENCING AT 2:00 P.M.

	125	Correspondence – ERNWAG & WRNWAG - Approve the 5 year extension of Riverina Noxious Weeds Project Officer Position at cost of \$2,500	MURS	Advise returned. COMPLETED
			DCCS	Included in draft Budget
	131	Correspondence – Charles Sturt University – Advise CSU Scholarship awarded to Terese Luff of Parsons Creek Road, Coolac	EA	Advised 14 April 2015 COMPLETED
	135	Gundagai District Rugby League Football Club Inc - Council agree to pay 25% of cost up to \$3000; advise Mr Hay to seek installation assistance from Essential Energy and inform of proposed implementation of 'user pay' for sporting fields	MURS	Letter sent COMPLETED
	137	Pen Museum - Advise Mr Bruce Wicks that Council cannot afford to purchase a building; that Council manages the Neighbourhood Centre building on Crown Land; the above are the only feasible options.	GM	Letter prepared and then delivered by TAC Chair. COMPLETED

CHECKLIST:

- 141 IT WAS RESOLVED on the motion of Cr Graham, seconded Cr Batey that the report relating to the Monthly Checklist be received and those items marked as "Completed" be removed from the checklist.

FUNDING APPLICATIONS:

- 142 IT WAS RESOLVED on the motion of Cr Kingwill, seconded Cr Moses that the Funding Applications report be received and noted.

FIT FOR THE FUTURE (FFTF) AND BUDGET CONSIDERATION:

Moved: Cr Gain that in the meeting with Ms Katrina Hodgkinson on 13 May 2015, the Mayor and Cr Kingwill convey:

- that Council will put all efforts in to meeting the changed requirements as stated in IPARTs publication "Methodology for Assessment of Council Fit for the Future Proposals";
- that the member be advised of Councils concerns, and
- that the member be asked of her reaction and what she proposes to do.

Seconded Cr Magnone

- 143 HAVING BEEN PUT THE MOTION CARRIED.

- 144 IT WAS RESOLVED on the motion of Cr Graham, seconded Cr Gain that:

1. Council put on public display for 28 days the Draft Budget for 2015/16 including Fit for the Future strategies and also incorporating the Long Term Financial Plan, with minor amendments, prior to end of May.
2. Council put on public display for 28 days the Draft Operational Plan for 2015/16, per Integrated Planning and Reporting guidelines, prior to end of May.

- 145 IT WAS RESOLVED on the motion of Cr Graham, seconded Cr Batey that on the basis that our consultant, Ms Therese Haley provide Council with the balance sheet and operating statement as soon as possible:

1. Council pursues the Rural Council Proposal in the development of a FFTF submission.
2. Council convene a public meeting at an appropriate time, to further engage the community in the preparation of a FFTF proposal (likely early June following the release of IPART's Final Methodology for Assessment of Council Fit for the Future, and the availability of Councils draft developed submission that will be informed by the availability of an Operating Statement and Balance Sheets that includes the financial and asset system review information)

6.3 FIT FOR THE FUTURE (FFTF)

6.3.1 Purpose of Report

The purpose of this report is to provide an update of information, meeting notes, and actions around the "Fit for the Future" requirements.

6.3.2 Background

See previous reports.

At its Ordinary Meeting held 12 May 2015 Council resolved that:

- 1 Council pursues the Rural Council Proposal in the development of a FFTF submission.
- 2 Council convene a public meeting at an appropriate time, to further engage the community in the preparation of a FFTF proposal (likely early June following the release of IPART's Final Methodology for Assessment of Council Fit for the Future, and the availability of Councils draft developed submission that will be informed by the availability of an Operating Statement and Balance Sheets that includes the financial and asset system review information)
- 3 Council put on public display for 28 days the Draft Budget for 2015/16 including Fit for the Future strategies and also incorporating the Long Term Financial Plan, prior to end of May.
- 4 Resolve to put on public display for 28 days the Draft Operational Plan for 2015/16, per Integrated Planning and Reporting guidelines, prior to end of May.

6.3.3 Key Issues

The FFTF reforms require all councils to assess their current position against the Independent Local Government Review Panel's (ILGRP) preferred options and submit a proposal by 30 June 2015.

The Independent Pricing and Regulatory Tribunal (IPART) were appointed to make an assessment and recommendation on each council's *Fit for the Future* submission.

IPART previously released the consultation paper on their proposed Methodology for Assessment for public consultation closing 25 May 2015. Council provide a submission in response, particularly noting the significant differences from intent communicated from the Office of Local Government (OLG) through the reform process, and the content contained within the Methodology for Assessment. A copy of the submission was distributed to all Councillors, and all public submissions are publicly available for perusal on the IPART website www.ipart.nsw.gov.au.

The first aspect IPART need to consider is whether a council has sufficient scale and capacity. This should be broadly consistent with the objectives of the preferred options recommended by the Independent Local Government Review Panel (ILGRP). These options vary for different councils and include mergers, joint organisations or other structural improvements. Councils that choose not to follow these recommendations will need to provide a sound argument that they have the appropriate scale and strategic capacity.

You will recall that Gundagai is a Group B Council and identified in bold as a preferred option for merger with Tumut, and a second option as a Rural Council in the Riverina Joint Organisation in the ILGRP report.

Councils able to demonstrate the required scale and capacity will also be assessed against a set of specific benchmarks for their financial sustainability, infrastructure and service management, and that they are operating in an efficient way for ratepayers. All councils will be rated as either 'fit' or 'not fit', or will be 'deemed not fit' if they do not submit a proposal by the 30 June 2015 deadline.

A final Methodology for Assessment had not been released at time of writing this report. This is disappointing given the pending submission deadline.

However as you are aware Council's FFTF committee has been working through the FFTF program to create its own roadmap of how it will be a stronger and more effective Council in the sector, and be sustainable and an efficient provider of services to the community.

The Committee has been meeting and reviewing our case against the template developed by OLG for a Rural Council.
A strong argument is being formed around meeting the criteria. Detailed analysis of the financials and assets plans is now well advanced.

Resource Sharing Discussions between Tumut and Gundagai Council Mayors, Deputy Mayors and General Managers have been held to explore resource sharing and alliance opportunities to work together. The initial meeting was positive with the General Managers required to further explore alliance opportunities, in particular for working together on the Gocup Road Redevelopment. A draft Alliance Agreement document has now been prepared and will be provided under separate cover for consideration. It would be appropriate to delegate the authority to the Mayor and General Manager to sign the document.

Councillors attended a meeting with consultant Therese Haley on 2 June 2015 where we worked through the financial and asset ratios. Council may be encouraged that this developing work is indicating that we can meet or exceed the required benchmarks.

The content of the written submission will be framed to meet the Assessment Methodology over the coming week – and Council will be provided with the opportunity to review the draft documentation as we head towards submission.

It is also important to note that REROC are preparing a document to demonstrate how our council is achieving strategic capacity through regional collaboration. It identifies REROC projects and activities undertaken over the last 15 years under each of the 9 key elements for strategic capacity. It is expected to be a robust document for IPART, for a council choosing to stand alone in a JO. This document is expected to be available this week.

A final decision in regards to the proposal and submission content should be informed by the outcomes of further community consultation.

In consultation with the Mayor and FFTF Committee, we are holding a public meeting to inform our Fit for the Future proposal. A booking has been made for the Ex-Services Club on Thurs 18th June at 6pm. Public Advertising is now underway. Further, letters are being sent to all community groups.

Members of the public are encouraged to attend and hear from their elected representatives in the face of reform, including potential mergers.

The public meeting will occur in advance of the Extra-Ordinary Meeting in late June, to adopt the Budget, Operational Plan, and final Fit for the Future Proposal. A date for the Extra-Ordinary meeting needs to be determined. The exhibition period for the draft budget and operational plan concludes on 22 June 2015. A preferred date for the meeting, with regards to timing, is Thursday 25 June 2015.

6.3.4 Assessment

a. Strategic Link

The report links to Outcome 1 of Council's Delivery Program and Operational Plan: "Provide good governance and administrative support for Council and the organisation that is accountable, transparent and meets all legislative requirements", and Outcome 5 "Facilitate strong two-way relationships and partnerships with State and Federal governments, regional groups of councils and other organisations and actively advocate on community's behalf".

b. Statutory & Policy

Nil

c. Consultation

Nil

d. Financial Implications

Nil

e. Technical Assessment

Nil

f. Graphs & Charts

Nil

6.3.5 Recommendation:

It is recommended that:

1. Council hold an Extra-Ordinary Meeting at 10am on 25 June 2015 for the purpose to consider the adoption of the Budget, Long-Term Financial Plan, Operational Plan, and Fit for the Future final Proposal.
2. The Mayor and General Manager be provided the delegated authority to sign the Alliance Agreement between Tumut Shire Council and Gundagai Shire Council.

THE MINUTES OF THE ORDINARY MONTHLY MEETING OF THE GUNDAGAI SHIRE COUNCIL
HELD IN THE COUNCIL CHAMBERS, GUNDAGAI ON TUESDAY,
9 JUNE 2015 COMMENCING AT 2:05 P.M.

FIT FOR THE FUTURE (FFTF):

- 192 **IT WAS RESOLVED** on the motion of Cr Moses, seconded Cr Magnone that:
1. Council hold an Extraordinary Meeting at 8:30am on Friday 26 June 2015 for the purpose to consider the adoption of the Budget, Long-Term Financial Plan, Operational Plan, and the FFTF final proposal.
 2. The Mayor and General Manager be provided the delegated authority to sign the Alliance Agreement between Tumut Shire Council and Gundagai Shire Council, and
 3. That a clause be added to the Alliance Agreement to allow for mediation.

ALCOHOL FREE ZONE:

- 193 **IT WAS RESOLVED** on the motion of Cr Crane, seconded Cr Kingwill, that Council advertise its intention to implement an Alcohol-Free zone for 4 years commencing on 01 July 2015 and invite submissions from interested parties, over the following areas:-
- Sheridan Street between West and Virgil Street;
 - John Middleton Drive south to and across the Prince Alfred Bridge across the Murrumbidgee;
 - Mount Street to Ridge Street;
 - All of Landon Street
 - All of Tumut Street, and
 - Byron Street from Sheridan Street to Morleys Creek.

TOURISM & ECONOMIC DEVELOPMENT:

- 194 **IT WAS RESOLVED** on the motion of Cr Kingwill, seconded Cr Moses, that the Tourism & Economic Development report be received and noted.

CR MOSES DEPARTED CHAMBERS AT 2:40 PM
CR MOSES RETURNED TO CHAMBERS AT 2:42 PM

YARRI SCULPTURE COMMUNITY FUNDRAISING COMMITTEE:

- 195 **IT WAS RESOLVED** on the motion of Cr Gain, seconded Cr Crane, that the Minutes of the Yarri Sculpture Community Fundraising Committee be received and noted.

GENERAL MANAGER ADDITIONAL REPORT:

- 196 **IT WAS RESOLVED** on the motion of Cr Moses seconded Cr Gain that the additional report of the General Manager be received.

DOCUMENT TO BE SIGN UNDER THE COMMON SEAL OF COUNCIL:

- 197 **IT WAS RESOLVED** on the motion of Cr Gain seconded Cr Batey that Council sign the Riverina Regional Library Deed of Agreement under the Common Seal of the Council.

NOTICE OF RESCISSION:

Moved: Cr Gain, seconded Magnone that the following Rescission motions, signed by Councillors Gain, Moses and McAlister now be rescinded:

1. Resolution number 049 of 10 March 2015:
"on the motion of Cr Gain, seconded Cr Magnone that the lease for the Dog on the Tuckerbox between Gundagai Shire Council and Mr Ned Lewis-Gillies not be executed until the lessee has met all amounts payable to Council." and
2. Resolution number 156 of 12 May 2015:
"on the motion of Cr Gain, seconded Cr Graham that the lessee of the Dog of the Tuckerbox be allowed until 22 May 2015 to have all arrears satisfied and a periodic payment direction in place, further, if one or both criteria are not achieved a termination notice be issued against the lessee under that lease which he is holding over."

- 198 HAVING BEEN PUT THE MOTION CARRIED