



Ordinary Council

LATE REPORTS

Business Paper

date of meeting: Wednesday 21 August 2019

location: Council Chambers
17 Burrawan Street
Port Macquarie

time: 5.30pm

Community Vision

A sustainable high quality of life for all

Community Mission

Building the future together
People Place Health Education Technology

Council's Corporate Values

- ★ Sustainability
- ★ Excellence in Service Delivery
- ★ Consultation and Communication
- ★ Openness and Accountability
- ★ Community Advocacy

Community Themes

- ★ Leadership and Governance
- ★ Your Community Life
- ★ Your Business and Industry
- ★ Your Natural and Built Environment

Ordinary Council Meeting

Wednesday, 21 August 2019

LATE REPORTS

Items of Business

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1 Leadership and Governance

What we are trying to achieve

A community that works together in decision making that is defined as ethically, socially and environmentally responsible.

What the result will be

We will have:

- A community that has the opportunity to be involved in decision making
- Open, easy, meaningful, regular and diverse communication between the community and decision makers
- Partnerships and collaborative projects, that meet the community's expectations, needs and challenges
- Knowledgeable, skilled and connected community leaders
- Strong corporate management that is transparent

How we will get there

- 1.1 Inform and engage with the community about what Council does using varied communication channels
- 1.2 Maintain strong partnerships between all stakeholders - local, state and federal — so that they are affective advocates for the community
- 1.3 Demonstrate leadership
- 1.4 Use innovative, efficient and sustainable practices
- 1.5 Ensure strong corporate and financial management that is transparent and accountable

Item: 10.21

Subject: IPART RATING REVIEW SUBMISSION

Presented by: Corporate Performance, Rebecca Olsen

Alignment with Delivery Program

1.2.1 Promote Council participation and build linkages in local, state and federal initiatives, forums and opportunities to support Council's continued planning for the growth of the region.

RECOMMENDATION

That Council:

- 1. Endorse the submission to the IPART Review of the Local Government Rating System included in this IPART Rating Review Submission report.**
- 2. Request the General Manager lodge the submission referred to in 1. above to the Office of Local Government by the due date of 13 September 2019.**

Executive Summary

On 21 June 2019, the NSW government released three Independent Pricing & Regulatory Tribunal (IPART) reports for consultation. These reports were presented to the NSW government between 2014 and 2016, however have now been released. The Office of Local Government (OLG) is now seeking submissions from Councils on each of the reports over the coming months.

The IPART report that is the subject of this report to Council is the IPART Review of the Local Government Rating System (the IPART report). The IPART report was provided to the NSW government in or around December 2016 and was recently released by the Office of Local Government (OLG) for comment by Councils and the public. Submissions on the IPART report are due back to the OLG via an online portal by 13 September 2019, hence why this report is being tabled at the August 2019 Council meeting for consideration.

Council officers have now reviewed the recommendations as included in the IPART report and have provided brief commentary against each of the recommendations, as included in the draft submission attached to this report. It should be noted that of the 42 recommendations included in the IPART report, the government has determined that 14 of the recommendations are 'Not For Comment'. The reason for this is that according to the OLG web site, the Government has been carefully considering each and every recommendation and has ruled out some recommendations because they would impact on vulnerable members of the community, affect regional jobs and economies, and substantially increase costs for taxpayers and the broader community. In addition to this, the government has stated that a number of recommendations have already been implemented through other reform programs.

The purpose of this report is to detail for Councillors and the community, the Council officer's responses to the various recommendations as included in the IPART report, noting that there is a word limit of 100 words per comment against each recommendation, hence why the responses provided are brief.

Discussion

As mentioned earlier in this report, on 21 June 2019, the NSW government released three Independent Pricing & Regulatory Tribunal (IPART) reports for consultation, with one of those reports being the IPART Review of the Local Government Rating System (the IPART report).

A report to Council on the various IPART reports that had been released was tabled at the 17 July 2019 Council meeting, with the following resolved by Council:

10.06 RELEASE OF IPART REPORTS INTO RATING & COMPLIANCE MATTERS

RESOLVED: Griffiths/Intemann

That Council:

1. Note that the following IPART reports have been released by the NSW Government for consultation:

- a) Review of the Local Government Rating System.*
- b) Review of Reporting & Compliance Burdens on Local Government.*
- c) Review of Local Government Compliance & Enforcement.*

2. Request the General Manager hold a Councillor briefing on the abovementioned reports with a view to considering making a submission to the Office of Local Government.

CARRIED: 9/0

FOR: Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido, Pinson and Turner
AGAINST: Nil

In line with the above Council resolution, a Councillor briefing on the IPART report relating to the rating review was held on 14 August 2019. Councillor briefings on the other IPART reports mentioned above will be held in the coming months, noting that the dates for the closing of submissions for those reports are due later in 2019.

According to the IPART report, the NSW Government asked the IPART to review the local government rating system in NSW. The purpose of the review was to develop recommendations to improve the equity and efficiency of the rating system, in order to enhance Councils' ability to implement sustainable fiscal policies over the long term.

The IPART report states that this review considered the valuation method used to calculate rates, exemptions and rating categories, the way in which Councils' total income increases as population increases, the distribution of rates across different ratepayers and the eligibility and design of exemptions and concessions. IPART state that their recommendations were not designed to increase the average rates paid by current ratepayers, but to allow Councils to collect revenue more equitably and efficiently from ratepayers.

In conducting the review, IPART consulted with stakeholders, analysed the current rating system and assessed its performance against the key taxation principles of efficiency, equity, simplicity, sustainability and competitive neutrality. They also compared the NSW rating system to best-practice policies in other jurisdictions. IPART state that they developed their recommendations to promote a stronger and more sustainable rating system that would benefit ratepayers and Councils.

The IPART report Executive Summary contains the following information on the key outcomes resulting from their recommendations, assuming they were adopted by the NSW government:

1. Use the Capital Improved Value (CIV) valuation method to levy local council rates.
2. Allow councils' general income to grow as the communities they serve grow.
3. Give councils greater flexibility when setting rates in residential areas.
4. Modify rate exemptions so eligibility is based on land use rather than ownership.
5. Improve assistance to pensioners.
6. Give councils more options to set rates within rating categories.

Further information on the above proposed outcomes (identified above) of the IPART report can be found in the attached copy of the IPART report, at pages 2 to 4.

Council officers have supported the majority of the recommendations detailed in the IPART report that are available for comment, noting that as mentioned earlier in this report, 14 of the recommendations have been deemed Not For Comment by the NSW government. There are 5 recommendations where Council officers have not supported the recommendation and there is one recommendation that is not applicable to Port Macquarie-Hastings Council as it relates to newly merged / amalgamated Councils only.

A copy of the draft Council submission is attached to this report titled *Review of Rating System - PMHC DRAFT Responses to Recommendations - 15 August 2019*.

Council has previously made a submission into the review of the Local Government Rating System in May 2016. This is attached for information.

It is acknowledged that the intent of IPART's review was to develop recommendations to improve the equity and efficiency of the rating system. It should be noted that any change to the rating system has the consequence of impacting the amount that individual landowners pay in rates. Some landowners will pay more, and some will pay less, noting that some changes may be significant. Any proposed future changes are also likely to require considerable resourcing to implement.

Options

1. Council can resolve in line with the recommendation included in this report i.e. endorse and lodge the attached draft submission to the OLG by the closing date;
2. Council can choose to amend the draft submission to the IPART report, with the General Manager to then lodge the submission to the OLG by the closing date;

3. Council can resolve not to lodge a submission to the IPART report.

Community Engagement & Internal Consultation

There has been no community engagement in relation to this report. Internal consultation has taken place with relevant Council officers and Councillors in the development of the draft submission to the IPART report.

Submissions on the IPART report are due back to the OLG via an online portal by 13 September 2019, hence why this report is being tabled at the August 2019 Council meeting for consideration.

Planning & Policy Implications

There are no planning or policy implications as a result of this report. However, if the NSW government does implement one or more of the recommendations as included in the IPART report, then this may change the way in which rates are applied across our local government area and indeed across all of NSW.

Financial & Economic Implications

There are no direct financial and economic implications as a result of this report.

However, if the NSW government does implement one or more of the recommendations as included in the IPART report, then this may change the way in which rates are applied across our local government area and indeed across all of NSW. These changes could impact on the way rating revenue is derived by Council and could see various impacts on community members.

The implementation of any change would also be significant in terms of resourcing impacts.

None of these impacts will be known until such time as the NSW government makes a determination on the recommendations as included in the IPART report.

Attachments

1 [View](#). IPART - Final Report – LG Rating System

2 [View](#). Correspondence to IPART - Review of the Local Government Rating System 12 May 2016

3 [View](#). Review of Rating System - PMHC DRAFT Responses to Recommendations - 15 August 2019

2 Your Community Life

What we are trying to achieve

A healthy, inclusive and vibrant community.

What the result will be

We will have:

- Community hubs that provide access to services and social connections
- A safe, caring and connected community
- A healthy and active community that is supported by recreational infrastructure
- A strong community that is able to identify and address social issues
- Community participation in events, programs, festivals and activities

How we will get there

- 2.1 Create a community that feels safe
- 2.2 Advocate for social inclusion and fairness
- 2.3 Provide quality programs, community facilities and public spaces, for example, community halls, parks and vibrant town centres
- 2.4 Empower the community through encouraging active involvement in projects, volunteering and events
- 2.5 Promote a creative and culturally rich community

Item: 11.04

Subject: BICENTENARY PROJECTS 2021

Presented by: Strategy and Growth, Jeffery Sharp

Alignment with Delivery Program

2.5.1 Support cultural activities within the community.

RECOMMENDATION

That Council:

1. **Endorse the following proposed 2021 priority Bicentenary projects:**
 - a) **Bicentenary Event 10 -18 April 2021;**
 - b) **The Flagstaff Hill redevelopment; and**
 - c) **Continuation of the development of the Port Macquarie foreshore walkway and sculptural trail,**
as recommended by the Bicentenary Working Group of Council's Cultural Steering Group.
2. **Request the General Manager add a new action to the 2019/2020 Operational Plan, relating to 'the development and delivery of 2021 Bicentenary projects'.**
3. **Note that the Flagstaff Hill redevelopment project is proposed to deliver the new, additional, John Oxley memorial to commemorate 200 years since his expedition, as resolved by Council on 21 February 2018.**
4. **Note the Cultural Steering Groups support for the priority projects.**
5. **Request the General Manager prepare a report for the September Council Meeting to determine resourcing to deliver the agreed priority projects for the 2021 Bicentenary.**

Executive Summary

This report seeks Council consideration of the Bicentenary project recommendations, as developed by the Bicentenary Working Group (BWG). It follows previous Council resolutions relating to the establishment of this Group and approval of projects that marked the 2018 Bicentenary focusing on discovery of our region.

The BWG is particularly keen to garner Council support for the priority projects they have identified to enable them to be resourced and progressed in a timely manner, noting the key Bicentenary of European settlement date of 17 April 2021.

Discussion

At two previous meetings, Council has resolved on matters relating to bicentenary activities. The relevant resolutions are contained below:

13 December 2017

10.06 BICENTENARY ACTIVITIES - OPTIONS FOR INVOLVEMENT & RESOURCES

RESOLVED: Turner/Hawkins

That Council:

- 1. Provide in principle support to projects that mark the 2018 John Oxley Bicentenary.*
- 2. Set up a Bicentenary Working Group of the Cultural Steering Group (BWG) to assist with the strategy, the organisation and the implementation of the Bicentenary program.*
- 3. Enable the ad hoc participation of suitably qualified persons (relevant experience and expertise) onto the BWG.*
- 4. Request the BWG provides regular reporting to Council through updates via the Cultural Steering Group.*
- 5. Workshop alternative wording for the draft Bicentenary logo with the BWG.*
- 6. Establish a new line item in both the 2017/18 and 2018/19 Operational Plans – Bicentenary Activities.*
- 7. Re-allocate GL 41433 'WW1 and ANZAC Commemoration' with a current budget of \$43,856 to 'Bicentenary Activities'.*
- 8. Transfer \$80,000 from the Cultural reserve to Bicentenary Activities.*
- 9. Approve a dedicated Bicentenary Grants stream from the current Community Grant budget.*
- 10. Note that the John Oxley Memorial previously located at Town Beach is currently being rejuvenated for the John Oxley Bicentenary, and once complete, will be relocated in early 2018 to a new site in the vicinity that has significantly better pedestrian access.*

CARRIED: 8/0 FOR: Alley, Cusato, Griffiths, Hawkins, Intemann, Levido, Pinson and Turner AGAINST: Nil

21 February 2018 meeting:

10.05 JOHN OXLEY MEMORIAL

RESOLVED: Turner/Hawkins

That Council:

- 1. Note that the John Oxley memorial that was removed in November 2017 will be reinstated to its original position with improved pedestrian access.*
- 2. Commence the process to have the John Oxley memorial added to the Port Macquarie-Hastings LGA Heritage Register.*
- 3. Note the information in the John Oxley Memorial report which outlines a program of works proposed for the development of a new, additional, John Oxley memorial to commemorate 200 years since his expedition.*
- 4. Forward this proposal to the Bicentenary Working Group to consider alongside other potential bicentenary activities.*

CARRIED: 8/0 FOR: Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and Turner AGAINST: Nil

The BWG was established in March 2018 to provide advice to Council in relation to the Bicentenary of John Oxley first exploring the region in 1818 and the subsequent Bicentenary of European settlement in the Port Macquarie-Hastings region from 1821.

The focus of the Group is to facilitate the development of Bicentenary events and activities in a manner, which is inclusive and recognises the multiple cultural stories that make up the heritage of the region. It is acknowledged that this must include being sensitive to the range of views relating to European settlement of the region and particularly, the impact European settlement has had on the local Aboriginal community. The Group is made up of enthusiastic locals who want to share the history of our place with the community through activities, events and programs.

The BWG have worked over many months on a range of project ideas looking towards the Bicentenary of European Settlement in April 2021 and is now at a point where Council agreement to the 2021 bicentenary project priorities is requested.

The Group started with a list of 21 projects, which has been narrowed down to three priority projects to commemorate the establishment of Port Macquarie as a penal settlement in 1821.

The priority projects recommended for Council approval are:

1. Bicentenary Event, 10-18 April 2021:

- Proposed to include activities over 10 days to commemorate 200 years since the penal settlement was established. It would include a key event on 17 April 2021, and a range of 'satellite' events over the period, such as cultural activities, food and wine, a Lost Trades Expo, lectures and a sailing regatta.

2. Flagstaff Redevelopment:

- Design, manufacture and installation of a replica of the 1821 flagstaff (80ft high) and modified viewing platform with a proposed 17 April 2021 opening event. The intent is to highlight the significance of Port Macquarie as a key harbour and the Flagstaff as a former important maritime safety structure that our ancient mariners and their passengers saw as the beacon home. It is envisioned that this will be a significant attraction for visitors to our region.

3. Continuation of the development of the Foreshore Walkway and Sculptural Trail

- To continue with the pre-construction works and installation prior to April 2021 of the Foreshore footpath from Westport Park to Town Green East, including the Kooloonbung Creek to Arboretum section. The pathway will include sculptural elements marking the importance of the 200 years.
- Design work for this pathway is underway as part of Council's 2019/20 Operational Plan.

The BWG have also identified a number of supplementary community-based and driven projects as:

1. Glasshouse Exhibitions: focused on 200 years of Port Macquarie;

2. A Cultural Precinct including Justice Curtilage centred around the Port Macquarie Police Station; and
3. Port Macquarie Surf Museum.

A key consideration of implementing these project is the fact that Council currently has no allocated resourcing for the management of the BWG or project oversight and or implementation.

As per the December 2017 Council resolution, a budget of \$128,000 was allocated for bicentenary activities from a number of sources. In 2018/19, in preparation for the 2018 Bicentenary Event and through the development of Bicentenary collateral and graphic design support, \$16,255 of this budget was utilised.

It is proposed that the remaining budget of \$111, 745 be carried over to 2019/20 (subject to Council approval as part of another item on this August 2019 agenda), to assist with the delivery of the priority projects.

It is acknowledged however, that further resources will be required in both 2019/20 and 2020/21 for the development and delivery any or all these projects, however at the time of writing this report, the level of further resources required are unknown.

The Cultural Steering Group in their Meeting of the 3rd July 2019 considered the BWG priority projects. In support of delivering the BWG priority projects, the CSG resolved the following:

CONSENSUS:

Item 2.2 - Bicentenary Update: That the Cultural Steering Group supports the priority appointment of an overall Bicentenary Senior Event Planner and Coordinator.

In light of the above, Council now needs to give consideration to which priority projects to support and how to resource those projects. It is therefore recommended that, following Council's consideration of this matter, the General Manager prepare a report for the September Council meeting to determine resourcing options to deliver the agreed priority projects for the 2021 Bicentenary.

Options

Council may choose to:

- Resolve in line with the recommendations included in this report.
- Not delivery any Bicentenary Projects; or
- Request further information on the proposed projects from staff or the BWG.

Community Engagement & Internal Consultation

Engagement on the approach to the 2021 Bicentenary projects has been in collaboration with the Cultural Steering Group and the BWG.

Planning & Policy Implications

There are no planning and policy implications in relation to this report.

Financial & Economic Implications

There is currently a budget of \$111,745 (noting that this is a carryover from 18/19) that can be used to support future Bicentenary Projects or the engagement of a Bicentenary resource.

It should also be noted that Council also received a NSW government grant of \$196,140 for the Bicentenary Wauchope Riverwalk Art Trail to be delivered by December 2020.

The BWG has prepared estimates for the delivery of the priority projects, noting that the estimates below do not include any staff costs to oversee and or implement these projects:

- Bicentenary Event - \$150,000 (estimate only)
- Flagstaff Hill Project - \$20,000 for initial detail design development and
- 190,000 for implementation.

It is anticipated that if Council resolves in favour of these projects, then further project detail can be developed, which will bring greater certainty to the costs of these projects. There may also be a range of grant funding opportunities available from other levels of government for these projects that will be explored, once priority projects have been confirmed.

As recommended in this report, a future Council report detailing options for supporting the events with appropriate resources will be presented to the September 2019 Council meeting, which may have a further financial and economic implications.

Attachments

Nil