

Agenda

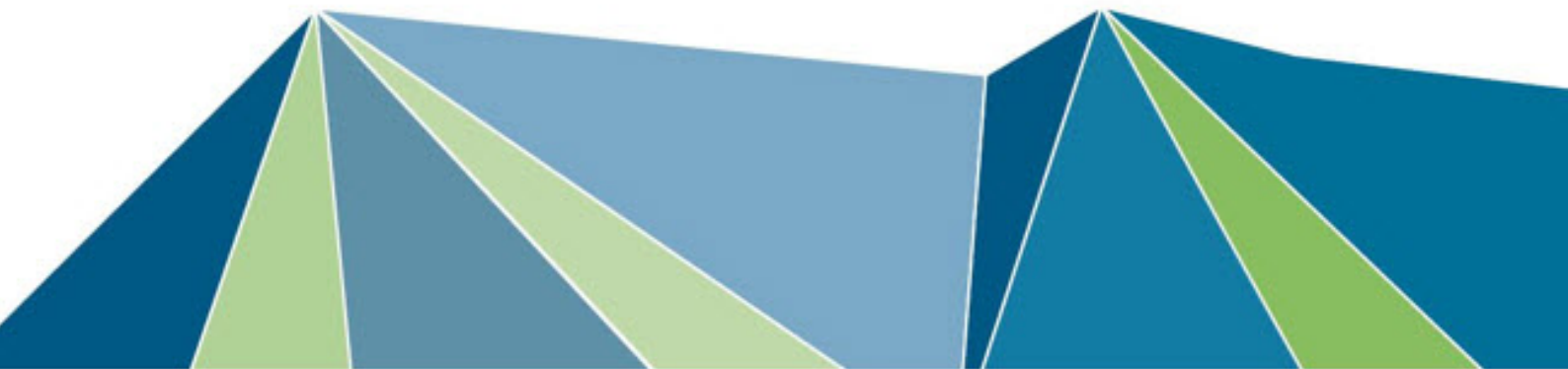
Finance Committee Meeting **7 April 2021**

A Finance Committee Meeting will be held in the Ballina Shire Council Chambers, 40 Cherry Street, Ballina on **Wednesday 7 April 2021 commencing at 4.00pm.**

1. Apologies
2. Declarations of Interest
3. Deputations
4. Committee Reports

Paul Hickey
General Manager

**Due to COVID-19 - Social distancing applies in the Public Gallery.
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- Deputations by members of the public may be made at Council meetings on matters included in the business paper.
- Deputations are limited to one speaker in the affirmative and one speaker in opposition.
- Deputations, per person, will be limited to a maximum of two items on the agenda.
- Requests to speak must be lodged in writing or by phone with the General Manager by noon on the day preceding the meeting.
- Deputations are given five minutes to address Council.
- Deputations on the same matter will be listed together with the opposition first and the speaker in affirmative second.
- Members of the public are advised that any documents tabled or given to Councillors during the meeting become Council documents and access may be given to members of the public in accordance with the requirements of the Government Information (Public Access) Act 2009.
- The use of powerpoint presentations and overhead projectors is permitted as part of the deputation, provided that the speaker has made prior arrangements with the General Manager's Office at the time of booking their deputation. The setup time for equipment is to be included in the total time of five minutes allocated for the deputation.
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 - Tenderers during a public tender or request for quotation
 - Persons or representatives from organisations seeking financial support from Council that involves an expression of interest
 - Consultants who are engaged by Council on the matter the subject of the deputation.

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Table of Contents

1.	Apologies.....	1
2.	Declarations of Interest.....	1
3.	Deputations	1
4.	Committee Reports.....	2
4.1	Northern Rivers Wildlife Hospital - Reimbursement	2
4.2	Specialised Resource Recovery Facility - Project Update	8
4.3	Debtor Write-offs	11
4.4	Fees and Charges - 2021/22	51
4.5	Rating Structure - 2021/22	60
4.6	Northern Rivers Community Gallery - Creative Action Plan and Direction	70
4.7	Workforce Management Plan - 2021/22 to 2024/25	137
4.8	General Fund - Long Term Financial Plan	143
4.9	Community Infrastructure Projects - Recurrent Expenditure	155
4.10	Community Infrastructure Projects - Non-recurrent Expenditure	166
4.11	Delivery Program and Operational Plan 2021/22 to 2024/25 - Exhibition	175
5.	Confidential Session.....	178
5.1	Debtor Write-off - Confidential	178

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1. Apologies
 2. Declarations of Interest
 3. Deputations
-

1. Apologies

2. Declarations of Interest

3. Deputations

4.1 Northern Rivers Wildlife Hospital - Reimbursement

4. Committee Reports

4.1 Northern Rivers Wildlife Hospital - Reimbursement

Section	Communications
Objective	To determine a request for reimbursement of fees for the Northern Rivers Wildlife Hospital development application and planning proposal.

Background

Northern Rivers Wildlife Hospital Ltd (NRWH) is a not for profit registered charity that is proposing a permanent, purpose built wildlife hospital in Wollongbar at the Department of Primary Industries (DPI) site.

The hospital will provide treatment and rehabilitation for wildlife in need of urgent help and is expecting to receive 80 animals per week.

The NRWH has indicated they have support from the State Government, World Wild Fund for Nature, and International Fund for Animal Welfare.

NRWH has lodged a development application 2021/185 and a planning proposal 237/755475 to progress the project and are seeking reimbursement of fees paid that total \$6,843.

The planning proposal seeks to incorporate a veterinary hospital, and an education facility, as defined by Ballina LEP 2012, as uses permitted with consent, upon the site known as 46 Lindendale Road, Wollongbar.

Key Issues

- Equitable and transparent use of public funds

Discussion

The request broadly aligns with the *Donations – Assistance with Council Fees for Community Groups* policy as it meets the following criteria:

- the applicant organisation is a not for profit
- will provide a service in the Ballina Shire local government area and
- the fees relate to the delivery of a capital project.

However, the policy also requires that the capital works must be provided on Council owned or controlled land.

The planned capital works are not on Council owned or controlled land.

The policy further states the maximum amount available for reimbursement is \$3,000.

4.1 Northern Rivers Wildlife Hospital - Reimbursement

The following table outlines the fees paid (refer Attachment 1). The yellow highlighted fees are those that are typically reimbursed by Council as they represent processing fees and not external payments. They total \$2,490.

Fee description	Amount (\$)	Comment
DA Fee	1,170	Council fee
Advertising	375	Council fee
Compliance Levy	700	Council fee
Plan First NSW Govt	224	Third party fee
Information Technology Fee	245	Council fee
Planning Proposal	4,095	Refer below
Surcharge (BPOINT)	34	Third party fee
Total	\$6,843	

Council, historically, has not considered the reimbursement of planning proposal fees, as they are well above the \$3,000 limit and they are not directly related to capital works. Typically, planning proposal fees are paid by a private individual, or party, for the benefit of their own property.

Should Council wish to consider the reimbursement of planning proposal fees, the following items will need to be considered:

1. The total fees of a planning proposal (\$17,800) are set in stages and will exceed the maximum amount of \$3,000 available for reimbursement under the Policy.
2. If Council is of the view that a significant community benefit exists, it could resolve to proceed with a planning proposal as a Council sponsored proposal. When considering this issue Council should be mindful that there are other not for profit registered charities located in Ballina Shire. Just one example relates to the aged care industry.
3. This may present Council with potential future difficulties if it were to proceed with the planning proposal as a Council sponsored proposal. The difficulties relate to the precedent it would cause when dealing with other not for profit charity proposals and determining whether they have significant community benefit. It is for this reason that no discounting or waiving of the planning proposal fee is supported.

Community Consultation Policy

The *Donations – Assistance with Council Fees for Community Groups* policy was last reviewed in 2018, however this specific request has not been the subject of community consultation.

Financial / Risk Considerations

The donations budget for 2020/21 has approximately \$4,000 unexpended.

4.1 Northern Rivers Wildlife Hospital - Reimbursement

Options

The establishment of a Northern Rivers Wildlife Hospital in the Ballina Shire will provide social and environmental benefits to the community.

Whilst the request doesn't fully comply with the policy, the outcomes will broadly benefit the entire community.

The options include not providing any reimbursement, reimburse the full amount, reimburse the normal processing amount of \$2,490, and / or undertake the planning proposal as a Council sponsored proposal.

The recommendation is to support the reimbursement of the \$2,490 in fees as it is consistent with Council policy, excluding the land not being Council owned, and it aligns with the remaining budget.

RECOMMENDATION

That Council authorises the General Manager to reimburse fees for the Northern Rivers Wildlife Hospital, relating to DA 2021/185, with a total value of \$2,490, as detailed within this report.

Attachment(s)

1. Northern Rivers Wildlife Hospital - Request for reimbursement of Council fees



Northern Rivers Wildlife Hospital
ACN: 631 104 115
PO Box 1080
Mullumbimby NSW 2482
✉ info@nrwh.org.au

15 March 2021

Mr Paul Hickey
General Manager
Ballina Shire Council
40 Cherry Street
Ballina NSW 2478

By Email: Paul.Hickey@ballina.nsw.gov.au
Cc Mayor David Wright david.wright@ballina.nsw.gov.au

Dear Paul,

Northern Rivers Wildlife Hospital – Development Application and Fees

As you are aware, we have been in discussions with Council regarding conversion of a building at the DPI site in Wollongbar to a permanent, purpose-built wildlife hospital. This project has broad community and NSW Government support. The Northern Rivers Wildlife Hospital will be a positive addition to the Ballina Shire. It will provide a much-needed treatment and rehabilitation centre for wildlife in need of urgent help.

We have now lodged DA 2021/185 and Planning Proposal 237/755475.
At the advice of council officers we simultaneously lodged a Planning Proposal with the DA.

However, on the basis of sound advice, we are of the view there is a strong case that the wildlife hospital is permissible on the basis of the existing use rights that exist over the site, making the Planning Proposal unnecessary in the short term. The details of this reasoning have been put forward in the DA lodged with Council.

Getting the Northern Rivers Wildlife Hospital operational is a matter of some urgency. We are expecting in the vicinity of 80 animals per week from the Tweed, Byron, Lismore, Ballina, Kyogle, Richmond Valley and Clarence Valley Local Government Areas. Each week between now and when the wildlife hospital is operational those animals will not likely get the care that they deserve. Many will end up at local vets who have a lack of facilities and training to deal with these emergency cases, and unfortunately the most common outcome is euthanasia.

It is probable that the wildlife hospital could be operational by the latter part of 2021, with the cooperation of Ballina Council, particularly given the case for approval based on existing

NRWH Supporters:



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use rights. An orderly approval will enable an open date at least six to nine months earlier than that possible if a planning proposal is to be required. That sort of delay will mean that over 2000 animals will not get the care they need and many will not survive.

We respectfully ask if you could please, as a matter of priority, consider the DA and in particular the existing use rights advice that we have put forward from the Department of Primary Industries at Wollongbar and our advisors at Planners North.

We would also be very grateful if you would consider the application fees that we have paid. The Northern Rivers Wildlife Hospital Ltd is a not for profit, public registered charity. All funds that we receive are as a charitable organisation and most of our funds are provided by the community. The wildlife hospital is a community driven and community owned project that is responding, in the public interest, to a widely recognised social and environmental need. We are of the firm view that being located in Ballina Shire it will provide significant benefits to the Shire. On this basis we ask you to please consider applying a discount to us on Council's application fees.

To date we have paid \$6,483.05 in application fees (receipt attached). A discount on that fee will enable us to purchase much needed veterinary equipment for the wildlife hospital.

We thank you for your attention to these matters and we look forward your consideration and response on both.

If it is possible for one of the board members of the Northern Rivers Wildlife Hospital Ltd to brief a full Council meeting or a Councillor briefing session, we would welcome that opportunity.

Yours faithfully,

Ninian Gemmell
Chairman
|m| 0411 629 982
ninian@nrwh.org.au

Tony Gilding
Deputy Chairman
|m| 0413 123 000
tony@nrwh.org.au

NRWH Supporters:



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Details	Amount
DA Fee-Schd 1 Plan	1170.00
010.2021.00000185.001	
Advertising Standard	375.00
010.2021.00000185.001	
Compliance Levy Plng	700.00
010.2021.00000185.001	
Plan First	224.00
Information & Techno	245.00
010.2021.00000185.001 (GST 22.27)	
Miscellaneous No GST	4095.00
237/755745	
Surcharge BPOINT	34.05
(GST 3.10)	
Invoice/Receipt Total:	6843.05
Total Non-Taxable:	6564.00

NRWH Supporters:



4.2 Specialised Resource Recovery Facility - Project Update

4.2 Specialised Resource Recovery Facility - Project Update

Section Resource Recovery

Objective To provide Council with an update on the project to develop a specialised resource recovery facility at the waste management and resource recovery centre.

Background

This report provides an update on the project to establish a Specialised Resource Recovery Facility (SRRF) at the Waste Management and Resource Recovery Centre (the Waste Centre).

Council recommended the following at the 16 June 2020 Commercial Services Committee meeting, with the recommendation adopted at the June 2020 Ordinary meeting:

That Council authorises the General Manager to call for expressions of interest from suitably qualified operators to licence a portion of land at the Waste Management Facility, referred to as Cell 5, to operate a Specialised Resource Recovery Facility based on the terms and conditions outlined in this report.

This report provides information regarding the Expression of Interest (EOI) process and explains the pathway for the planning consent for the project, which will result in a delay in the implementation of the proposed facility.

Key Issues

- Commercial partnership
- Planning and development consent
- Reducing operating costs for Council
- Encouraging reuse

Discussion

The EOI process was created as a two stage assessment process. ENV Solutions was selected as the preferred proponent to advance to the second stage and enter into negotiations with Council to develop a licence agreement to establish and operate the SRRF.

As part of the process to review the ENV Solution proposal, specialist planning advice regarding the approval pathway for the project was sought.

This advice identified that there is no current development consent for the waste centre that authorises the development and operation of the proposed SRRF.

As such, the proposed SRRF will require its own development consent.

4.2 Specialised Resource Recovery Facility - Project Update

Due to the nature of the proposed development (and proposed operations), the proposal is classified as designated development and this means a development application will need to be supported by an Environmental Impact Statement (EIS).

The preparation of an EIS will result in a significant delay to the project, as it will take around 18 months to finalise the EIS.

However, as the SRRF is proposed for the Waste Centre, it is expected the EIS will confirm the suitability of the site as there is existing infrastructure and management systems in place to manage matters such as dust, noise, emissions, drainage, groundwater impacts, traffic and the other potential environmental impacts.

Also in favour of the proposal, is the objective of the SRRF to provide for the reuse and management of contaminated soils and this has significant environmental benefits.

Furthermore, alternative sites are likely to be less suitable than the established Waste Centre.

A letter has been sent to the NSW Department of Planning to commence the EIS process by requesting the Department issue the required Secretary's Environmental Assessment Requirements (SEARs) for the project.

Discussions have also been undertaken with ENV solutions in terms of how the costs and risks associated with the EIS process is best shared on a commercial basis.

Consideration is also being given to broadening the scope of the EIS to cover other future possible opportunities for reuse and recycling at the Waste Centre, not presently covered by the existing development consent.

While the need to prepare an EIS is an added cost and will result in a delay, at this point in time, the project still remains feasible and the interest of ENV to continue to work towards an a commercial agreement is intact.

Community Consultation Policy

Community consultation will be a requirement within the EIS process. An EOI process has been completed.

Financial / Risk Considerations

Council will continue to negotiate the licence agreement with ENV Solutions, with the intent to develop a model that shares the cost and risk of completing the EIS as part of the commercial terms of the agreement.

Options

This report has been prepared for information. A further report to Council will be prepared to review the project, if the costs or risks associated with the development of the EIS has an impact on the project feasibility.

RECOMMENDATION

That Council notes the contents of this report in respect to the project update for the proposed Specialised Resource Recovery Facility at the Waste Management and Resource Recovery Centre.

Attachment(s)

Nil

4.3 Debtor Write-offs

4.3 Debtor Write-offs

Section	Financial Services
Objective	To provide the open information in relation to Council determining whether it wishes to write off two debts in full, or in part. One of the debts has been listed as confidential as it relates to the personal hardship of a ratepayer.

Background

Council has received two requests seeking the write-off of rates and / or charges due to financial hardship.

Matter One

This matter relates to excess water consumption charges for an individual residential ratepayer. The charges are for excess water, relating to a leak, estimated at approximately \$7,373.

The ratepayer requests that Council approve a write-off of the charges relating to the leak event, on the grounds of financial hardship.

Matter Two

The second matter relates to rates and charges for the Ballina Seagulls Rugby League Club (Junior and Senior).

This assessment currently has arrears of \$15,579.70, which includes water consumption and access charges of \$2,637.44, wastewater consumption and access charges of \$7,530.15, rates of \$5,319.87, and interest of \$92.24. The arrears relate to charges raised since July 2019, at which time the assessment was paid up to date.

Representatives of the Rugby League Club have requested that Council approve a write-off of the rates and charges outstanding, on the grounds of financial hardship.

Key Issues

- Fair and equitable allocation of Council funds
- Affordability
- Cost versus benefit of continuing debt recovery action

Discussion

Matter One – Individual Residential Ratepayer

Details of matter one, including the personal circumstances of the individual residential ratepayer, are included in a confidential report later in this agenda.

4.3 Debtor Write-offs

Matter Two – Ballina Seagulls Rugby League Football Club Ltd

The Ballina Seagulls Rugby League Club (the Club) emailed Council on 4 November 2020, requesting Council write off the outstanding rates and charges of the Ballina Seagulls Rugby League Football Club Ltd. This email is included as Attachment 1.

Following receipt of this email, Council arranged for a meeting to be held with Club representatives. This meeting was held 23 December 2020 and included representatives from the Junior and Senior Clubs.

During the meeting it was agreed that the Club would provide a more detailed outline of what had led to their financial circumstances, together with detailed and current financial information of their financial position.

On 11 January 2021, the Club submitted a copy of the minutes from the Ballina Seagulls AGM December 2019, a copy of a bank overdraft statement for October 2020 and November 2020 and a copy of the Certificate of Incorporation as an Association, along with minutes of the inaugural meeting as an Incorporated Association (December 2020).

This information is included as Attachment 2.

As no detailed financial information was provided, Council wrote on 13 January 2021 requesting that the Rugby League Club provide further details as discussed and agreed in the meeting held in December 2020.

On 28 January 2021, the Club emailed the financial statements for the year ended 30 September 2019.

This information is included as Attachment 3.

On 1 February 2021, Council again wrote to the Club, to provide a further opportunity for the Club to provide the outstanding information requested during the meeting held in December 2020.

The response received on 12 February 2021 is included as Attachment 4.

This response provides further particulars surrounding the financial position of the Club, the impact of COVID-19 and refers to the Club now operating with a clubhouse, not a licensed venue.

The assessment of this application has identified that:

- a) The rates and associated charges levied are in accordance with the adopted rates and charges and no component of the arrears is unusual in nature, i.e. the outstanding balance does not include excess water consumption as an example.
- b) The Ballina Seagulls Rugby League Football Club Ltd is a for-profit organisation. The organisation does not meet the criteria usually considered by Council in the provision of donations.

Providing a write-off of rates and charges to a for-profit organisation may be seen as setting a precedent and an expectation for other for-profit organisations to approach Council for financial assistance.

4.3 Debtor Write-offs

- c) The information provided to date has been limited.
- d) The financial statements of the Ballina Seagulls Rugby League Football Club Ltd as at 30 September 2019 included a bank balance of \$18,761.18 held for the Senior Football Club. This bank account was reported as an asset of the Ballina Seagulls Rugby League Football Club Ltd. The financial statements also included cash on hand of \$8,100, albeit that the total cash was overdrawn as per the statements.
- e) Further requests for information in relation to more current income and expenditure, as well as an estimate of assets and liabilities, resulted in limited additional information being provided.
- f) Although the first letter requesting financial assistance was provided on behalf of the junior and senior clubs, no financial information has been forthcoming from the junior or senior club. The latest email states that the junior and senior clubs “don’t feel comfortable about providing their financial statements as they are both running as non profit clubs”. As non profit clubs the financial statements should be readily available.
- g) Ballina Seagulls Rugby League Football Club Ltd ABN is still registered and currently holds all relevant licences and / or approvals to operate the premises as a Registered Club. This includes a Club liquor licence.
- h) The Certificate of Incorporation as an Association details provided to Council in January 2021 identifies that a new entity was registered 10 December 2020. Council has not been provided with any further information on the implications of this change.
- i) The land on which the clubhouse is located is Crown land and the clubhouse and its surrounds are currently subject to a temporary licence agreement between Ballina Seagulls Rugby League Football Club Ltd and Council.

A further matter raised by the Club was in regards to whether there was any rate relief that could be provided to the Club, not only in regards to the arrears but also in relation to future charges.

The Registered Club holds the crown licence agreement with Council, and the rent is currently charged at statutory minimum which is \$507.00 per year.

Due to transitional arrangements associated with the *Crown Land Management Act 2016*, Council is not able to issue a Lease until the adoption of the Community Land Plan of Management, which is currently on exhibition.

The current licence agreement expires on 30 June 2021 and under Council’s recently adopted Community Property Leasing and Licensing Policy some properties attract higher than statutory minimum rent.

This includes where the tenant (or sub-tenant or sub-licensee) holds a liquor licence that enables the sale of alcohol at the property on more than 52 occasions per year.

The liquor licence currently held by Ballina Rugby League Football Club Ltd allows for the sale of alcohol for more than 52 occasions per year.

4.3 Debtor Write-offs

Under the policy Council has the ability to charge the Ballina Seagulls Rugby League Football Club Ltd a rent higher than the statutory minimum rent after 30 June 2021. Any higher proposed rent would be reported to Council.

In relation to the query as to whether the Club could have rate relief, (that is, be classified as non-rateable), the current circumstances do not allow this as per the Local Government Act. The licence is held with the Club Ltd and a Club liquor licence is still currently held by the Club Ltd.

As the land is currently rateable and the Club is not eligible for rates relief under Council's Donations policies, there is currently no scope for Council to provide future relief for rates or charges; albeit Council could resolve to provide a donation to the Club, subject to certain requirements of the Local Government Act.

This issue is complex as the organisation is operating for profit, however they wish to have community funds donated or rates and charges waived.

Council staff intend to continue discussions with the Club representatives to determine their future intentions, club structure and operations. This will enable Council staff to assess their future rating status. Matters to address would include which entity would be the lease holder and the intentions in relation to the Club's liquor licence.

Community Consultation Policy

Council staff have consulted with both the ratepayer, listed as confidential, and the Rugby League Club representatives.

Financial / Risk Considerations

Any financial relief provided to a ratepayer for water or wastewater charges is treated as a write-off, with that amount of revenue foregone from the Water Fund or Wastewater Fund.

Any financial relief provided to the ratepayer for rates or interest is treated as a write-off, with that amount of revenue foregone from the General Fund.

Options

In respect to Matter One, this report is for noting only.

In respect to Matter Two, the Ballina Seagulls Rugby League Football Club Ltd, the options available to Council are:

1. Approve the request for write-off from Ballina Seagulls Rugby League Football Club Ltd, Assessment 109210, of the rates and charges arrears amount of \$15,579.70.

Section 131 (4) of the Local Government (General) Regulation states that rates and charges can only be written off as follows:

(4) An amount of rates or charges can be written off under this clause only—

4.3 Debtor Write-offs

- (a) if there is an error in the assessment, or*
- (b) if the amount is not lawfully recoverable, or*
- (c) as a result of a decision of a court, or*
- (d) if the council or the general manager believes on reasonable grounds that an attempt to recover the amount would not be cost effective.*

Therefore Council needs to be of the opinion that an attempt to recover the amount would not be cost effective.

Clause 131 (3) also states as follows:

(3) A resolution or order writing an amount of rates or charges must—

- (a) specify the name of the person whose debt is being written off, and*
- (b) identify the account concerned, and*
- (c) specify the amount written off*

2. Refuse the request for write-off from Ballina Seagulls Rugby League Football Club Ltd, Assessment 109210, and provide the Club with the opportunity to enter into a suitable payment plan, and failing that, proceed with formal debt recovery action.
3. Approve a write-off of interest charges only, being \$92.24 for Ballina Seagulls Rugby League Football Club Ltd, Assessment 109210, and provide the Club with the opportunity to enter into a suitable payment plan, and failing that, proceed with formal debt recovery action.

Assistance with interest is consistent with how Council manages overdue debts, as per Council's Rates and Charges – Debt Recovery Policy, although it is a relatively small amount.

Section 567 of the Local Government Act provides the following reasons for writing off of accrued interest:

The council may write off accrued interest on rates or charges payable by a person if, in its opinion--

- (a) the person was unable to pay the rates or charges when they became due and payable for reasons beyond the person's control, or*
- (b) the person is unable to pay the accrued interest for reasons beyond the person's control, or*
- (c) payment of the accrued interest would cause the person hardship.*

Points (b), relating to COVID-19, and (c) would be the most relevant clause.

4. Approve a partial write-off for Ballina Seagulls Rugby League Football Club Ltd, Assessment 109210, with the amount to be determined by Council.

Based on the known activities and registration of the Club, approving the write off of rates and charges is problematic.

4.3 Debtor Write-offs

The Club is a for-profit organisation. This means the Club does not meet the criteria usually considered by Council in provision of donations.

Section 356 of the Local Government Act, which relates to donations, states as follows:

- (1) *A council may, in accordance with a resolution of the council, contribute money or otherwise grant financial assistance to persons for the purpose of exercising its functions.*
- (2) *A proposed recipient who acts for private gain is not ineligible to be granted financial assistance but must not receive any benefit under this section until at least 28 days' public notice of the council's proposal to pass the necessary resolution has been given.*
- (3) *However, public notice is not required if—*
 - (a) *the financial assistance is part of a specific program, and*
 - (b) *the program's details have been included in the council's draft operational plan for the year in which the financial assistance is proposed to be given, and*
 - (c) *the program's proposed budget for that year does not exceed 5 per cent of the council's proposed income from the ordinary rates levied for that year, and*
 - (d) *the program applies uniformly to all persons within the council's area or to a significant group of persons within the area.*
- (4) *Public notice is also not required if the financial assistance is part of a program of graffiti removal work.*

This donation would not be part of any specific program, therefore public notice is required.

Providing a write-off of rates and charges to a for-profit organisation may be seen as setting a precedent and an expectation for other for-profit organisations to approach Council for financial assistance.

For this reason, option three is recommended, as it will enable Council staff to work with the Club to implement a suitable payment plan arrangement.

These discussions may also examine how the Club is structured, to determine whether there are opportunities to change the structure to allow Council to provide assistance through our donation policies or the actual levying of the rates and charges.

RECOMMENDATIONS

1. That Council notes that matter one, relating to excess water charges, is the subject of a confidential report in this agenda, as it relates to the personal hardship of a residential ratepayer.
2. That in respect to matter two, being the rates and charges arrears for the Ballina Seagulls Rugby League Football Club Ltd, Council approves a write-off of interest charges only, being \$92.24 for Assessment 109210, with the General Manager authorised to provide the Club with the opportunity to enter into a suitable payment plan, and failing that, for Council to proceed with formal debt recovery.

Attachment(s)

1. Ballina Seagulls Rugby League Club - Correspondence dated 4 November 2020
2. Ballina Seagulls Rugby League Club - Annual General Meeting - Minutes, Certificate of Incorporation as an Association, Inaugural General Meeting - Minutes
3. Ballina Seagulls Rugby League Club Ltd - Financial Statements - 30 September 2019
4. Ballina Seagulls Rugby League Club - Email dated 12 February 2021

4/11/2020

Rates Department

Ballina Councilors

Ballina Council

councilor@ballina.nsw.gov.au

CC: paul.hickey@ballina.nsw.gov.au

CC: cheyne.willebrands@ballina.nsw.gov.au

Dear Councilors

Re: Ballina junior and senior Rugby League clubs Rates.

My name is Justin Smith and I am writing to you on behalf of both the Ballina Junior and Senior Rugby League clubs.

I am the outgoing junior president and I also volunteer with the senior club.

I am writing to advise that both the junior and senior clubs are not in a financial position to pay the bill of \$10,473.09 for council rates (please see attached) this year and would like to request the council assist us in alleviating this financial stress by rescinding the rates bill.

As the Councilors would be aware COVID-19 has had a major impact on the community and community groups. We have had limited opportunity's this year to run canteens or fundraising events and our sponsors have not been able to help us out as much as they have in previous years.

On top of this the License club closed its doors some time ago leaving the junior and senior with its debts which we have been working to pay back.

In recent years the two clubs have worked closer together then before and even though they are separate clubs they work as one and you have seen the results over this time with Ballina being the most dominant club in the northern rivers if not NSW.

But results on the field are as not as important as off, between the two clubs we have over 300 players male and female some from disadvantaged back grounds and broken homes and without rugby league some of these kids would not have any direction or moral grounding.

The ability of sport to teach kids lifelong ethics is amazing and something all of us involved are proud to be apart off but having this kind of financial pressure will make it difficult for us to provide a space for these kids and young adults to learn what it takes to be a positive part of this community and to also have fun and be active.

I am available if you need any more information or if needed I could organise a meeting with reps from both clubs.

There is a club meeting 6pm tomorrow night at the football club if any councillors or a rep form the council would like to attend.

Yours sincerely,

Justin Smith

0488182047

justin.smith@meatworker.com.au

Rating Team
Assessment No. 109210



16 September 2020

Ballina Seagulls RLFC Ltd
PO Box 173
BALLINA NSW 2478

Dear Sir/Madam

**Re: Reminder Notice – \$10473.09
Property – 2B Bentinck Street BALLINA NSW 2478**

Council's rating records indicate that an amount of \$10473.09 for your rates and charges payments are overdue.

If you have already paid the overdue amount please disregard this letter.

We understand that the COVID-19 pandemic has impacted many people's lives and to assist our ratepayers Council has resolved not to charge any interest on overdue rates and charges for the period 1 April 2020 to 30 June 2021. However it is still important that any overdue amounts are minimised to avoid excessive interest being charged when the interest rate is reinstated.

Council is committed to working with our community during this pandemic. If you are facing difficulties in paying your rates and charges, please contact our rating team on 02 6686 1299 and we can discuss a payment plan.

Please refer to your most recent Rates and Charges Notice for a full list of payment methods. Alternatively, you can use one of the options below.

	BILLER CODE: 20404		Biller Code: 20404
	REF: 109210		Ref: 109210
	INTERNET Site: www.ballina.nsw.gov.au		Telephone: 5
	PHONE Call 1300 BPOINT (1300 276 468)		Internet Banking: BPAY

Yours faithfully

Lindell Parour
Coordinator Rating
Corporate and Community Division

40 Cherry Street, PO Box 450, Ballina NSW 2478
t 1300 884 444 f 02 6686 7035 e council@ballina.nsw.gov.au w ballina.nsw.gov.au

Ballina Seagulls AGM 1/12/2019

Ballina Seagulls Leagues Club

Meeting opened at 9:06 am

Attendance: as per attendance sheet

Apologies: Brad Mansfield, Scott Redford

Business arising from previous minutes: NIL

Minutes moved and accepted Max Beecher, second Al Perry

Treasurers Report

Auditors Report read Book keeper Graeme Flanagan

Moved Bill Wilson, second Max Beecher - CARRIED

General Business:

1. Max Beecher informed members of initial talks of the licence club and Cherry st Sports club taking over of the licence premises club and activities and for the talks to continue.
2. If the merger with Cherry St does not go ahead the licence club will cease operations as of the 31/12/2019.
Moved Max Beecher second Bill Wilson - Carried
3. Member Col McDonid letter of support for Janelle Moss life membership.
Letter was read and voted that Janelle receive life membership.
4. The Rugby League Club is doing really well and in a good financial position.
5. The scoreboard sponsorship from Newcastle Permanent will not be continued asked for expressions of interest

Meeting closed 10.am

Mr Max Beecher – President



Certificate of Incorporation as an Association

This is to certify

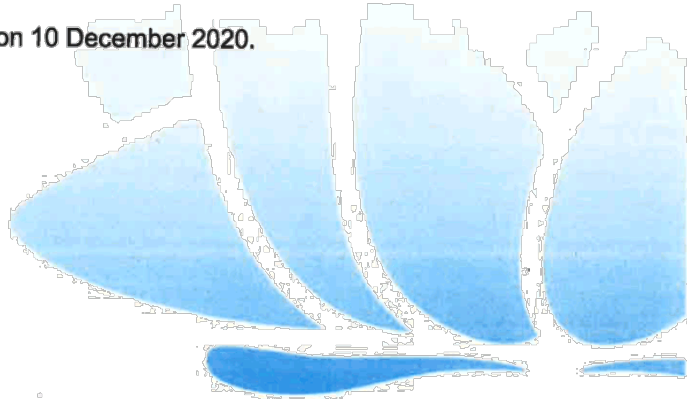
BALLINA SEAGULLS FOOTBALL CLUB INCORPORATED

is registered as an incorporated association in New South Wales
under the *Associations Incorporation Act 2009*

Registration Number **INC2001455**

Date of Incorporation **10 December 2020**

Issued by NSW Fair Trading on 10 December 2020.



Rose Webb
Fair Trading Commissioner
NSW Fair Trading

Page 1 of 1

BALLINA SEAGULLS FOOTBALL CLUB INCORPORATED
Inaugural General Meeting Agenda and Minutes

Inaugural General Meeting agenda

BALLINA SEAGULLS FOOTBALL CLUB INCORPORATED

Sunday 12th December 2020, 12.00, Kingsford Smith Park, Ballina, NSW, 2478

Agenda

- 1 Chair's/Founder's welcome**
- 2 Aims of group**
- 3 Constitution**
- 4 Committee election**
- 5 Finances**
- 6 Affiliation to NRRRL**
- 7 Dates of Ordinary Meetings**
- 8 Any other business**

BALLINA SEAGULLS FOOTBALL CLUB INCORPORATED
Inaugural General Meeting Agenda and Minutes

Inaugural General Meeting minutes

BALLINA SEAGULLS FOOTBALL CLUB INCORPORATED

Sunday 12th December, 12.00, Kingsford Smith Park, Ballina, NSW, 2478

Attendees: Mick Koellner, Mark Turner, Alan Perry, Max Beecher, Scott Redford, Yvette Mansfield, Brad Mansfield, Craig Copeland, Jessie Perry, Chris Abbot, Bill McInerney, Trevor Moss, Janelle Moss, Tony Bell.

Apologies: Glenn Mills, Michelle Clark, Gerry Thomson, Billy Wilson

Meeting chair: Alan Perry

Minute taker: Mark Turner

Was quorum reached? Y

1 Chair's/Founder's welcome

Alan Perry – founder

2 Aims of group

The name of the new not-for-profit association has now been registered as BALLINA SEAGULLS FOOTBALL CLUB INCORPORATED and its aim is as follows;

- To offer coaching sessions in rugby league and closely related football codes.
- To improve the health and wellbeing of participants.
- To establish competitive junior and senior teams.
- To establish competitive male and female teams.
- To help empower members to improve their personal/social skills.
- To provide a fun & safe environment for all
- Provide a place to gather and support the enjoyment of rugby league at all levels
- To help foster intercultural connections
- To contribute to a cohesive society.

Motion passed: Y – Mark Turner, seconded Mick Koellner

3 Constitution

The Constitution has been tabled and is accepted as the official constitution of the group

BALLINA SEAGULLS FOOTBALL CLUB INCORPORATED
Inaugural General Meeting Agenda and Minutes

Motion passed: Y. Max Beecher, seconded Mark Turner

4 Committee election

Position: President

Nominations: Alan Perry

Elected: Alan Perry

Position: Vice President

Nominations: Max Beecher

Elected: Max Beecher

Position: Treasurer

Nominations: Mark Turner

Elected: Mark Turner

Position: Secretary

Nominations: Yvette Mansfield

Elected: Yvette Mansfield

Position: General Committee

Nominations: Brad Mansfield

Elected: Brad Mansfield

Position: General Committee

Nominations: Bill Mack

Elected: Bill Mack

Position: General Committee

Nominations: Chris Abbot

Elected: Chris Abbot

5 Finances

A bank account for the group will be set up with Southern Cross Credit Union with the treasurer Mark Turner, Mick Koellner, Brad Mansfield and Alan Perry as signatories for the bank account. The Treasurer will be able to authorise transactions of a value under \$1000 by themselves, where as any transactions over this amount will need joint authorisations of at least 2 signatories.

Motion passed: Y – Max Beecher, seconded Alan Perry

BALLINA SEAGULLS FOOTBALL CLUB INCORPORATED
Inaugural General Meeting Agenda and Minutes

6 Affiliation to NRRRL

The group will affiliate with Northern Rivers Regional Rugby League and will adhere to their regulations. Scott to provide forms to advise of them of new entity, board members etc.

Motion passed: Y – Max Beecher, seconded Mark Turner

7 Dates of Ordinary Meetings

It was discussed that the committee will meet once a month to discuss all general business issues.
2nd Tuesday of every month at 6.00pm

Motion passed: Y - Alan Perry, seconded Mark Turner

8 Any other business

Discussions to be had with Ballina Council regarding take over of building, maintenance, on going rates etc. Bill, Mick & Alan to meet with them on 23rd December 2020.

Former life members of old club be transferred across to new entity, tabled by Craig, and agreed by Alan Perry & Scott Redford

New Life member of Mick Sheather nomination tabled by Alan Perry, seconded by Max Beecher

Max Beecher tabled for Scott Redman to be reimbursed for costs personally expended in prior year
Motion passed by Mick Koellner and seconded by Alan Perry

Meeting closed: 1.30pm

Linda Coulter

From: Mick Koellner <koellner@bigpond.com>
Sent: Thursday, 28 January 2021 9:33 AM
To: Linda Coulter
Subject: [EXTERNAL SENDER] Re: Ballina Rugby Leagues Club - documents submitted
Attachments: bna seaguls 2019 financials.pdf

CYBER SECURITY WARNING - This message is from an external sender - be cautious, particularly with links embedded within the message and/or attachments.

Hi Linda,

We have attached the final set of financials that were prepared in September 2019, around the time the leagues club was shut down.

Back then the club was already running at deficits.

You will see on the balance sheet that although it shows net assets of \$70,069, \$94,030 of this relates to old building fit-out assets and small amounts of equipment that really has no value or liquidity. Therefore if you exclude these, it actually shows the asset position of negative \$23,961.

Further to this, the 2020 calendar year/season was even worse for the club with Covid restrictions limiting matches, spectators and the ability for the club to generate its main revenue through its supporters and sponsors.

REGARDS

MICK KOELLNER

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243

**Financial Statements
For the year ended 30 September 2019**

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243

Contents

[Directors' Report](#)

[Auditor's Independence Declaration](#)

[Statement of Comprehensive Income](#)

[Balance Sheet](#)

[Statement of Changes in Equity](#)

[Statement of Cash Flows](#)

[Notes to the Financial Statements](#)

[Directors' Declaration](#)

[Independent Auditor's Report](#)

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Directors' Report

Your directors present this report on the Company for the financial year ended 30 September 2019.

Directors

The names of the directors in office at any time during or since the end of the year are:

Maxwell John Beecher
Bradley Mansfield
Alan Donald Perry
Kelly Maree Anderson
Yvette Bowen
Peter Boland
Justin Smith
David Anzac Foster

Directors Meetings

During the year 4 Directors' meetings were held which were attended as below.

	No Attended	Eligible to attend
Maxwell John Beecher	4	4
Bradley Mansfield	4	4
Alan Donald Perry	4	4
Kelly Maree Anderson	0	4
Yvette Bowen	3	4
Peter Boland	4	4 appointed 25.11.18
Justin Smith	4	4 appointed 25.11.18
David Anzac Foster	0	0 resigned 25.11.18

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Operating Result

The loss of the Company for the financial year after providing for income tax amounted to:

	Year ended 30 September 2019	Year ended 30 September 2018
	\$	\$
	(39,263.02)	(87,240.78)

Principal Activities and Short Term and Long Term Objectives

The principal activities of the Company during the course of the year were the promotion of Rugby League in the Senior and Junior ranks. The short and long term objectives are to continue to promote the sport of Rugby League in the local community.

No significant changes in the Company's state of affairs occurred during the financial year.

Strategies

To achieve its stated objectives, the company has adopted the following the following strategies:

The company strives to attract and retain quality staff and volunteers who are committed to working within the organisation.

Ongoing advertising and marketing programs designed to attract new members to the club and sport.

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Directors' Report

Going concern basis of Accounting

The Directors of the company are required under the Corporations Act 2001, and accounting standards, to disclose any material uncertainty regarding the company's ability to continue as a going concern. At the date of this report, there is uncertainty in this regard, and the ability of the company to so continue is being assessed by the directors.

Member Guarantee

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$50 towards meeting any outstanding obligations of the entity. At September 2019, the total amount that members are liable to contribute if the company is wound up is \$19,900 (2018 \$21,200).

Signed in accordance with a resolution of the Board of Directors:

Director

Director

Dated: _____

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Auditor's Independence Declaration

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2019 there have been

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the Audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit

Gavin Butler
Chartered Accountant,
54 Tamar St Ballina NSW 2478

21 November 2019

Ballina

The accompanying notes form part of these financial statements.

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 September 2019

	Note	2019 \$	2018 \$
Revenue	2	450,668.48	410,349.48
Cost of sales		(139,983.25)	(112,893.05)
Gross profit		310,685.23	297,456.43
Other income	2		(930.00)
Administration expenses		(345,283.86)	(381,105.00)
Finance Costs		(4,664.39)	(2,662.21)
Profit (deficit) before income tax		(39,263.02)	(87,240.78)
Income tax (credit) expense			
Profit (deficit) for the year		(39,263.02)	(87,240.78)
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Total other comprehensive income for the year, net of tax			
Total comprehensive income for the year		(39,263.02)	(87,240.78)

The accompanying notes form part of these financial statements.

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Balance Sheet as at 30 September 2019

	Note	2019 \$	2018 \$
Assets			
Current Assets			
Cash assets	4	28,322.78	29,455.78
Receivables	5	13,940.80	13,630.00
Inventories	6	5,196.00	7,681.62
Total Current Assets		47,459.58	50,767.40
Non-Current Assets			
Property, plant and equipment	7	94,030.83	108,723.83
Total Non-Current Assets		94,030.83	108,723.83
Total Assets		141,490.41	159,491.23
Liabilities			
Current Liabilities			
Payables	8	6,111.12	(331.25)
Financial liabilities	9	47,059.93	35,116.32
Current tax liabilities	10	18,250.04	15,373.82
Total Current Liabilities		71,421.09	50,158.89
Total Liabilities		71,421.09	50,158.89
Net Assets		70,069.32	109,332.34
Equity			
Reserves	3	100,625.00	100,625.00
Retained profits / (Accumulated losses)		(30,555.68)	8,707.34
Total Equity		70,069.32	109,332.34

The accompanying notes form part of these financial statements.

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Statement of Changes in Equity for the year ended 30/09/2019

	Notes	Retained Earnings	Total
Balance at 01/10/2017		95,948.12	95,948.12
Comprehensive income			
Other comprehensive income for the year		(87,240.78)	(87,240.78)
Total comprehensive income for the year attributable to members of the entity		(87,240.78)	(87,240.78)
Balance at 30/09/2018		8,707.34	8,707.34
Comprehensive income			
Profit attributable to the members		(39,263.02)	(39,263.02)
Other comprehensive income for the year			
Total comprehensive income for the year attributable to members of the entity		(39,263.02)	(39,263.02)
Balance at 30/09/2019		(30,555.68)	(30,555.68)

The accompanying notes form part of these financial statements.

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Statement of Cash Flows
For the year ended 30 September 2019

	2019 \$	2018 \$
Cash Flow From Operating Activities		
Receipts from customers	450,357.68	411,562.63
Payments to Suppliers and employees	(458,769.90)	(489,212.38)
Interest and other costs of finance	(4,664.39)	(2,662.21)
Net cash provided by (used in) operating activities (note 2)	<u>(13,076.61)</u>	<u>(80,311.96)</u>
Cash Flow From Investing Activities		
Payment for:		
Payments for property, plant and equipment		(4,544.55)
Net cash provided by (used in) investing activities		<u>(4,544.55)</u>
Net increase (decrease) in cash held	(13,076.61)	(84,856.51)
Cash at the beginning of the year	(5,660.54)	79,195.97
Cash at the end of the year (note 1)	<u>(18,737.15)</u>	<u>(5,660.54)</u>

The accompanying notes form part of these financial statements.

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Statement of Cash Flows
For the year ended 30 September 2019

	2019	2018
Note 1. Reconciliation Of Cash		
For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.		
Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash At Bank - Working account	(47,059.93)	(35,116.32)
Cash at Bank - Keno account	1,460.97	554.36
Senior Football Club account	18,761.81	20,971.42
Cash on hand	8,100.00	7,930.00
	(18,737.15)	(5,660.54)

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Operating Profit After Income Tax

Operating profit after income tax	(39,263.02)	(87,240.78)
Depreciation	14,693.00	14,697.00
(Profit) / Loss on sale of property, plant and equipment		930.00
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	(310.80)	1,213.15
(Increase) decrease in finished goods	2,485.62	688.57
Increase (decrease) in trade creditors and accruals	6,442.37	(5,575.08)
Increase (decrease) in sundry provisions	2,876.22	(5,024.82)
Net cash provided by (used in) operating activities	(13,076.61)	(80,311.96)

The accompanying notes form part of these financial statements.

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Notes to the Financial Statements
For the year ended 30 September 2019

2019

2018

Note 1: Summary of Significant Accounting Policies

The financial statements cover Ballina Seagulls Rugby League Football Club Ltd as an individual entity, incorporated and domiciled in Australia.

Ballina Seagulls Rugby League Football Club Ltd is a company limited by guarantee.

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies that have been adopted in the preparation of the statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies that have been adopted in the preparation of the statements are presented below and have been consistently applied unless stated otherwise.

Accounting Policies

(a) Revenue

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are met.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Ballina Seagulls Rugby League Football Club Ltd receives non-reciprocal contributions of assets from the government and other parties for zero or nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

All revenue is stated net of the amount of goods and services tax (GST).

(b) Inventories on Hand

Inventories are measured at the lower of cost and replacement cost.

Inventories acquired at no cost, or for nominal consideration, are valued at the current replacement cost as at the date of acquisition.

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Notes to the Financial Statements
For the year ended 30 September 2019

2019

2018

(c) Property, Plant and Equipment

Each class of property, plant and equipment are carried at cost less depreciation and any impairment losses.

The carrying amount of property, plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

In the event the carrying amount is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to note 1 (f) for details of impairment).

Plant and equipment that have been contributed at no cost or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised leased assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leashold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and equipment	7.5%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(d) Financial Instruments**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Notes to the Financial Statements
For the year ended 30 September 2019

2019

2018

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

(i) Financial Assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available for sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Notes to the Financial Statements
For the year ended 30 September 2019

2019

2018

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a 'loss event'), which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit and loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors, or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter into bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables) a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having undertaken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

Where the terms of financial assets that would have otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are either discharged, cancelled or have expired. The difference between the carrying amount of the financial liability which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(e) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset's class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Notes to the Financial Statements
For the year ended 30 September 2019

	2019	2018
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(f) Employee Provisions

Short-term employee provisions

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salary and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the measurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(g) Cash on Hand

Cash on hand includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(h) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised value using the effective interest method, less any provision for impairment. Refer to Note1(e) for further discussion on the determination of impairment losses.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Notes to the Financial Statements
For the year ended 30 September 2019

2019

2018

(j) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

(k) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that the outflow can be measured reliably. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(l) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding comparative period, in addition to the minimum comparative financial statements, must be disclosed.

(m) Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(n) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

(o) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the company. The company has decided not to early adopt any of the new and amended pronouncements and does not believe they will have a significant impact on the company's financial statements.

(p) Going concern basis of accounting

The financial statements have been prepared on a going concern basis. There exists uncertainty as to whether the company can continue as a going concern at reporting date. The directors of the company are in the process of reviewing procedures and cash flows for the next twelve months to determine the ability of the company to continue as a going concern.

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Notes to the Financial Statements
For the year ended 30 September 2019

	2019	2018
Note 2: Revenue and Other Income		
Sales revenue:		
Non-primary production trading revenue	450,668.48	410,349.48
	450,668.48	410,349.48
Other income:		
Profit/(Loss) on sale of plant, equip:		(930.00)
Note 3: Reserves		
Balance at the beginning of the reporting period		
Assets revaluation reserve	100,625.00	100,625.00
	100,625.00	100,625.00
Increase (decrease) in reserves during the reporting period:		
Balance at the reporting date		
Assets revaluation reserve	100,625.00	100,625.00
	100,625.00	100,625.00
Note 4: Cash assets		
Bank accounts:		
Cash at Bank - Keno account	1,460.97	554.36
Senior Football Club account	18,761.81	20,971.42
Other cash items:		
Cash on hand	8,100.00	7,930.00
	28,322.78	29,455.78

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Notes to the Financial Statements
For the year ended 30 September 2019

	2019	2018
Note 5: Receivables		
Current		
Trade debtors	13,940.80	13,630.00
	<u>13,940.80</u>	<u>13,630.00</u>
Note 6: Inventories		
Current		
Finished goods at cost	5,196.00	7,681.62
	<u>5,196.00</u>	<u>7,681.62</u>
Note 7: Property, Plant and Equipment		
Buildings:		
- At cost	289,901.48	289,901.48
- Less: Accumulated depreciation	(218,021.00)	(209,983.00)
	<u>71,880.48</u>	<u>79,918.48</u>
Plant and equipment:		
- At cost	185,574.48	185,574.48
- Less: Accumulated depreciation	(163,424.13)	(156,769.13)
	<u>22,150.35</u>	<u>28,805.35</u>
	<u>94,030.83</u>	<u>108,723.83</u>
Note 8: Payables		
Unsecured:		
- Trade creditors	6,111.12	(331.25)
	<u>6,111.12</u>	<u>(331.25)</u>
	<u>6,111.12</u>	<u>(331.25)</u>

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Notes to the Financial Statements
For the year ended 30 September 2019

	2019	2018
Note 9: Borrowings		
Current		
Unsecured:		
- Bank overdrafts	47,059.93	35,116.32
	<u>47,059.93</u>	<u>35,116.32</u>
	47,059.93	35,116.32
Note 10: Tax Liabilities		
Current		
GST & PAYGW payable	13,142.19	13,977.45
Superannuation payable	5,107.85	1,396.37
	<u>18,250.04</u>	<u>15,373.82</u>
	18,250.04	15,373.82
Note 11: Auditors' Remuneration		
Remuneration of the auditor of the company for:		
Auditing or reviewing the financial report	2,200.00	2,200.00
Other services	<u>2,200.00</u>	<u>2,200.00</u>
	2,200.00	2,200.00

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Directors' Declaration

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies prescribed in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards described in Note 1 to the financial statements and the Corporations Regulations; and
 - (b) give a true and fair view of the company's financial position as at 30 September 2019 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director

Director

Dated:

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Independent Auditor's Review Report

To the Members of Ballina Seagulls Rugby League Football Club Ltd.

We have reviewed the accompanying financial report, which comprises the Statement of Financial Position as at 30 September 2019, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, the significant accounting policies and other explanatory notes, and the Directors Declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report that gives a true view in accordance with Australian Accounting Standards and the Corporations Act and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard ASRE 2415: Review of a Financial Report - Company Limited by Guarantee, in order to state whether on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including:

- (i) giving a true and fair view of the company's financial position as at 30 September 2019 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and the Corporations Regulations 2001.

ASRE 2415 requires that we comply with the ethical requirements relevant to the review of the financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and reporting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been provided to the directors of Ballina Seagulls Rugby League Football Club Ltd on 30 September 2019, would be in the same terms if provided to the directors as at the date of this auditor's report.

Ballina Seagulls Rugby League Football Club Ltd ABN 66 798 091 243
Independent Auditor's Review Report

Emphasis of Matter

As discussed in Note 1(p), certain conditions indicate that the Company may be unable to continue as a going concern. The accompanying financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

Conclusion

Based on our review, which is not an audit, and subject to the Emphasis of Matter referred to above, we have not become aware of any matter that makes us believe that the financial report of Ballina Seagulls Rugby League Football Club Ltd is not in accordance with the Corporations Act 2001 including:

- (i) giving a true and fair view of the company's financial position as at 30 September 2019 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and the Corporations Regulations 2001.

Signed on : 21 November 2019

Chartered Accountant,
Gavin Butler
54 Tamar St Ballina NSW 2478

Linda Coulter

From: Mick Koellner <mick@koellnersteel.com.au>
Sent: Friday, 12 February 2021 1:48 PM
To: Linda Coulter
Subject: [EXTERNAL SENDER] Ballina Seagulls - 2020 rates
Attachments: Ballina Rugby Leagues Club council letter.docx

CYBER SECURITY WARNING - This message is from an external sender - be cautious, particularly with links embedded within the message and/or attachments.

Hi Linda,

Sorry for the late reply but we have all been extremely busy.

I have attached a letter trying to answer most of your questions.

REGARDS

MICK KOELLNER

Ballina Rugby Leagues Club

Linda Coulter

Manager Financial Services

Ballina Shire Council

Linda,

Ballina Rugby League Club was an entirely different committee prior to 2021 and only provided the juniors and seniors clubs with field lighting and a club house (rates), however there was zero financial assistance during this time.

The Licensed club closed its doors on the 31st December 2019 and when the 2020 season started mid-February, Covid-19 restrictions delayed the start of the competition reducing it to a shortened season.

The club shut down the cool room and cleaned out the upstairs kitchen and only used the club house for our 4 home games providing our elderly supporters and fans much needed seating indoors.

Our major expense in February was the electricity bill \$3,365.00 which the leagues club used to pay, in order to keep the training lights connected the juniors and seniors called on local small businesses to help with sponsorship.

The only assets the club currently has are second hand furniture from the Ballina RSL club, 2 second hand fridges donated by Lion Nathan, a TV, Kitchen crockery and cutlery.

The juniors and seniors both have new committees and don't want the licenced league's clubs DEBT as their responsibility and don't feel comfortable about providing their financial statements as they are both running as non profit clubs.

The juniors and seniors both use the Kingsford Smith Park for 7 months a year and would like to keep using the club for game days and club functions but only if the council rates are affordable.

Both the junior and senior clubs realise that they have to start budgeting for power and rates but with a shortened season and the low income last year it has made it hard to get our regular support from our sponsors.

We are now starting a new season requiring up to date Insurance for the players a large overhead that requires \$160 per senior player, uniforms and equipment for 4 senior teams and 11 junior teams.

The Ballina Rugby League Club is requesting a break from last year's rates and an amendment to the new/current rates as the Club house has now changed from a licensed venue to a club house and change rooms to suit the purpose of the building.

The Ballina Rugby League Club was under the impression that the council had taken over the management of the building in January 2020, meaning they were able to rent out the grounds and building, leaving the toilet cleaning and consumables the responsibility of the club.

Regards

Ballina Seagulls

4.4 Fees and Charges - 2021/22

4.4 Fees and Charges - 2021/22

Section	Financial Services
Objective	To obtain Council approval to exhibit the draft 2021/22 fees and charges for public comment.

Background

An important part of Council's resourcing strategy is the setting of fees and charges for the provision of works and services. The Rates, Waste, Water and Wastewater charges are the primary income sources for Council and this report deals with the myriad of other fees and charges required or allowed to be raised for Council services.

A list of all these fees and charges is compiled annually and advertised for public comment as part of the draft Operational Plan.

A copy of the draft fees and charges document for 2021/22, is included as Attachment 1 to this report.

The Local Government Act and National Competition Policy also require councils to establish pricing categories to allocate against each fee and charge, with the category identifying the nature or level of cost recovery for the fee.

The Council's adopted categories are as follows, with these categories fairly standard for nearly all councils:

- Business / Commercial - Fee set in accordance with the marketplace with the fee aiming to generate a return for Council
- Full Cost Recovery - Fees set to recover the full cost of the service
- Partial Cost Recovery - Fees set at what Council considers is a reasonable cost for the user to bear. The balance of the cost of providing the service is funded from general revenue
- Fixed by Legislation - Fees set by legislation.

The fees and charges in the attached document are listed in an order consistent with the organisation structure.

Key Issues

- Variations in fees
- New fees
- Opportunities to recover the cost of Council services
- Affordability and reasonableness

Discussion

The fees mentioned in this report relate to new fees, removed fees, or price changes outside of a cost of living adjustment.

Corporate and Community Division – Financial Services

Page 2

Excepting the Ordinary Rates, the majority of fees within the Financial Services section have remained unchanged.

Interest on Overdue Rates and Charges

Page 2

Council charges interest on overdue rates and charges in accordance with Section 566 of the Local Government Act.

The maximum interest rate that is charged is determined by the Minister of Local Government, by notice published in the Gazette on an annual basis. Historically, Council had adopted the maximum amount allowable, however Council is allowed to set the annual rate at any figure up to the maximum.

In light of the Coronavirus (COVID-19) and the economic environment and hardships likely faced by a number of ratepayers, Council resolved at the March 2020 Ordinary meeting to revise the interest rate to zero for the period from 1 April 2020 to 30 June 2021.

The Gazette Notice that was subsequently published on 21 May 2020 advised an allowable maximum rate of:

- 0% per annum for the period of 1 July 2020 to 31 December 2020; and
- 7% per annum for the period of 1 January 2021 to 30 June 2021.

The maximum allowable interest rate for the 2021/22 year has yet to be announced by the Minister of Local Government.

This will be advised to the June 2021 Ordinary meeting, prior to the adoption of the Fees and Charges, to allow Councillors to determine what interest rate they consider appropriate for the 2021/22 year.

Corporate and Community Division – Communications

Page 3

Fees within the Communications section have remained unchanged.

Corporate and Community Division – Information Services

Pages 3 to 4

Fees within the Information Services section have remained unchanged.

Corporate and Community Division – Commercial Services

Page 4 to 5

Commercial use of Council footpaths have remained unchanged.

Swipes for Tenants

Page 5

A new fee of \$20 is proposed to cover the cost of replacement of swipes/fobs for tenants of Council commercial properties.

Corporate and Community Division – Ballina Byron Gateway Airport

Pages 5 to 8

Landing Fees – Aeromedical Services

Page 6

A new fee category is proposed, to exempt landing fees for not for profit organisations providing aeromedical services.

This exemption would only apply for landings made with prior application and approval by airport management.

Airport Public Car Park

Page 7

No increases are proposed to the existing fees.

Staff Car Parking Charge

Page 7

A new fee of \$10 is proposed, for the replacement of any staff car parking permits. This fee applies to staff working at the airport, for example airline ground handlers, retail, and airport service providers.

This fee is proposed to be set the same as the charge for the annual permit.

Ground Transport Charges for Commercial Operators within BBGA Precinct

Page 7

A new fee is proposed to apply for commercial operators within the BBGA Precinct. These fees are POA, ie “price on application”.

Corporate and Community Division - Community Facilities

Pages 10 to 19

Overnight Bookings

Pages 10 to 14

New fees are proposed to allow for overnight bookings of the Richmond Room, Northlakes Hall, Kentwell Community Centre and Lennox Head Cultural Centre (LHCC).

Overnight bookings allow for a full day usage plus retaining their set up or equipment during the hours between midnight and 6am. This is commonly applied for multiple day bookings where equipment needs to be retained onsite.

These fees are equivalent to 1.5 times the full day charge.

Lennox Head Cultural Centre (LHCC)

Pages 12

There are new fees proposed for additional staff and administrative assistance. This would be an hourly rate and is noted as “POA”.

4.4 Fees and Charges - 2021/22

Ballina Indoor Sports Centre (BISC) Pages 17 to 19

A number of new fees are proposed.

New fees relate to the Ball Return Unit, Additional Staff and administrative assistance, Court 4 Bump In/Bump Out (removal and replacement of school performing arts equipment) fees and Half Court Hire.

New fees are also proposed for a half day hire charge for meeting rooms, which previously only had hourly or full day hire charges.

Corporate and Community Division - Swimming Pools *Page 20*

No fee changes have been proposed for single entry fees.

Increases, in the range of 4% to 10% are proposed for ten ticket passes, three month passes, full season passes and carnival attendees.

Civil Services Division - Water *Pages 22 to 24*

The increases in the draft Water Access Charges and Water Consumption Charges for exhibition have been resolved as per the March Finance Committee Meeting.

Other charges have generally been increased in the range of 1 to 2%.

Civil Services Division – Wastewater *Pages 25 to 27*

The increases in the draft Wastewater Access Charges and Recycled Water Consumption Charges for exhibition have been resolved as per the March 2021 Finance Committee meeting.

Other charges have generally been increased in the range of 1 to 2%.

Civil Services Division – Waste Management *Pages 27 to 29*

The increases in the draft Waste Charges for exhibition have been resolved as per the March 2021 Finance Committee meeting.

100% Sorted Scrap Metal *Page 27*

This fee, which has been charged by weight, is for the disposal of scrap metal at the waste facility. The fee also applied to car bodies and white goods.

Subsequent to the March 2021 Finance Committee Meeting, management propose that the fee for disposal of Scrap Metal at the waste facility be reduced from \$30.50 per tonne to a nil charge.

4.4 Fees and Charges - 2021/22

The current commodity price for scrap metal is strong resulting in an increased revenue stream being received from the sale of the product.

Reducing the charge to nil will likely increase the volume of material received, encourage resource recovery and increase the revenue stream to council from the sale of the scrap metal product.

The fees and charges document attached to this report has been updated to a nil charge for sorted scrap metal.

Civil Services Division – Infrastructure Planning

Pages 30 to 31

Subdivision Certificate (SC) related fees – Civil Inspections

Page 30

New fees are proposed in relation to inspections for subdivisions:

Description	2021/22 charge
Initial inspection for 5 lots or less	\$400
Initial inspection for more than 5 lots	\$800
Additional inspections	\$200 per hour
Initial off-maintenance inspection 5 lots or less	\$350
Initial off-maintenance inspection for more than 5 lots	\$700

These fees are for inspection of civil works for Subdivision Certificate applications where the civil inspections during construction works and subdivision certification were undertaken by a Private Certifier.

New Council assets from subdivision works are subject to a maintenance period. The developer pays a bond in case there are failures due to defective works. An inspection is completed at the end of the maintenance period to ensure all new Council assets remain in good condition.

Civil Services Division – Burns Point Ferry

Pages 32 to 33

Fees have been kept the same as the 2019/20 charge, apart from annual tickets being increased 1%.

Planning and Environmental Health Division – Development Services

Pages 34 to 43

Swimming Pool Compliance Fees

Page 36

The majority of these fees are statutory.

The fees and charges document for 2020/21 noted First Inspection as \$100 and Subsequent Inspections as \$150, in error. The correct fee is First Inspection \$150 and Subsequent Inspections \$100.

4.4 Fees and Charges - 2021/22

The Entry of Information onto NSW Register fee was shown for 2020/21 as \$100, in error. The correct fee is \$10.

Fire Safety Schedules

Page 37

New fees are proposed:

Description	2021/22 charge
Provide Fire Safety Schedule under Clause 182(2) of EPA Regulation. Building Floor are not more than 500m ² and less than 3 storeys	\$250
Provide Fire Safety Schedule under Clause 182(2) of EPA Regulation. Building Floor more than 500m ² or 3 storeys or more	POA

This fee reflects a new statutory responsibility for Council to issue these fire safety schedules. The fee reflects time and experience/qualification of the officer to carry out inspection of premises and subsequent preparation of the schedule.

Planning and Environmental Health Division – Public and Environmental Health

Pages 44 to 48

On Site Sewage Management System - Pre purchase inspection fee and report *Page 44*

This fee is proposed to increase from \$600 to \$700. This increase is proposed after an analysis of actual staff time taken to conduct an inspection and prepare the report.

Abandoned Vehicles

Page 45

New fees categories are proposed:

Description	2021/22 charge
Transport to holding area – Vehicle in accident	At cost
Transport to holding area – Heavy Vehicle	At cost

Food Premises - Inspection/Registration (Annual)

Page 46

A new fee, of \$255, is proposed for businesses classified as Food Processors.

This is a new fee category as there is an increase in processing businesses for retail purposes and there was no category.

Generally in the past food processors were mostly for wholesale purposes and regulated by NSW Food Authority.

4.4 Fees and Charges - 2021/22

*Pre purchase inspection fees – food premises/commercial premises
Page 46*

This fee is proposed to increase from \$595 to \$700.

This increase is proposed after an analysis of actual staff time taken to conduct an inspection and prepare the report.

*Caravan Parks, Camping Grounds & Manufactured Home Estates, Licence Fees
Page 48*

A new fee, of \$220, is proposed as a general application fee for new/renewal/amendment approvals to operate (section 68).

An audit was conducted of other local council fee structures. The new proposed structure aligns with existing Section 68 application fees set.

Planning and Environmental Health Division – Strategic Planning
Pages 48 to 49

*Post Gateway Determination Fees – Stage 3
Page 48*

These fees are proposed to be increased by 10%.

*Development Control Plan (DCP) Amendments
Page 49*

The fee for requests to amend DCP (Strategic Urban Growth Area-Initial Planning) are proposed to be increased by 10%.

Planning and Environmental Health Division - Northern Rivers Community Gallery
Pages 49 to 51

The majority of hire charges for Gallery spaces have remained the same, with the following items having an increase outside of a CPI increase:

Description	2020/21 charge	2021/22 charge
Ignite Artist in Residence Open Application Weekly	\$50	\$55
Ignite Artist in Residence Open Application Monthly	\$200	\$220
Entire Gallery- Casual Event Hire – Commercial Hourly	\$94	\$105
Entire Gallery- Casual Event Hire – Community/Not for Profit Hourly	\$48	\$53
Entire Gallery- Casual Event Hire – Commercial 6 Hourly	\$458	\$505
Entire Gallery- Casual Event Hire – Community/Not for Profit 6 Hourly	\$230	\$255
Ignite Artist Studio 1 Long Term Weekly	\$110	\$120
Ignite Artist Studio 1 Long Term Weekly	\$110	\$120
Ignite Artist Studio 1 Long Term Weekly	\$100	\$110
Ignite Artist Studio 1 Long Term Weekly	\$70	\$80

Planning and Environmental Health Division – Open Spaces

Pages 51 to 55

Sportsfield Lighting and Lighting Late Fee

Page 51

Two new fees are proposed for sportsfield lighting. The first is an hourly rate, of \$34 per hour, for the use of fixed lighting.

The second is a late fee for lighting, proposed at a flat \$500. This is proposed as a charge for when staff are required to turn off lighting left on after 11pm.

Wedding Booking Fee

Page 51

This is a flat fee for the booking of the location. It is proposed to increase this fee from \$78 to \$98, an increase of 25%.

This proposed increase is following a review of cost of service, market analysis of neighbouring councils and assessment of community impact.

Mobile Vending on Public Land

Page 51

The application fee is proposed to increase from \$110 to \$120, an increase of 9%.

Cemetery Fees

Pages 52 to 53

An independent audit undertaken in June 2020 by Grant Thornton recommended a review of cemetery fees to greater align with general market prices, in addition to citing concern regarding specific fees.

A high level benchmarking analysis was performed against neighbouring councils as part of the independent audit, which was followed up by an internal detailed benchmarking exercise on nine other Councils of similar size.

Fees have been adjusted to greater reflect market prices in addition to continuing to assist with maintaining sustainable cemetery operations, higher levels of service and fund future capital renewal and improvements at Councils cemeteries.

New fees have also been introduced to cater for service gaps not previously identified.

Four Wheel Drive Beach Access Permits

Page 53

It is proposed that the fees for these permits be increased by 10%. This above CPI increase is proposed to fund an increase in compliance, including ranger and NSW Police patrols to ensure adherence to the adopted conditions of use. Additional environmental improvement works within Ballina Coastal Reserve will also be supported by this proposed increase.

4.4 Fees and Charges - 2021/22

Filming Application Fees and Licences to Conduct Commercial Activity on Public Land
Pages 54 to 55

No changes to fees proposed.

Community Property Investigations
Page 55

New fees are proposed for Property Site Investigation at \$240, and Review of Determination at \$120.

These fees are applicable to requests for Council to investigate the availability of properties for community purposes where consideration of site options and/or analysis is required.

Community Consultation Policy

This report has been prepared following consultation with staff across Council's entire operations. Once approved the draft document will be exhibited for public comment as part of the draft 2021/22 Operational Plan.

Financial / Risk Considerations

Discretionary fees and charges are a major source of revenue to Council.

Options

Council may approve the contents of this report or resolve to add, delete or amend the proposed 2021/22 fees and charges.

The recommendation is to exhibit the draft fees and charges for public comment.

RECOMMENDATION

That, as part of the exhibition of the 2021/22 Operational Plan, Council approves the exhibition of the draft schedule of fees and charges for 2021/22, as per Attachment 1 to this report, including any amendments resulting from this meeting.

Attachment(s)

1. 2021/22 - Fees and Charges (draft) (Under separate cover)

4.5 Rating Structure - 2021/22

4.5 Rating Structure - 2021/22

Delivery Program

Financial Services

Objective

To confirm the preferred ordinary rating structure to include in the exhibition of the draft 2021/22 Operational Plan.

Background

IPART announced a rate peg limit of 2.0% for the 2021/22 rating year. Council does not have a special rate variation for 2021/22. It could be reasonable to expect that the average rate for all rating categories, including business, residential and farmland, would increase by 2.0% in comparison to 2020/21.

Council does, however, have the ability to review the distribution of rates, by way of determining the rating structure. This means Council has the ability to alter the manner in which the rate burden is distributed between rating categories.

A "Rating Structure – 2021/22" report was provided to the Finance Committee meeting held on 16 March 2021.

The report outlined the methodology that has been used to set the base amount rating structure and ordinary rate for several years.

The report highlighted that the methodology included setting a percentage yield from the business category. Over several years, that methodology had caused business properties to wear more than a proportionate share of the overall increase in rates each year.

For the last couple of years, Council has been particularly mindful of business rates and has ensured that the differential between business rates and residential rates has not increased, with efforts being made to reduce the differential. The method in which to achieve this outcome has been to reduce the percentage yield from business rate income

For the 2020/21 year, the percentage yield for business rates was set at 19.35%. It had been proposed for 2021/22 that the percentage yield for business be set at 19.20%.

The report to the March 2021 Finance Committee also noted that the farmland rate in the dollar has historically been around 83% of the residential rate in the dollar.

The proposed rating structure, inclusive of a 19.20% business yield and farmland rate in the dollar of 83% of residential, was presented in Tables Eight and Nine of that report.

Council subsequently resolved to examine the impact on the proposed rating structure by setting the farmland rate in the dollar at 85% of the residential rate in the dollar.

This report examines that option.

Key Issues

- Equity
- Impacts of changes in the proportional contribution to total rate income

Discussion

The farmland rate in the dollar has historically been around 83% of the residential rate in the dollar. This report presents a model whereby the farmland and residential rates in the dollar have been adjusted so that farmland rates are approximately 85% of the residential rate.

Three scenarios are outlined in this report.

Scenario One is the recommended model presented to the March 2021 Finance Committee meeting.

This scenario uses a business yield of 19.20% and the farmland rate in the dollar is approximately 83% of the residential rate in the dollar.

For Scenario Two, the residential rate in the dollar and the farmland rate in the dollar have been revised, so that the farmland rate is approximately 85% of the residential rate. This scenario also uses a business yield of 19.20%.

This scenario maintains business rates similar to the first scenario. The reduction in the size of the differential from 83% to 85%, between residential and farmland, means that a small benefit to residential rates is realised, with the rating burden shifting from residential to the farmland assessments.

For Scenario Three, the business yield has been revised downwards further, and the farmland rate is approximately 85% of the residential rate.

Scenario Three is presented as it supports Council's previous discussions in regards to the high differential between the business rate and the residential rate.

In this scenario, residential rates are maintained similar to Scenario One, with the benefit of the change in the farmland differential resulting in the rating burden shifting from business to the farmland assessments.

Scenario One – 19.20% Business Yield - Farmland at 83% of Residential

Tables Eight and Nine of the March 2021 report are reproduced as follows, now labelled as Tables One and Two. This scenario uses a business yield of 19.20% and the farmland rate in the dollar is approximately 83% of the residential rate in the dollar.

4.5 Rating Structure - 2021/22

Table One: Business Yield 19.20%, Farmland 83% of Residential

Rate Category	Income 2.0% increase (\$)	Category % Base Charge	Category % of Total Yield	Average Rate
Residential	19,600,306	49.86	74.23	1,149
Business	5,069,612	14.89	19.20	3,755
Farmland	1,733,833	32.16	6.57	1,781
Mining	0.00	0.00	0.00	0
Total	26,403,750	N/A	100.00	1,362

Table Two: Business Yield 19.20%, Farmland 83% of Residential

Rating Category	Using 2.0% Rate Peg Increase	
	Base Amount	Rate in Dollar
Residential	573	0.15696
Business	573	0.73601
Farmland	573	0.12985
Mining	573	0.73601

The following three tables, also reproduced, provide examples of how the rates impact on the residential, business and farmland properties.

Table Three: Residential Rates Payable in 2021/22

2019 Land Value Range	Property Count	2019 Land Valuation Used for Calculation	2020/21 rate	2021/22 rate	Change (\$)	Change (%)
0 to 99,999	924	50,000	641	651	10	1.7%
100,000 to 199,999	2,280	150,000	794	808	14	1.8%
200,000 to 299,999	4,605	250,000	947	965	18	1.9%
300,000 to 399,999	3,916	350,000	1,101	1,122	22	2.0%
400,000 to 499,999	2,363	450,000	1,254	1,279	25	2.0%
500,000 to 599,999	1,361	550,000	1,407	1,436	29	2.0%
600,000 to 699,999	600	650,000	1,561	1,593	32	2.1%
700,000 to 799,999	289	750,000	1,714	1,750	36	2.1%
800,000 to 899,999	179	850,000	1,868	1,907	40	2.1%
900,000 to 999,999	136	950,000	2,021	2,064	43	2.1%
1,000,000 to 1,499,999	295	1,250,000	2,481	2,535	54	2.2%
1,500,000 to 1,999,999	81	1,750,000	3,248	3,320	72	2.2%
2,000,000 to 2,999,999	28	2,500,000	4,398	4,497	99	2.3%
> 3,000,000	12	3,000,000	5,165	5,282	117	2.3%

Table Four: Business Rates Payable in 2021/22

2019 Land Value Range	Property Count	2019 Land Valuation Used for Calculation	2020/21 rate	2021/22 rate	Change (\$)	Change (%)
0 to 99,999	334	50,000	926	941	15	1.6%
100,000 to 199,999	216	150,000	1,650	1,677	27	1.6%
200,000 to 299,999	186	250,000	2,374	2,413	39	1.6%
300,000 to 399,999	147	350,000	3,098	3,149	51	1.6%
400,000 to 499,999	122	450,000	3,823	3,885	62	1.6%
500,000 to 599,999	101	550,000	4,547	4,621	74	1.6%
600,000 to 699,999	50	650,000	5,271	5,357	86	1.6%
700,000 to 799,999	45	750,000	5,995	6,093	98	1.6%
800,000 to 899,999	27	850,000	6,719	6,829	110	1.6%
900,000 to 999,999	19	950,000	7,443	7,565	122	1.6%
1,000,000 to 1,499,999	51	1,250,000	9,616	9,773	157	1.6%
1,500,000 to 1,999,999	24	1,750,000	13,236	13,453	217	1.6%
2,000,000 to 2,999,999	21	2,500,000	18,668	18,973	306	1.6%
> 3,000,000	14	3,000,000	22,288	22,654	365	1.6%

Table Five: Farmland Rates Payable in 2021/22

2019 Land Value Range	Property Count	2019 Land Valuation Used for Calculation	2020/21 rate	2021/22 rate	Change (\$)	Change (%)
0 to 99,999	3	50,000	628	638	10	1.6%
100,000 to 199,999	2	150,000	755	768	13	1.7%
200,000 to 299,999	5	250,000	882	898	16	1.8%
300,000 to 399,999	35	350,000	1,009	1,027	18	1.8%
400,000 to 499,999	70	450,000	1,136	1,157	21	1.8%
500,000 to 599,999	134	550,000	1,263	1,287	24	1.9%
600,000 to 699,999	138	650,000	1,391	1,417	26	1.9%
700,000 to 799,999	139	750,000	1,518	1,547	29	1.9%
800,000 to 899,999	83	850,000	1,645	1,677	32	1.9%
900,000 to 999,999	92	950,000	1,772	1,807	34	1.9%
1,000,000 to 1,499,999	179	1,250,000	2,154	2,196	42	2.0%
1,500,000 to 1,999,999	55	1,750,000	2,790	2,845	56	2.0%
2,000,000 to 2,999,999	23	2,500,000	3,744	3,819	76	2.0%
> 3,000,000	16	3,000,000	4,379	4,469	89	2.0%

This scenario indicates that residential rates would increase in the range of 1.7% to 2.3%, business 1.6%, and farmland rates from 1.6% to 2.0%.

Scenario Two – 19.20% Business Yield - Farmland at 85% of Residential

Scenario Two is based on the farmland rate in the dollar being set at 85% of the residential rate in the dollar.

Table Six: Business Yield 19.20%, Farmland Rate 85% of Residential

Rate Category	Income 2.0 % increase (\$)	Category % Base Charge	Category % of Total Yield	Average Rate
Residential	19,570,103	49.85	74.12	1,147
Business	5,069,614	14.86	19.20	3,755
Farmland	1,764,033	31.56	6.68	1,812
Mining	0.00	0.00	0.00	0.00
Total	26,403,750	N/A	100.00	1,362

Table Seven: Business Yield 19.20%, Farmland Rate 85% of Residential

Rating Category	Using 2.0% Rate Peg Increase	
	Base Amount	Rate in Dollar
Residential	572	0.15675
Business	572	0.73624
Farmland	572	0.13329
Mining	572	0.73624

The next three tables provide examples of the rates payable for a range of land valuations, based on the residential, business and farmland rating categories.

4.5 Rating Structure - 2021/22

Table Eight: Residential Rates Payable in 2021/22

2019 Land Value Range	Property Count	2019 Land Valuation Used for Calculation	2020/21 rate	2021/22 rate	Change (\$)	Change (%)
0 to 99,999	924	50,000	641	650	10	1.5%
100,000 to 199,999	2,280	150,000	794	807	13	1.6%
200,000 to 299,999	4,605	250,000	947	964	16	1.7%
300,000 to 399,999	3,916	350,000	1,101	1,121	20	1.8%
400,000 to 499,999	2,363	450,000	1,254	1,277	23	1.9%
500,000 to 599,999	1,361	550,000	1,407	1,434	27	1.9%
600,000 to 699,999	600	650,000	1,561	1,591	30	1.9%
700,000 to 799,999	289	750,000	1,714	1,748	33	2.0%
800,000 to 899,999	179	850,000	1,868	1,904	37	2.0%
900,000 to 999,999	136	950,000	2,021	2,061	40	2.0%
1,000,000 to 1,499,999	295	1,250,000	2,481	2,531	50	2.0%
1,500,000 to 1,999,999	81	1,750,000	3,248	3,315	67	2.1%
2,000,000 to 2,999,999	28	2,500,000	4,398	4,491	93	2.1%
> 3,000,000	12	3,000,000	5,165	5,275	110	2.1%

Table Nine: Business Rates Payable in 2021/22

2019 Land Value Range	Property Count	2019 Land Valuation Used for Calculation	2020/21 rate	2021/22 rate	Change (\$)	Change (%)
0 to 99,999	334	50,000	926	940	14	1.5%
100,000 to 199,999	216	150,000	1,650	1,676	26	1.6%
200,000 to 299,999	186	250,000	2,374	2,413	38	1.6%
300,000 to 399,999	147	350,000	3,098	3,149	50	1.6%
400,000 to 499,999	122	450,000	3,823	3,885	62	1.6%
500,000 to 599,999	101	550,000	4,547	4,621	75	1.6%
600,000 to 699,999	50	650,000	5,271	5,358	87	1.6%
700,000 to 799,999	45	750,000	5,995	6,094	99	1.6%
800,000 to 899,999	27	850,000	6,719	6,830	111	1.7%
900,000 to 999,999	19	950,000	7,443	7,566	123	1.7%
1,000,000 to 1,499,999	51	1,250,000	9,616	9,775	159	1.7%
1,500,000 to 1,999,999	24	1,750,000	13,236	13,456	220	1.7%
2,000,000 to 2,999,999	21	2,500,000	18,668	18,978	311	1.7%
> 3,000,000	14	3,000,000	22,288	22,659	371	1.7%

Table Ten: Farmland Rates Payable in 2021/22

2019 Land Value Range	Property Count	2019 Land Valuation Used for Calculation	2020/21 rate	2021/22 rate	Change (\$)	Change (%)
0 to 99,999	3	50,000	628	639	11	1.8%
100,000 to 199,999	2	150,000	755	772	17	2.3%
200,000 to 299,999	5	250,000	882	905	23	2.6%
300,000 to 399,999	35	350,000	1,009	1,039	29	2.9%
400,000 to 499,999	70	450,000	1,136	1,172	35	3.1%
500,000 to 599,999	134	550,000	1,263	1,305	42	3.3%
600,000 to 699,999	138	650,000	1,391	1,438	48	3.4%
700,000 to 799,999	139	750,000	1,518	1,572	54	3.5%
800,000 to 899,999	83	850,000	1,645	1,705	60	3.6%
900,000 to 999,999	92	950,000	1,772	1,838	66	3.7%
1,000,000 to 1,499,999	179	1,250,000	2,154	2,238	84	3.9%
1,500,000 to 1,999,999	55	1,750,000	2,790	2,905	115	4.1%
2,000,000 to 2,999,999	23	2,500,000	3,744	3,904	161	4.3%
> 3,000,000	16	3,000,000	4,379	4,571	191	4.4%

4.5 Rating Structure - 2021/22

Scenario Two indicates that residential rates would increase in the range of 1.5% to 2.1%, business categories in the range of 1.5% to 1.7%, and farmland rates in the range of 1.8% to 4.4%.

The change in the rate in the dollar between residential and farmland has a more significant impact on the farmland assessments, as there are fewer farmland assessments. Within farmland rates at Table Ten, 85% of total farmland assessments would have an increase of between 3.1% and 3.9%. And a further 10% of farmland assessments would have an increase of between 4.1% and 4.4%.

For Scenario Two as compared to Scenario One:

- the average rate for residential properties is decreased by \$2 to \$1,147
- the average rate for business properties is maintained at \$3,755 and
- the average rate for farmland properties is increased by \$31 to \$1,812.

Tables Eight, Nine and Ten also shows the increases compared to the 2020/21 rates.

The higher-end value farmland properties wear a larger proportion of the shift, as the majority of the farmland rate is based on the property value.

The above scenario amends the rating structure in a way that reduces the discount applied to farmland assessments, with an offsetting small favourable outcome to residential assessments.

Scenario Three – 19.10% Business Yield - Farmland at 85% of Residential

Scenario Three is based on the business yield being reduced further, to 19.10% and the farmland rate in the dollar being set at 85% of the residential rate in the dollar.

Table 11: Business Yield 19.10%, Farmland Rate 85% of Residential

Rate Category	Income 2.0 % increase (\$)	Category % Base Charge	Category % of Total Yield	Average Rate
Residential	19,594,671	49.88	74.21	1,149
Business	5,043,207	14.96	19.10	3,735
Farmland	1,765,866	31.58	6.69	1,814
Mining	0.00	0.00	0.00	0.00
Total	26,403,745	N/A	100.00	1,362

Table 12: Business Yield 19.10%, Farmland Rate 85% of Residential

Rating Category	Using 2.0% Rate Peg Increase	
	Base Amount	Rate in Dollar
Residential	573	0.15687
Business	573	0.73151
Farmland	573	0.13338
Mining	573	0.73151

The next three tables provide examples of the rates payable for a range of land valuations, based on the residential, business and farmland rating categories.

4.5 Rating Structure - 2021/22

Table 13: Residential Rates Payable in 2021/22

2019 Land Value Range	Property Count	2019 Land Valuation Used for Calculation	2020/21 rate	2021/22 rate	Change (\$)	Change (%)
0 to 99,999	924	50,000	641	651	11	1.7%
100,000 to 199,999	2,280	150,000	794	808	14	1.8%
200,000 to 299,999	4,605	250,000	947	965	18	1.9%
300,000 to 399,999	3,916	350,000	1,101	1,122	21	1.9%
400,000 to 499,999	2,363	450,000	1,254	1,279	25	2.0%
500,000 to 599,999	1,361	550,000	1,407	1,436	28	2.0%
600,000 to 699,999	600	650,000	1,561	1,593	32	2.0%
700,000 to 799,999	289	750,000	1,714	1,750	35	2.1%
800,000 to 899,999	179	850,000	1,868	1,906	39	2.1%
900,000 to 999,999	136	950,000	2,021	2,063	42	2.1%
1,000,000 to 1,499,999	295	1,250,000	2,481	2,534	53	2.1%
1,500,000 to 1,999,999	81	1,750,000	3,248	3,318	71	2.2%
2,000,000 to 2,999,999	28	2,500,000	4,398	4,495	97	2.2%
> 3,000,000	12	3,000,000	5,165	5,279	115	2.2%

Table 14: Business Rates Payable in 2021/22

2019 Land Value Range	Property Count	2019 Land Valuation Used for Calculation	2020/21 rate	2021/22 rate	Change (\$)	Change (%)
0 to 99,999	334	50,000	926	939	13	1.4%
100,000 to 199,999	216	150,000	1,650	1,670	20	1.2%
200,000 to 299,999	186	250,000	2,374	2,402	27	1.2%
300,000 to 399,999	147	350,000	3,098	3,133	35	1.1%
400,000 to 499,999	122	450,000	3,823	3,865	42	1.1%
500,000 to 599,999	101	550,000	4,547	4,596	50	1.1%
600,000 to 699,999	50	650,000	5,271	5,328	57	1.1%
700,000 to 799,999	45	750,000	5,995	6,059	64	1.1%
800,000 to 899,999	27	850,000	6,719	6,791	72	1.1%
900,000 to 999,999	19	950,000	7,443	7,522	79	1.1%
1,000,000 to 1,499,999	51	1,250,000	9,616	9,717	101	1.1%
1,500,000 to 1,999,999	24	1,750,000	13,236	13,374	138	1.0%
2,000,000 to 2,999,999	21	2,500,000	18,668	18,861	193	1.0%
> 3,000,000	14	3,000,000	22,288	22,518	230	1.0%

Table 15: Farmland Rates Payable in 2021/22

2019 Land Value Range	Property Count	2019 Land Valuation Used for Calculation	2020/21 rate	2021/22 rate	Change (\$)	Change (%)
0 to 99,999	3	50,000	628	640	12	1.9%
100,000 to 199,999	2	150,000	755	773	18	2.4%
200,000 to 299,999	5	250,000	882	906	25	2.8%
300,000 to 399,999	35	350,000	1,009	1,040	31	3.0%
400,000 to 499,999	70	450,000	1,136	1,173	37	3.2%
500,000 to 599,999	134	550,000	1,263	1,307	43	3.4%
600,000 to 699,999	138	650,000	1,391	1,440	49	3.5%
700,000 to 799,999	139	750,000	1,518	1,573	56	3.7%
800,000 to 899,999	83	850,000	1,645	1,707	62	3.8%
900,000 to 999,999	92	950,000	1,772	1,840	68	3.8%
1,000,000 to 1,499,999	179	1,250,000	2,154	2,240	87	4.0%
1,500,000 to 1,999,999	55	1,750,000	2,790	2,907	118	4.2%
2,000,000 to 2,999,999	23	2,500,000	3,744	3,908	164	4.4%
> 3,000,000	16	3,000,000	4,379	4,575	195	4.5%

4.5 Rating Structure - 2021/22

Scenario Three indicates that residential rates would increase in the range of 1.7% to 2.2%, business categories in the range of 1.0% to 1.4%, and farmland rates in the range of 1.9% to 4.5%.

Within farmland rates at Table Fifteen, 71% of total farmland assessments would have an increase of between 3.0% and 3.8%. And 28% of farmland assessments would have an increase of between 4.0% and 4.5%.

For Scenario Three as compared to Scenario One:

- the average rate for residential properties is maintained at \$1,149
- the average rate for business properties is reduced by \$20 to \$3,735 and
- the average rate for farmland properties is increased by \$33 to \$1,814.

Tables Thirteen, Fourteen and Fifteen also shows the increases compared to the 2020/21 rates.

The above scenario amends the rating structure in a way that reduces the discount applied to farmland assessments, with an offsetting favourable outcome to business assessments.

Community Consultation Policy

The rating structure will be placed on exhibition for public comment as part of the exhibition of the 2021/22 draft Operational Plan.

Financial / Risk Considerations

The structure and proposed increases outlined in this report align with the requirements set out in the Local Government Act and Regulations.

Options

Council can vary the rating structure through changes in the base charge, higher or lower differentials between categories and differentials within categories.

Three options are presented in this report.

Option One is to adopt a rating structure, as per Scenario One of this report, wherein the business yield is 19.20% and the farmland rate in the dollar is approximately 83% of the residential rate in the dollar. This option was presented in the report to the Finance Committee meeting held 16 March 2021.

Option Two is to adopt a rating structure, as per Scenario Two of this report, wherein the business yield is 19.20% and the farmland rate in the dollar is approximately 85% of the residential rate in the dollar.

Option Three is to adopt a rating structure, as per Scenario Three of this report, wherein the business yield is reduced to 19.10% and the farmland rate in the dollar is approximately 85% of the residential rate in the dollar.

4.5 Rating Structure - 2021/22

It is also important to consider the rate in the dollar for the business properties as compared to residential for all three scenarios, remembering that Council is steadily trying to reduce the size of the business differential.

Table 16: Differential Analysis

Category	Scenario One		Scenario Two		Scenario Three	
	Rate in Dollar	Comparison to Residential (%)	Rate in Dollar	Comparison to Residential (%)	Rate in Dollar	Comparison to Residential (%)
Residential	0.15696	100	0.15675	100	0.15687	100
Business	0.73601	469	0.73624	470	0.73151	466
Farmland	0.12985	83	0.13329	85	0.13338	85

The March Finance Committee meeting report highlighted that the business differential had reduced from 474% in 2019/20 to 469% as per the Scenario One methodology, due to Council reducing the total percentage of the rating burden for business properties from 19.35% to 19.20%

Scenario Two actually results in the business differential increasing back to 470%, whereas Scenario Three provides a further reduction from the 2019/20 474% to 466%, as well as reducing the percentage of the total rate burden from business properties to 19.10%

Therefore if Council wishes to continue to reduce the business differential, the recommended approach would be Scenario Three, as it transfers some of the rating burden from farmland to business properties, to reduce the overall level of differentials between the three rating categories.

In respect to a recommendation for this report, Scenario One (i.e. Option One) has been recommended, as this is consistent with the current policy and practice of Council, as reported to the March Finance Committee meeting.

However, if Council wishes to further improve the overall differentials, the recommended approach is Scenario Three (i.e. Option Three).

If Option Three is to be adopted, for the purposes of public exhibition, recommendation 1c) will need to be amended to 19.10%, 1 d) will need to be amended to 85% and point two will need to reference Tables 11 and 12.

RECOMMENDATIONS

1. That for the exhibition of the draft 2021/22 Operational Plan, Council approves the inclusion of a base rating structure, which applies the following principles:
 - a) Marginally less than 50% of the rate income for the residential category of properties being generated from the base amount
 - b) Business, farmland and mining categories to have the same base amount as the residential base amount
 - c) A total of 19.20% income from the rate yield to be sourced from the business category properties

4.5 Rating Structure - 2021/22

- d) Farmland rate in the dollar is approximately 83% of the residential rate in the dollar
 - e) The mining category rate in the dollar to be set as the same rate as the business category (currently no mining category properties in the shire).
2. That Council notes the indicative figures for this rating structure for 2021/22, are as per Tables One and Two of this report.

Attachment(s)

Nil

4.6 Northern Rivers Community Gallery - Creative Action Plan and Direction

4.6 Northern Rivers Community Gallery - Creative Action Plan and Direction

Section	Strategic Planning
Objective	To outline the draft Creative Action Plan for the NRCG and seek direction in relation to public exhibition of the draft plan and funding options for the future operation of the NRCG.

Background

The Northern Rivers Community Gallery (NRCG) opened in 2007 and has established itself as a significant regional cultural hub and creative catalyst in the Northern Rivers. The NRCG features four exhibition spaces and presents a range of professional, multi-arts and cultural programs throughout the year.

In 2018 the NRCG facilities expanded to include Ignite Studios, housing dedicated workshop spaces, leased artist studio spaces and a combined residential and work space for an international visiting artist-in-residence program. This expansion enabled the scope of creative programming to expand beyond exhibitions, to include unique and innovative participatory programs, benefiting adults and children at all stages of life and artistic ability.

The provenance of the NRCG as a community managed Gallery space has played a significant role in shaping the unique focus underpinning its core operating principles of access, equity and participation. Distinct from the Regional Gallery model, NRCG programs are underpinned by curatorial collaboration and conversation with the national and Northern Rivers' artistic community and consideration of community aspirations as they evolve. The NRCG seeks to deliver accessible and participatory arts programs in the Northern Rivers.

Guided by the above principles the NRCG delivers many social benefits through engagement, activity and learning. This participation-based model situates NRCG as a site engaging with broad (arts and non-arts) audiences to deliver meaningful arts and cultural experiences (refer to participant impact statements extract in Attachment 1).

Traditionally NRCG and Ignite Studios achieve strong community engagement, demonstrating exceptional growth in visitation – increasing from 15,017 visitors in 2015 to 27,616 in 2019 (Attachment 2). Key statistical data shows the expansion of participation based programs, partnership development and expanded facilities directly aligns with the exponential growth experienced by NRCG during the period 2015 to 2019 (Attachment 3).

In contrast, at the close of the 2020 financial year period the NRCG recorded an average 60% drop across all areas of operations, in comparison to the previous financial year, due to the prolonged impacts of COVID-19 restrictions and reduced capacity for participation-based programs (refer to the Annual Report Summary in Attachment 4).

This report examines the current operations of the NRCG, presents a draft Creative Action Plan, and sets out funding options to support recovery from the negative impacts of COVID-19.

Key Issues

- Future Direction of NRCG (via the Creative Action Plan)
- Resourcing of NRCG operations
- Council financial position

Discussion

Draft Creative Action Plan – Future Direction of NRCG

The draft Creative Action Plan (CAP) is presented in Attachment 5. It proposes a pathway for the future of the NRCG, identifying four strategic directions. The directions are supported by a series of creative actions that aim to achieve sustainable growth and continued service provision of high quality arts and cultural activities for the Ballina Shire community and visitors.

The directions are:

- A **Creative Industry Capacity:** Create spaces and initiatives where arts and cultural activity and creative entrepreneurship can thrive (for emerging and established artists, designers, makers and thinkers)
- B **Arts and Cultural Infrastructure:** Coordinated support of arts and cultural infrastructure to ensure cost effective future investment in hard and soft infrastructure and resources.
- C **Engage our Audiences:** Provide opportunities for cross-cultural, multi art form, and intergenerational creative expression for people of all ages, ethnicities and abilities.
- D **Strive for Excellence:** Develop high quality programs connecting audiences with contemporary arts and cultural experiences.

Arts and cultural activity are shown to deliver diverse social and economic benefits. As a regional arts and cultural facility, NRCG programs and services support the employment of local artists and economic development of the creative industry through gallery sales, employing artists to present workshops and events, and spaces for artists to create and collaborate.

NRCG's life-long creative learning programs are based on collaboration and conversation with the Northern Rivers artistic community, and are informed by community aspirations as they change and evolve.

This collaborative, community focused approach to program development is the key driver of NRCG's success and presents a distinct point of difference from the regional gallery model that is more exhibition focused, presenting predominantly high-profile exhibitions from outside the region.

4.6 Northern Rivers Community Gallery - Creative Action Plan and Direction

Although programs are identified as a key point of differentiation for the NRCG and a core part of the future operational model for the facility, the NRCG receives a volume of requests for additional public programs and program partnership proposals beyond the level that can reasonably be accommodated through existing resources (refer Partnership / Program request table – Attachment 6).

In 2018 NRCG asked community members to share their vision for arts and culture in Ballina Shire through an online community survey. The results show an aspirational and creative community who value the contribution of arts and culture.

The draft CAP presents a strategic framework to further consolidate the NRCG as a cornerstone of creative infrastructure for arts and cultural activity in the region and a 'must visit' cultural tourism destination, with the potential to attract professional arts companies, high quality events and programming to the shire.

Current Operations - Impacts of COVID-19 and Reduced Budgets

At the onset of COVID-19 the NRCG was required to close for ten weeks during the period from 23 March through to 31 May 2020. All exhibition programs and grant funded public programs were rescheduled. Other public programs were cancelled or where possible adapted for online learning experiences.

The adapted programs included one adult and one youth term-based arts program. Bright Sparks kids arts and literacy program was adapted as a series of worksheets for parents and teachers homeschooling. Bold Sparks Aged Care creative sessions were adapted as DIY worksheets for aged care facilities and residents.

A new online community art sharing project 'Ap[Art]' was also established inviting community to share artwork created during lockdown via the NRCG Instagram profile.

These programs aimed to maintain an essential level of audience engagement during the physical closure of the NRCG and provided support to a range of community, groups and organisations, particularly parents, teachers and aged care facilities.

Since reopening, the NRCG is experiencing a slow return to previous positive growth trends. Considering NRCG's demonstrated growth from 2015 to 2019 is largely due to propagating NRCG as a site of community activity, through participation-based programs, reduced public program capacity is likely to be significant in the capacity for the NRCG to bounce back from the negative impacts of COVID-19.

Additionally, as a result of negative financial impacts of COVID-19, all core public programs for the 2021 Annual Program have been cancelled. The programs impacted include the Bold Sparks Aged Care creative learning sessions, Bright Sparks School Holiday and After School programs, adult term-based programs, the Bundjalung cultural weaving master class and NAIDOC week workshop programs.

4.6 Northern Rivers Community Gallery - Creative Action Plan and Direction

The available NRCG 2021 financial year budget has been directed to delivery of the Citizen Science workshop series (funded by Museums and Galleries NSW - Audience Development Program - \$10k) presented in conjunction with the 'Speaking to the River' exhibition during March and April; and the Ignite Youth Animator term-based youth program (funded by NSW Government, Families and Community Services – Youth Opportunities Program - \$26k) during April and May.

Gallery Staffing and Program Funding

The NRCG is currently resourced with two, full time equivalent, permanent staff. This includes the Gallery Coordinator, filled as a permanent full-time position and the Gallery Services and Exhibition Officer position.

This Gallery Services and Exhibition Officer position is split on a job share arrangement as Gallery Services (Exhibitions priority), staffed at 21 hours per week, and Gallery Services (Front-of-house priority), staffed at 14 hours per week.

The expansion of facilities and programs over time has resulted in an extensive scope of responsibilities for gallery staff including:

- development and management of over 100 public programs annually
- management of the external workshop facilitator panel
- training and support of increased contract staff
- new and ongoing program partnerships and
- delivery of special grant funded programs.

The expanded programming also has a flow on effect, resulting in an increased need for marketing and promotion tasks across print and digital communication streams.

In summary, recovery from COVID-19, maintenance of existing programs and delivery of continued growth in the operation of the gallery necessitates consideration of how operations are to be managed in the future and in particular relative to the draft CAP.

In terms of external funding, staff have had a long standing focus on seeking and securing grant funding to support both capital works and program needs.

The quality and social impact of NRCG participation programming has meant the NRCG achieves an average 50% success rate in securing special project grant funding from State government funding agencies.

To date Council has successfully secured 13 grants totaling \$472k in external funding (Attachment 7).

Whilst this has been beneficial in building capacity of NRCG's facilities and programs in the start-up phase, short-term funding cycles such as that provided with grant funding, limit capability to:

- develop long-term strategic program plans
- ensure program continuity and quality at a national arts industry level
- retain skilled staffing that is matched with operational needs and
- maintain momentum for the strong audience and program partnership development achieved to date.

4.6 Northern Rivers Community Gallery - Creative Action Plan and Direction

Grant funding should be seen as supplemental rather than fundamental to support the NRCG in the delivery of the draft CAP. However, given the expected financial position of Council in the coming years, the transition to a gallery budget less reliant on grant funding may need to be taken in steps, over time.

Create NSW – Arts and Cultural Programs Multi-Year Funding

Recently, the NRCG submitted an application to the State Government arts funding body, Create NSW, for the highly competitive Local Government Authorities (LGA) – Arts and Cultural Programs multi-year funding. Most arts and cultural institutions of significance are in receipt of this recurrent funding to support core programs and operations.

NRCG has specifically taken a strategic approach to program development over the last seven-year period to establish eligibility and ultimately be competitive within this funding stream.

In 2020 Create NSW reviewed and amended their funding structure and this LGA category is now the only arts funding available through Create NSW for local government arts and cultural programs and facilities.

The LGA funding is highly competitive and traditionally is allocated to large, well established arts and cultural organisations and facilities with a strong national profile. Northern Rivers based recipients of this funding include Lismore Regional Gallery, Tweed Regional Gallery, Northern Rivers Performing Arts (NORPA) and the Byron Writers Festival.

NRCG's 2020 application for the LGA funding sought \$86k pa over a three-year period to support the engagement of two part-time contract positions; a Creative Producer – Public Programs to manage all aspects of public programs including Ignite Studios artist studios and visiting artist program (21 hours); and a Digital Marketing and Communications Officer (14 hours) to support the extensive corporate communications and marketing requirements of NRCG programs and services.

The NRCG's application was unsuccessful however constructive feedback from Create NSW was provided. Overall NRCG's application was ranked number 16 and just missed the funding cutoff, with only 15 programs receiving funding.

In summary the grant feedback confirmed NRCG's application was considered a good application scoring 8 (within a range of 1-11). The application demonstrated expertise for socially engaged programming and the funding would have provided significant benefit to operational and community engagement that would embed meaningful change across the Northern Rivers region.

The feedback also indicated the funding panel considered the proposed activities as core activities that should be funded by Council. Program recommendations included the development of a long-term plan around the expansion of more innovative exhibitions and development of the NRCG profile and associated programs at a national level through marketing and developing key industry partnerships.

4.6 Northern Rivers Community Gallery - Creative Action Plan and Direction

The draft CAP outlines a framework to deliver innovation in exhibition, broader program development and a raised NRCG profile at a national level. The realisation of the strategies outlined in the draft plan and recovery from the impacts of COVID-19 requires consideration of financial and staff resourcing for the NRCG.

Regional Arts Network – Regional Arts Development Organisation

Ballina Shire Council is one of six councils in the Northern Rivers that make an annual financial contribution to Arts Northern Rivers (ANR), one of 13 Regional Arts Development Organisations (RADOs) across New South Wales.

The RADO network is serviced through Sydney based peak body Regional Arts NSW (RANSW) but this is currently being reviewed by Create NSW within the NSW Regional Arts Network Review (Attachment 8).

Established in 2003, ANR is an independent not for profit organisation supported by Regional Arts NSW, Create NSW and the six local governments – Ballina, Byron Shire, Clarence Valley, Kyogle, Lismore and Richmond Valley.

Tweed Shire Council, initially a member of the Regional Arts Network, withdrew its membership contribution in 2019 in consideration of the increased internal investment being made by Council towards arts and cultural development including its museums, galleries and community projects.

The objective of ANR is to support arts and cultural development across each of the local government areas of the contributing councils. The contribution varies depending on the respective population.

Ballina Shire Council has made financial contributions to the regional arts network since its establishment in 2003. Available financial figures from 2010 to 2020 record Council's total financial contribution to ANR is \$245k and the current annual budget allocated for the 2021/22 financial year period is \$23k.

Programs delivered by ANR are of high quality and are developed with a region wide approach to support creative opportunities for individual artists and creative practitioners.

This broad approach is understandable in consideration of the geographical areas serviced by ANR, however Ballina Shire Council's investment in Arts and Cultural development has evolved and a more direct return on investment should be considered.

ANR's 2020 and 2021 forward plans show the scope of programs delivered by ANR and respective reach across all the LGAs for each project but show little change and direct return on investment to support Council's arts and cultural facilities or programs.

Over the last five year period, ANR's programs/activities that have taken place in the Ballina Shire include:

4.6 Northern Rivers Community Gallery - Creative Action Plan and Direction

Year	Program	Location
2017	If These Halls Could Talk – project	Meerschaum Vale Community Hall
2017	If These Halls Could Talk – exhibition	NRCG
2018	NAIDOC Exhibition	NRCG
2021	Restart Funding (\$10k) - NRCG to develop and deliver mentoring to local workshop facilitators	Ignite Studios

Since the establishment of ANR in 2003, Ballina Shire Council's arts and cultural development activities have matured considerably with a more developed delivery framework, the establishment of NRCG in 2007, Ignite Studios in 2018 and a range of other strategic arts, culture and heritage projects being delivered more regularly including public art projects, creative place making and interpretive heritage projects.

In consideration of these factors and in particular the intended outcomes associated with the draft CAP (including a greater focus on deliver of public participation programs), it is recommended that Council withdraw from the Regional Arts Network and reallocate the funds towards the establishment of an internal Creative Producer – Public Programs position within NRCG.

Community Consultation Policy

The draft CAP and options presented in this report have been developed based on research, including ongoing participant and visitor surveys, statistical data and an online community consultation survey. Further consultation on the draft plan will include key industry and community stakeholder group meetings and invitation for written feedback in response to the public exhibition of the document.

The finalisation of the draft CAP follows a Councillor briefing on the plan held on 10 February 2021.

Financial / Risk Considerations

The forecast net cash deficit for the NRCG for 2020/21 is \$358,000 and \$288,000 for 2021/22.

Both the income and net operating deficit of the NRCG has been steadily growing in line with increased service delivery and as Council has gradually increased its overall financial commitment to cultural activities.

This annual income for the NRCG in recent years is summarised in Table 1.

4.6 Northern Rivers Community Gallery - Creative Action Plan and Direction

Table 1: Summary of annual income received by NRCG from 2015/16 to 2020/21

Financials - INCOME	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16
Rental (Café outgoings & Crown Prop)	22,800	32,800	38,900	37,800	37,100	36,000
Bookings Exhibitions	5,600	4,000	12,700	15,800	16,400	11,200
Ignite Studios	13,700	15,700	12,800	5,100	0	0
Commission	4,900	7,600	13,500	22,100	13,700	17,100
Sales – Stock Items	5,300	8,300	11,500	9,500	12,300	11,200
Donations	500	600	900	1,100	1,300	1,000
Workshops / Fundraising	500	8,800	6,000	6,500	4,900	600
Grants – Operating	13,000	57,800	41,300	59,500	13,000	0
Total – Operating Income	66,300	135,600	137,600	157,400	98,700	77,100
Grants – Capital	68,000	0	121,000	0	40,000	0
Total - Income	134,300	135,600	258,600	157,400	138,700	77,100

Ignite Studios and Workshop income budget targets have shown a positive growth and mirror the increased service delivery of leased spaces within Ignite Studios and ticketed participation-based programs.

Despite the negative impacts of COVID-19, Ignite Studios 2019/20 income achieved \$700 over the budget target of \$15,000 and the Workshop/Events income achieved \$3,800 over the budget target of \$5,000.

Table 2 summarises the NRCG annual expenses incurred since 2015/16 financial year, including the net loss each year.

Table 2: Summary of annual expenses incurred by NRCG from 2015/16 to 2020/21

Financials - EXPENSE	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16
Administration	20,800	26,600	31,400	11,200	9,600	7,600
Employee Costs	153,700	235,600	205,200	174,700	155,800	126,900
Regional Arts Subscription (ANR)	21,900	21,900	21,900	21,600	21,300	0
Operations – Utilities / Sundry	39,700	88,900	87,700	71,200	79,300	72,900
Operations – Programs	29,000	37,600	42,300	31,800	31,000	19,600
Grant Expenditure - Operating	7,100	24,500	38,800	7,400	4,900	0
Total - Operating Expenses	272,200	435,100	427,300	317,900	301,900	227,000
Grant Expenditure - Capital	47,300	11,800	166,200	61,200	3,700	15,800
Total – Expenses	319,500	446,900	593,500	379,100	305,600	242,800
Net – Operating Loss	205,900	299,500	289,700	160,500	203,200	149,900
Net - Cash Loss	185,200	311,300	334,900	221,700	166,900	165,700

The 2020/21 figures in Tables 1 and 2 are for the year to date, with the budget for 2020/21 based on an operating loss of \$357,900 (excluding depreciation) and a net cash loss of \$332,000. The forecast for 2021/22 is an operating loss of \$310,000 and a cash loss of \$320,000.

4.6 Northern Rivers Community Gallery - Creative Action Plan and Direction

Social Impact Value

When considering return on investment, it is important to take into account the value of the social impact of NRCG's public programs, which provide accessible creative experiences to the whole community including disadvantaged groups, disability groups, the Aboriginal community, school groups and the ageing population (approximately 30% of Ballina's total population) of Ballina Shire.

NRCG programs and services support income for artists through sales and employment through workshops, increasing 1080% from five paid opportunities in 2015/16 to 59 paid opportunities for 2019/20.

The 2016 'National Arts Participation Survey' conducted by the Australia Council for the Arts identified that 86% of the Australian population acknowledge the many positive impacts arts have on our daily lives. This survey found that Australians believe the arts are critical to social cohesion – reflecting Australia's diversity; shape and express identity; and create empathy, understanding and connection. The study revealed 98% of Australians engage with the arts and 46% creatively participate in the arts.

NRCG's social impact programs include provision of subsidised spaces and workshops and a range of free programming including the school's arts and literacy program, the Bold Sparks lifelong learning sessions for aged care facilities and other one-off community outreach programs via the funded visiting artist-in-residence program and external government grants.

Table 3 provides a summary of community participation since 2014/15.

Table 3: Summary of community members and artists engaged through NRCG and Ignite Studios programs and activities between 2014/15 and 2018/19 financial years

Program	No. Artist's Paid	No. Programs	Community Participation	Community Partners
1000 Words – Schools Arts and Literacy Program	3	31	1395 kids	21 schools
Bold Sparks Lifelong Learning	26	26	453 aged care residents and carers	6 aged care facilities
Visiting Artist-in-Residence Outreach Programs	5	9	203 community	6
Core Public Programs	163	211	2,387 general community	N/A
Subsidised Creative Spaces	17 (supported)	5	N/A	N/A
TOTAL	214	282	4,438	33
Artist sales (shop & exhibition)	224	Total Artist Income	\$222k*	N/A

Note: Above statistics for the period 2014/2015 to 2018/19 at commencement of public participation programs (*includes wholesale and consignment artist payments).

NRCG Income Generation

The NRCG continually explores opportunities to leverage income streams to reduce the overall operating deficit. The current income streams rely on:

- gallery shop and exhibition sales
- ticket sales from workshops

4.6 Northern Rivers Community Gallery - Creative Action Plan and Direction

- visitor donations
- external grant funding
- gallery exhibition fees and
- leasing of artist studio and workshop spaces in Ignite Studios.

The Gallery has also recently developed soft infrastructure to facilitate philanthropic donations, which includes a printed gifting prospectus booklet and the establishment of a donations/gifting portal on the [Gallery website](#).

Current resource limitations and a limited demographic of significant donors, not already committed to more established arts and cultural institutions in the area, impact on the NRCG's ability to pursue significant philanthropic support. SEIFA index for relative socio-economic disadvantage (IRSD) shows the profile of Ballina Island is well below the national standard, and is ranked in the bottom 10% of the national percentile average, which presents significant challenges to increase income through ticketed event sales.

Income potential through special corporate event hire of the gallery is also limited due to current lease arrangements with the Gallery Café.

Options

The strategic priorities identified in the draft CAP set out a vision to strengthen NRCG's position as a cultural destination based on robust arts and cultural development and innovative programming.

Short term priorities include recovery from the impacts of COVID-19, revision and adaptation of programming, enabling consistency, retention of skilled staff and reduction of the reliance on short-term grant based funding for primary activities foreshadowed under the draft CAP.

The growth of NRCG, stimulated by the expansion of participation-based programs, shows strong community desire for high quality arts and cultural activities in the Ballina Shire. Increased and continued investment presents an opportunity to assist in the post-COVID recovery strategy and future sustainability of NRCG and Ignite Studios.

Over the last seven year period, there has been significant investment in business development activities to build capacity of NRCG to engage new arts and non-arts audiences and develop strategic program partnerships (such as the Byron Writers Festival, Southern Cross University, Splendor in the Grass and a host of other non-arts community groups).

There is a risk that if programs are not re-instated this calendar year, momentum will be lost on the significant audience and business development achieved since 2015.

Four options with a varying scale of resource commitment are presented to allow consideration of the future direction of the NRCG and recovery from the negative impacts of COVID-19.

Regardless of the option supported by Council, it is recommended that Council endorse:

- the draft CAP (Attachment 5) for public exhibition, and

4.6 Northern Rivers Community Gallery - Creative Action Plan and Direction

- withdrawal from the Regional Arts Network and redirection of the yearly contribution to ANR towards resourcing of the NRCG.

Option 1 – Maintain 2020/21 operational budget.

The 2020/21 operating budget, excluding depreciation is \$357,900. This budget is based on a decreased level of resourcing from the 2019/20, due to lower operating grants, and in turn an associated decreased level of service, particularly in relation to the delivery of community programs and activities.

With the exception of two funded programs (the Citizen Science Workshop series and the Ignite Youth Animator) scheduled during March to May 2021, other NRCG public programs will not run this financial year.

This approach enables NRCG to operate at a modest level and limits growth opportunities and delivery of the draft CAP, and particularly public programs, in the short term.

This option represents a holding pattern for the gallery.

Option 2 – Provide pre-COVID-19 budgets and increase gallery staff positions

Item	Option 2 – Item Description	Budget Increase (\$)
1	Provide pre-COVID program budgets (including exhibition and various program budgets) that were being funded, in part, from grants and increased revenue	20,000
2	NEW - Gallery Public Programs Officer (Creative Producer) – 21 hours per week	50,000
	Total	70,000

Whilst not the preferred option to maximise the delivery of the draft CAP and COVID-19 recovery, this option would enable achievement of existing service delivery expectations including reinstatement of some core programming such as the Bright Sparks School Holiday program; Cultural Weaving programs and 1-2 Adult programs.

Currently, the Gallery Exhibitions Officer and Gallery Services Officer (Front-of-House) positions are challenged by service expectations being above what is practically achievable within the current allocated hours.

An additional position designated to the delivery of public programs (Creative Producer) would provide capacity for the advancing of the core objectives around public programs and reinforcement of this point of difference for the NRCG.

Overall though, this option may be difficult to achieve in full in the current financial circumstances faced by Council. Given this, a sub option in this regard is for Council to focus on funding a part time position dedicated to public program delivery at a cost of approximately \$50,000. This could be partly funded by reallocation of the ANR contribution of \$23,000 and redirection of a \$5,000 art acquisition budget (leaving a \$22,000 shortfall).

In the financial circumstances, the option of funding a part time public programs officer (creative producer) is the recommended approach.

4.6 Northern Rivers Community Gallery - Creative Action Plan and Direction

Option 3 – Increase budget to deliver additional programs and reduce reliance on grant funding.

Item	Option 3 – Item Description	Budget Increase (\$)
1	Provide pre-COVID program budgets (including exhibition and various program budgets) that were being funded, in part, from grants and increased revenue	20,000
2	NEW - Re-establish funded Visiting Artist-in-Residence program – 3 x artist per year	9,000
3	NEW - Gallery Exhibitions Officer – increase from 21 to 28 hours per week (7 hours)	18,000
4	NEW - Gallery Services Officer (front-of-house) – increase from 14 to 21 hours per week (7 hours)	18,000
5	NEW - Gallery Public Programs Officer (Creative Producer) – 21 hours per week	50,000
6	NEW - Outsourcing approx. 30% Communications plus Marketing	25,000
	Total	140,000

This option is a sound approach from a gallery perspective to achieve the key outcomes in the draft CAP in the medium term and maximise potential for a rapid recovery from COVID-19 impacts. This approach enables the NRCG to review and adapt core public programs to maintain audience and community development strategies.

The appointment of a dedicated Creative Producer focused on the development and production of NRCG and Ignite Studios programs will support the objectives outlined within the CAP to develop robust, innovative programs recognised at a national arts industry level.

This option would also alleviate the need to spend a significant amount of staff resources in pursuing unguaranteed grant funding in delivering core services, as experienced prior to COVID-19 restrictions. Staff expertise would be matched with job specific requirements and support skilled staff retention and greater levels of job satisfaction and productivity.

This option also supports a more strategic approach to marketing activities with addition of funding to outsource 30% of digital communication and marketing requirements to raise the profile of NRCG.

The NRCG would likely be positioned more competitively for receiving State Government concurrent multi-year funding, whilst improving agility to pivot programs in response to social or environmental circumstances inherent with regional community needs, if this option were to be endorsed.

In light of the overall financial position for Council, this option should be considered more aspirational.

4.6 Northern Rivers Community Gallery - Creative Action Plan and Direction

Option 4 – Achieve the Creative Action Plan in as short a timeframe as possible.

Item	Option 4 - Item Description	Budget Increase (\$)
1	Provide pre-COVID program budgets (including exhibition and various program budgets) that were being funded, in part, from grants and increased revenue	20,000
2	NEW - Re-establish funded Visiting Artist-in-Residence program – 3 x artist per year	9,000
3	NEW - Gallery Exhibitions Officer – increase from 21 to 35 hours per week – Full time position (additional 14 hours)	32,000
4	NEW - Gallery Services Officer (front-of-house) – increase from 14 to 28 hours per week (additional 14 hours) – Part-time four days	32,000
5	NEW - Public Programs /Creative Producer 35 hours per week - per annum – Full time	85,000
6	NEW - Communications - Marketing Officer 28hrs per week - per annum – Permanent part time four days	72,000
7	NEW - Curated Exhibition budget	15,000
8	NEW - Cultural destination wayfinding signage	5,000
9	ADDITIONAL - Increase to advertising/promo budget	5,000
10	NEW - R&D new creative business model of NRCG	5,000
11	NEW - Green landscaping for existing external space - Ignite Studios	16,000
12	NEW - R&D new creative precinct and development of masterplan	40,000
	Total	336,000

This option would enable the NRCG to fully commence implementing first stage research and development strategies contained within the draft CAP and achieve its vision in a much shorter timeframe than the other options presented in this report would allow.

This funding option strengthens NRCG's ability to deliver long-term vision and implementation plans to achieve national standards of excellence in arts and cultural programming.

Significant benefits to the community, through social impact programs and economic development for the local creative industry through increased employment opportunities and diversified revenue streams for the NRCG, would be provided through this option.

It would ensure hard and soft infrastructure is fit-for-purpose improving amenity and efficiency.

Operating under this option would position NRCG as highly competitive both locally and nationally for State and Federal Government arts funding.

This level of commitment is not recommended at this time due to the financial circumstances projected for Council in the next few years.

Ultimately, this type of approach is more likely to be achieved by progressive funding increments over time.

4.6 Northern Rivers Community Gallery - Creative Action Plan and Direction

Option 5 – Defer consideration of this report and the draft CAP

Council could defer consideration of the options presented in this report and public exhibition of the draft CAP to seek further information. This option is not recommended as the report has been prepared on the basis of feedback from the Councillor briefing held February 2021.

The recommendation that follows is option three, with the provision that the additional net cost of the part time position is to be funded from savings in other Council programs, with those savings to be reported back to Council at the June 2021 Ordinary meeting, when the Delivery Program and Operational Plan is adopted.

Council cannot continue to operate beyond its financial resources and savings need to be made when additional costs are added to the organisation.

RECOMMENDATIONS

1. That Council notes the contents of this report relating to the strategic future of NRCG operations and funding options.
2. That Council endorses the public exhibition of the draft Creative Action Plan, as presented in Attachment 5 to this report.
3. That Council endorses the inclusion of a part time public programs officer (creative producer) for the NRCG as outlined in this report in the 2021/22 workforce plan, subject to points four and five.
4. That Council approves withdrawal of the \$23,000 annual Regional Arts Network contribution and redirection of the contribution towards resourcing of the NRCG (through the employment of a part time public programs officer as set out in point 3).
5. That the net additional operating cost of the new position in point three, is to be funded from savings in operating costs across the organisation, with those savings to be reported back to Council at the June 2021 Ordinary meeting, as part of the adoption of the 2021/22 Operational Plan and Delivery Program.

Attachment(s)

1. Participant Impact Statements
2. NRCG Growth Table
3. NRCG Growth Influences Table
4. Annual Report Summary
5. Draft NRCG Creative Action Plan
6. Partnership/Program Request Table
7. Funding Table
8. Create NSW – Regional Art Network Review

Attachment 3: Lifelong Learning Social Impact Statements

SCHOOLS PROGRAMS

"The best literacy in-service I have seen in 10 years!"

Greg Thomas, Teacher – Ballina Public School

"I was brought to tears by the combination of the literacy by young children and the artworks in this exhibition"

Gallery Visitor

"The students found such inspiration for their writing pieces and to have the opportunity to display this with the original artwork, in a gallery, is outstanding. It was wonderful reading the students different writing perspectives on the same artwork...to see the students drawing inspiration from artworks that they found a connection with.. Furthermore, the professional learning that our teacher has gained from being part of this program has enhanced how she and others teach creative writing across our school.

Rebecca Denning, Principal – Tregeagle Public School

"A phenomenal experience with the 1,000 Words program as part of the exhibitions"

Gallery Visitor

"On the flimsy craft and fluffy white clouds, I see an anxious pilot sailing the vast unbounded sky.

The delicate wobbly plane might just take the anxious pilot on his journey"

by Monty, Age 7

"The 1000 words program has opened their eyes to the opportunities and experiences that our local gallery can provide...this program is responsible for instilling the long term benefits of art appreciation in these children's lives. I have seen and heard the excitement and joy that students experience from participating.....The Program has led to some wonderful additional art opportunities for our students at Empire Vale. Rohan, Year 6 had his artwork created as part of 1000 words selected to go on exhibition in the NSW Arts Unit run 'Operation Art' Exhibition in Homebush, Sydney. Lillian, Tayla, Sally Hien and Molly (Year 6) had their artworks selected to go on exhibition in Nagoya, Japan, as part of the Nagoya Sister City Art Exchange.

Karen Rantissi, Teacher, Empire Vale Public School

"The children were really engaged in the co- construction of the Haiku poem , it was very suitable for this age group and relevant to our Literacy program. We are so fortunate to have such an excellent resource here in Ballina and we hope we can continue to be involved"

Stephen Seymour and Marg Gill
Holy Family School Skennars Head



Images: School Engagement programs in the Gallery and Word Bank alongside the artwork as part of the 1000 Words Arts & Literacy program. Artwork by Tanja Taljaard

Attachment 3: Lifelong Learning Social Impact Statements

GENERAL PROGRAMS

Boldsparks: Creative Life Learning Program

"The ability for our residents to meet and enjoy the company of other Aged Care residents rarely happens and it was a delight to see them socialising. Jeht and the team provided an achievable and fun project for us. To sit, weave and talk together in such a creative and inspiring environment as the Ballina Art Gallery was beautiful."This is a fantastic program that gives our Seniors a wonderful way to socialise, learn and feel a part of the wider community."

*Bec Stephens, Positive Living Assistant ,
Feros Village Byron Bay*

The Bold Sparks program has been of great benefit to the residents of Baptist Care and we all dearly hope that this lifelong learning program will continue. It gives the residents the opportunity to express themselves through different art techniques and this enables them to feel a sense of pride at what they have accomplished. The residents enjoy viewing the different art exhibits displayed at the Northern Rivers Community Gallery and this allows them to feel a part of the community.

*Samantha Tuck, Leisure & Lifestyle Coordinator,
Baptists Care*

"Before they went to the workshop there was lively discussion about the project that was to be worked on, and upon returning to the facility there was pride and a sense of achievement as they proudly showed the finished art works to their fellow residents. These artistic creations were then displayed in a "gallery" in our dining room at the facility for everyone to see.

As well as enjoyment and fun the therapeutic benefits our residents gained from these workshops include: A sense of accomplishment, leading to a boost in mood and self-esteem, Socialisation and opportunity for communication reminiscence, an outlet for self-expression, Learning new skills and a char to utilise talents they previously enjoyed, maintaining motor function, dexterity and hand eye coordination, an increase in concentration and mindfulness."

*Helen Dein
Manager Leisure and Lifestyle Department
St Andrews Village Ballina.*

Program Partner Feedback
Sprung Integrated Dance Theatre

"I write in support of the social impact of the Northern Rivers Community Gallery that we have witnessed personally. In 2013 Sprung!! was invited to exhibit a series of photographs from our first integrated dance workshop as part of Youth Week at NRCG, to ensure that our young dancers with disability had a "place at the table" as emerging artists in the region.

We also exhibited and performed at the Gallery in 2015, and in 2018-19 have been invited to participate in a residency with emerging young digital artist Andrew Christie. This project has been an extremely fruitful collaboration, introducing our dancers and tutors to the world of virtual reality, and through virtual reality, introducing real and potential audiences to the worlds of our dancers with disability in their vivid, highly specific imagery and humour. It has also been wonderful watching the dancers grow in confidence and professionalism through the experience."

Robyn Brady, Producer, Sprung! Integrated Dance Theatre

Artist Feedback

"I am an interdisciplinary artist located in Lismore NSW. In 2007 I was in a severe car accident and sustained Mild Traumatic Brain Injury a permanent disability. In 2015 Epicormia Collective was formed, all artists with disabilities, and we held a group exhibition at NRCG in late 2016.

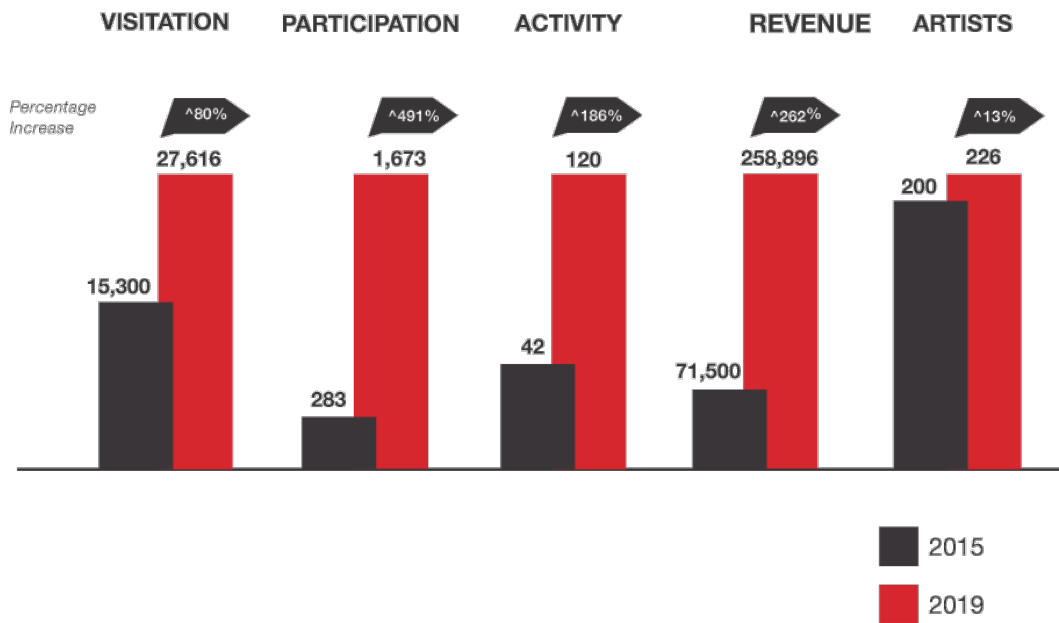
As a result of this exhibition and support provided by Northern Rivers Community Gallery, I have since secured a national Australia Council for the Arts Multi-Arts grant and have completed an ambitious body of work Museum of My Friends # 1, including an interactive screen sculpture that was based from that first exhibition "Unravelling. The work was exhibited at Lismore Regional Gallery this year and Gunnedah in 2018 with bigger exhibitions on the horizon. Other co-exhibitors Julie Milner Barratt and Jeremy Hawkes have also benefited greatly. Jeremy is currently in Berlin under a much covered Create NSW fellowship and has also secured the first round of Disability mentorships with the Australia Council for the Arts.

Marion Conrow, Artist

Attachment 1

NRCG Growth

2015 - 2019



PERCENTAGE INCREASE

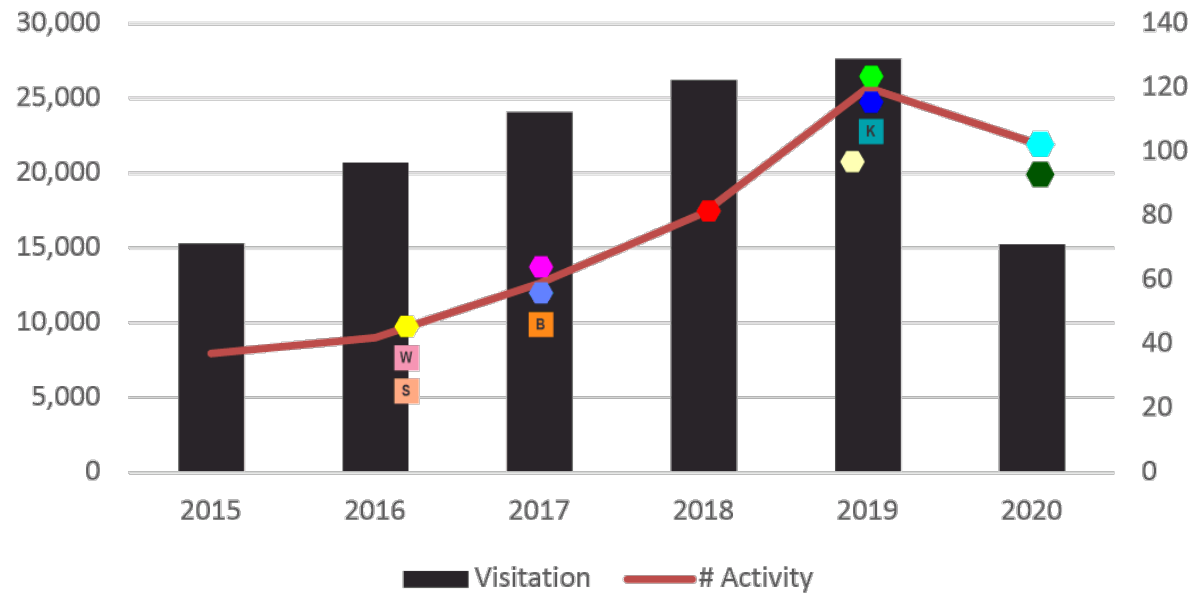
• VISITATION	::	80% ↑
• PARTICIPATION	::	491% ↑
• #ACTIVITY	::	186% ↑
• REVENUE	::	262% ↑
• #SCHOOL VISITS	::	325% ↑
• #STUDENTS	::	1229% ↑

- Prior to 2015 visitation growth averaged 26% per annum between 2007 to 2014 with some years dropping to negative growth. (2008 = 5,775; 2014 = 16,472)
- Sole programming during this period were exhibitions with 0-2 kids workshops presented annually.

Attachment 2

NRCG Growth

Trends/Influencers



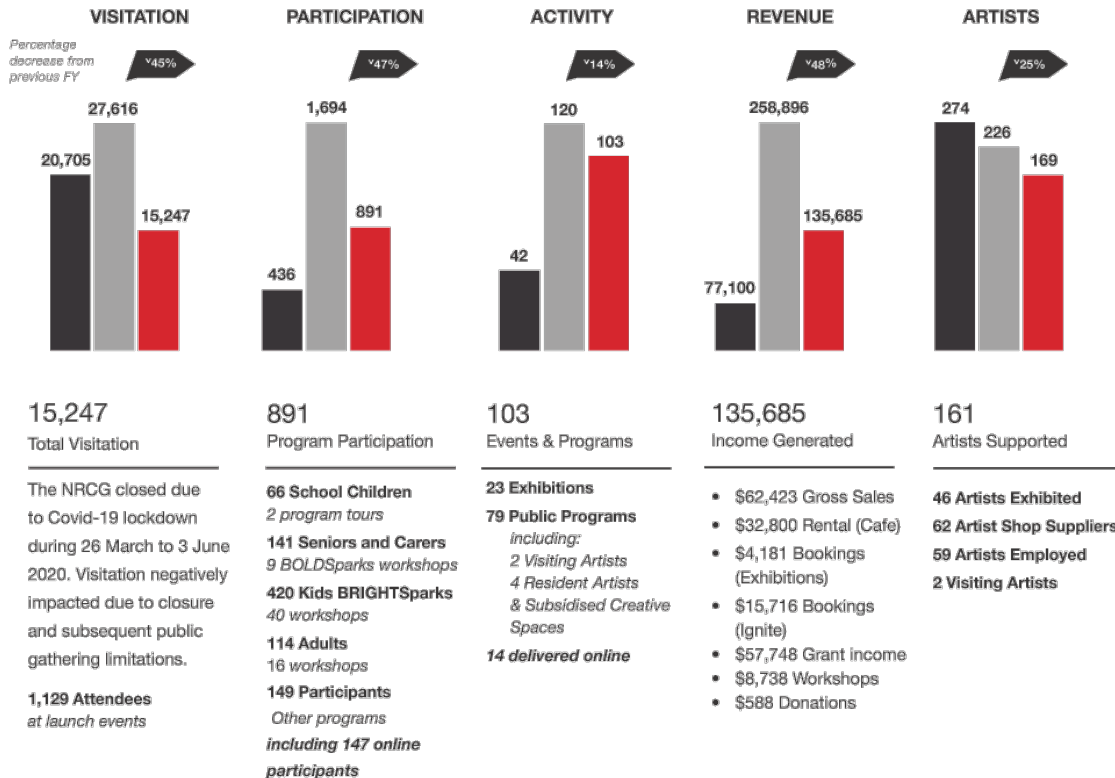
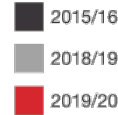
- ◆ Schools - Arts and Literacy Program commenced
- W Gallery website launches + printed Annual DL
- S Gallery Social Media launches
- ◆ Bold Sparks commenced
- ◆ Introduce internally curated exhibitions + BSA & SCU Student Graduate Awards
- B Transition to online bookings for Workshops
- ◆ Ignite Studios Opens - programs start
- ◆ Ignite Studios - programs expand // Adult classes + outreach + partner programs
- ◆ Exhibition period changes from 4 - 8wks
- K Registered for Creative Kids
- ◆ Schools - Arts and Literacy Program ends
- Covid-19 - closed for 10 wks - group gathering limits
- All participation programs cancelled
- Program budgets drastically reduced
- ◆ National Art Prize introduced to program (BAM Partnership)

Attachment 3



Northern Rivers Community Gallery & Ignite Studios @NRCG

2019-20 Statistics



2020 OVERVIEW

The Covid-19 crisis required the NRCG and Ignite Studios to temporarily close its doors from 25 March until 3 June. Programs were rescheduled during this period where possible however some were also cancelled. During the lock-down period NRCG team quickly responded to the unprecedented circumstances to reimagine a range of targeted creative programs to an online digital format to maintain connection and support community during lock-down.

Emergency response arts funding was sought through various state and federal government opportunities to transition NRCG programs online. One application for \$3K was successful through the Regional Arts Fund (RAF).

Since reopening on 3 June 2020, despite the innovative reimaging of NRCG and Ignite Studio programs, the essential closure and ongoing restrictions for group events and public gatherings have resulted in a significant downturn negatively impacting all areas of operations.





Abstract Painting - Adult Creative e-Learning program

Re-imagining our popular adult art programs this course continued NRCG's reputation of presenting highly sought after skills development term based workshops for adults during lock-down. The program was designed to provide a creative, hands-on approach to learn about abstract art and developing painting skills for all skill levels.

This six session course gave participants a brief overview of the history of abstract art, explored fundamental mark making, shape and form, colour theory and composition. Each weekly tutorial provided step-by-step activities and web links to explore for further research and included audio-voice over presentations and a private facebook tutorial group providing opportunity for participants to share ideas, discussion with each other and the facilitator.

17 enrolments | 111 social media audience engagement

Image: Participant colour study - Online Abstract Painting Workshop



Abstract Photography & Light Graffiti – Youth Creative e-Learning program

Despite lock-down and determined to still celebrate national youth week the NRCG transitioned our highly popular National Youth week programs to the digital world.

Presented as a dynamic free, live online course over four weeks, students were introduced to abstract photography and light graffiti with award-winning, local photographer Natalie Grono. Young people aged 12-18 were tutored about photographic self-portraits, open aperture, light graffiti and multiple exposure photographs through a series of fun and inspired photographic sessions to learn basic camera and photographic skills. Each week included a 1-hour online session, downloadable PDF workbook and weekly photo-challenges.

10 enrolments | 214 social media audience engagement

Image: Participant photographic work - Online Abstract Photography Workshop



AP[ART] - ISO digital community art project

AP[ART] was a quick-response digital community art project developed to maintain connection and reduce the social impacts of feeling isolated during the early stages of the COVID-19 lock-down. Artists and Community Members were invited to share their creative response to this unprecedented time through a digital social media Campaign celebrating art and creativity and connecting community.

8 artists featured

social media audience engagement:
696 engagement | 6,522 reach



Bright Sparks + Bold Sparks online programs

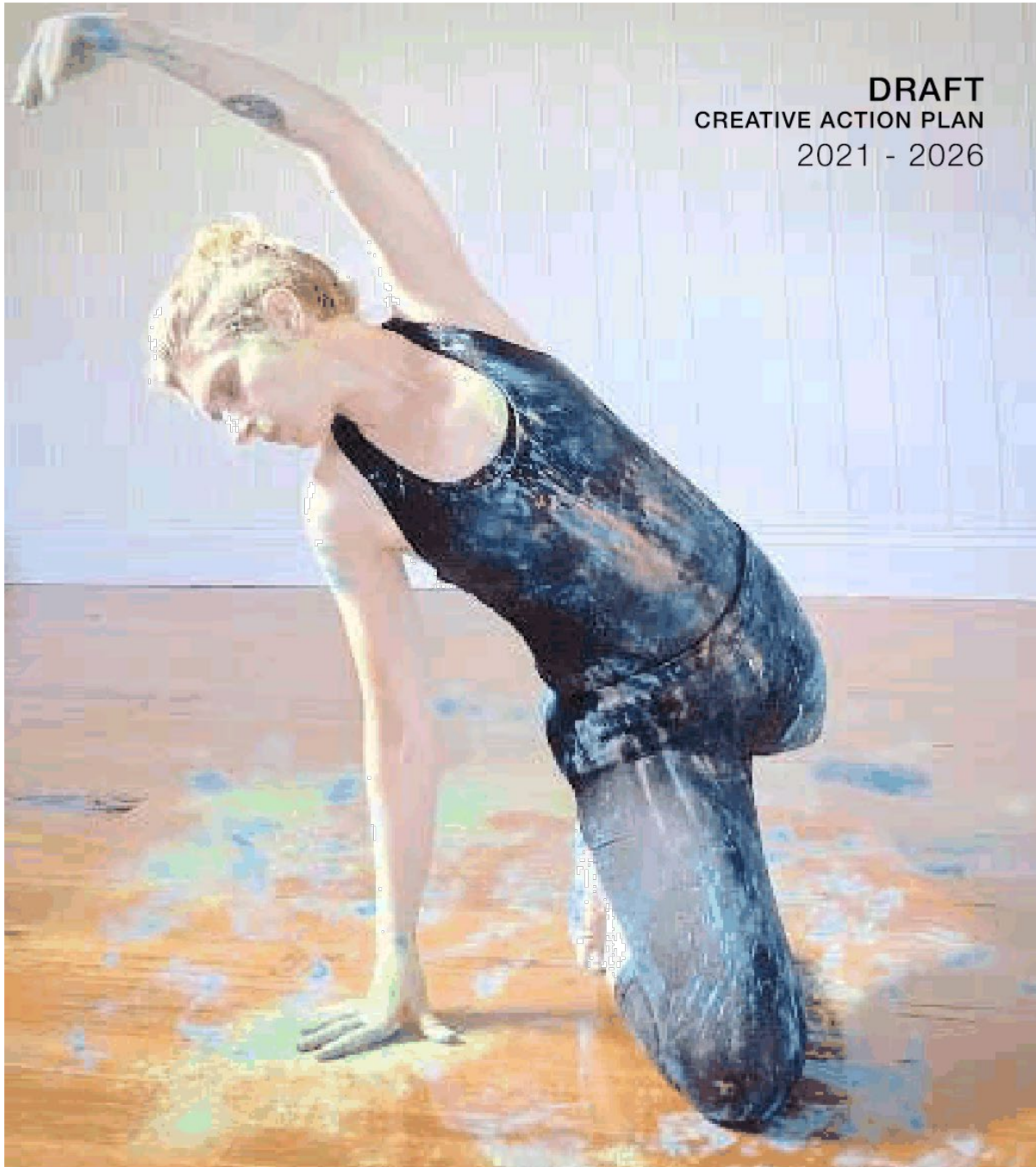
Two of NRCG's core lifelong learning programs, *Bright Sparks - Kids Art program* and *Bold Sparks - Aged Care creative learning program* were adapted as online resources to support teachers, parents and carers from Aged Care providers during lock-down.

Developed by professional educators, free weekly creative activity resource packs were emailed directly to subscribers inbox providing step by step instructions and tips on a range of art-making activities.

90 Bright Sparks subscribers

17 Bold Sparks Aged Care Providers

Images: Digital Creative Worksheets - Bright Sparks (above left) and Bold Sparks (above right) (left) Ap[art] At home art sharing from Ap[art] social media project



**NORTHERN RIVERS COMMUNITY GALLERY
& IGNITE STUDIOS**

Cover Image: Jolene Maleficent, Artist at Work in the performative act of creating her work (courtesy of the artist)
Image: (right) Dubayjar Mindjelah Dancers perform at the opening of Ignite Studios



Acknowledgements

Acknowledgement of Country

Ballina Shire Council and the Gallery acknowledges that we are here on the land of the Bundjalung people. The Bundjalung people are the traditional owners of this land and are part of the oldest surviving continuous culture in the world.

Community Support

The Council, as the operator of the NRCG, and Council staff recognise the numerous volunteers who energetically fulfill various roles and give freely of their time at the NRCG.



Image: (above) BAM National Art Prize in the Gallery - Judges, Brett Addlington and Susi Mudiman selecting the winning artwork
(right) Schools Arts and Literacy Program school visit in the Gallery

CONTENTS

Acknowledgements	3
Introduction	7
Why invest in arts and culture?	8
Ballina Shire: The opportunity	11
NRCG & Ignite Studios: Our Background	12
NRCG & Ignite Studios: The Opportunities	13
Creative Life Long Learning outcomes	14
Strategic Directions	17
Implementation and Resourcing	27
Appendix 1: Local, State, National Policy Context	28
Appendix 2: Community Aspirations	31





Introduction

This plan's intent is to provide a clear framework to guide NRCG's operations, creative programming and infrastructure development over the next five year period as a pathway to further consolidate NRCG as a major community engaged multi-arts facility of national significance.

The provenance of NRCG as a community managed Gallery space has played a significant role in shaping the unique focus underpinning its core operating principles of access, equity and participation.

Since commencing operations in 2007 the NRCG has established itself as an important community engaged cultural institution, distinct from the Regional Gallery model, NRCG programs are shaped by curatorial collaboration and conversation with the national artistic and Northern Rivers community, and community aspirations as they evolve, delivering accessible, participatory arts programs in the Northern Rivers.

Whilst the NRCG has celebrated consistent growth across all areas since commencing operations, the implementation of participation-based arts and cultural programs commencing in 2016 with the schools arts and literacy program through to the establishment of Ignite Studios in 2018 saw attendance numbers sky rocket by 30% from 15,300 in 2015 to 20,705 in 2016 and jumping another 28% by 2019 reaching 27,616 in overall visitation.

These statistics, combined with visitor survey data has informed the development of NRCG programming to date and form a central consideration for the priorities mapped within this plan as a niche opportunity to further expand on and develop innovative participation-based multi-arts experiences for the region.

Central to the continued success of NRCG is ensuring a resource and management structure to increase audience reach, attract core program partners, support local artists and creative industry and increase revenue stream and funding opportunities.

Image: (left) Introduction to Abstraction - Adult term based workshop skills development program in Ignite Studios

The NRCG is at a pivotal moment of evolution from its early years as a gallery solely presenting artworks through an annual exhibition program to being a multi-arts facility demonstrating strong community engagement and broad social impact through participation-based programs, employment opportunities for regional artists and subsidised creative spaces supporting regional arts engagement and development generating cultural tourism and economic development for the region.

Key challenges for NRCG to continue charting this successful path include securing ongoing core funding, adequate skilled staffing matched with services and fit-for-purpose hard and soft infrastructure, maintaining a high quality point of difference to the Regional Galleries located within the immediate geographical area that include Lismore Regional Gallery, Tweed Regional Gallery and Grafton Regional Gallery. Additionally the newest challenge is ensuring operations can remain agile with the ability to pivot and adapt programs in response to the prolonged negative operational impacts of Covid-19.

This plan was developed on evidence based research including ongoing participant and visitor surveys, statistical data and an online community consultation survey. Further consultation will include key stakeholder and community group meetings and written feedback in response to this draft plan during the public exhibition period in addition to a direct briefing session with elected Councillors.

The strategic priorities for arts and cultural development within the Ballina Shire outlined in this plan build on the strategic planning actions already contained within Council's Community Strategic Plan 2017 – 2027 (CSP), Our Community : Our Culture, Ballina Cultural Plan 2014 - 2020 and the Delivery Program and Operational Plan 2019 – 2023.

Why invest in the arts?

The value of arts in our culture and community

Arts and culture help to create outstanding places to live, work and play. They are integral to liveable, thriving places: impacting economic development, tourism, placemaking and education; as well as supporting the health and wellbeing of our communities.

Creative Industries are recognised indicators of innovative economies in the 21st century. They are shown to attract and retain a skilled workforce including young people, enhance local economies, and build entrepreneurship and innovation.*

Ballina Shire Councils' investment in the arts delivers significant cultural, social and economic returns to the community. These returns include income for artists, promoting inclusion, an active and engaged community with a sense of belonging; and, delivering opportunities for participation, learning and fun.

In this Plan 'culture' is defined as the production, distribution and participation in creativity by the community and visitors, and the reflection and expression of its customs, traditions, heritage and

social character. This is composed of creative endeavors such as visual arts, literature, performing arts and public art.

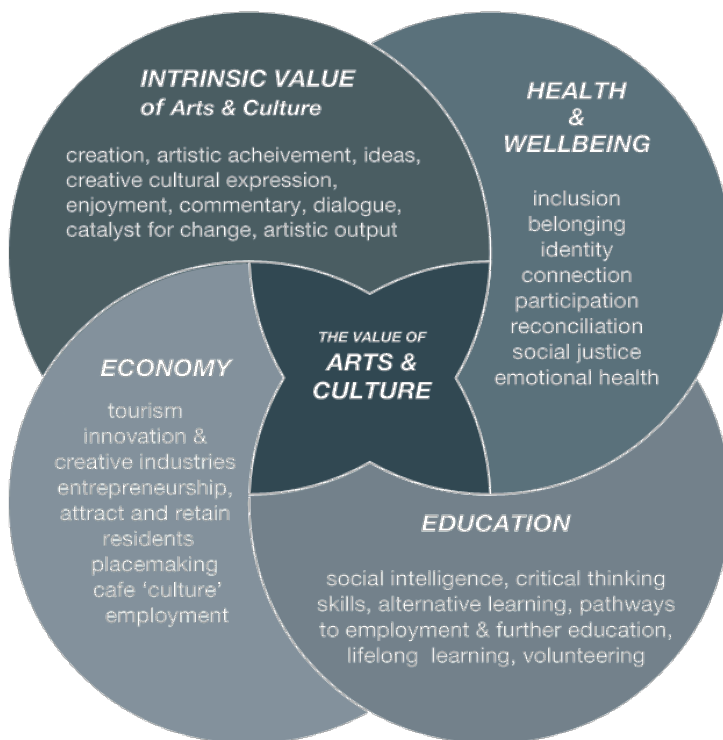
Northern Rivers Community Gallery (NRCG) and Ignite Studios social impact programs creatively enrich the lives of residents and visitors and achieve important outcomes beyond 'art for arts sake'; such as improving childrens' literacy skills, or decreasing social isolation for the elderly in the community.

As a regional arts and cultural facility our programs and services support the employment and economic development of local artists and creative industry through gallery sales, employing artists to present workshops and events and provide subsidised spaces to create and collaborate.

The arts offer an alternative approach to connect with young people who are disengaged or struggle with conventional education, as well as promoting skills that are increasingly critical to preparation for work in the 21st century - resilience, problem solving, social intelligence and entrepreneurship.

*"The benefits of culture and the role it plays in supporting population growth, urban development and community wellbeing have been demonstrated internationally.... Forward-thinking governments around the world are making major investments in a diverse range of cultural infrastructure to support the happiness and wellbeing of citizens...The cultural and creative industries are increasingly important to New South Wales' economy. This trend will continue with a long-term transition away from manufacturing towards a service-based economy."**

*NSW Government Cultural Infrastructure Plan 2025 +



98%

of NSW Residents engage with the arts

87%

of NSW Residents think it is very important to have cultural activity in their local area

3/4

Almost ¾ of Australians believe the arts make life richer and more meaningful *

\$13

billion - the amount Cultural and heritage visitors spent in Australia in 2017, up 53.2% from 2013**

66%

of Australians believe arts have a big or very big impact on their understanding of other people and cultures.*

6.5%

Creative industry businesses make up 6.5% of all New South Wales businesses*

“Tourists making day trips or longer overnight visits to regional towns are more likely to visit their local museum and art gallery than stop at wineries or theme parks”*

The Arts are a bigger drawcard for international tourists than wineries, casinos or sports, with international visitors particularly interested in First Nation arts and cultural experience*

* (2019/2020 statistics released by the Australia Council)



Ballina Shire: The Opportunity

A community recognised nationally and internationally for thriving creative industries and exciting arts and cultural opportunities

Ballina township is identified in the NSW Governments' Far North Coast Regional Strategy as a developing major regional centre with forecast 19.6% population growth and demographic changes with approximately 80% of our residents being under the age of 65. The Ballina Major Regional Centre Strategy 2015-2035 outlines what needs to be done to accommodate these changes to ensure existing and future residents and visitors continue to enjoy world-class quality of life. The plan identifies arts and creativity as key strengths of the region.

In response to the increase in density and changing social landscape, Council will plan and develop arts and cultural infrastructure to ensure a variety of cultural experiences and opportunities are available to all residents, including growing numbers of young people and families.

Arts and culture are shown to deliver diverse social and economic benefits. Building local creative vibrancy will capitalise on Ballina's existing lifestyle assets such as its natural environment, year-round mild climate and outdoor lifestyle, central location within the Northern Rivers region, riverside and beach side CBD location.

Councils' role is to build creative capacity and support spaces where arts and cultural activity can flourish.

Supporting the cultural and creative life of the community may involve resources or infrastructure that: enable creative practice; encourage artistic interventions in public spaces; activate open spaces; amplify voices in community and support community groups,

through exhibitions and programs; reduce regulatory barriers for cultural activity; or, by addressing the scarcity of affordable space for artists and their creative endeavours.

Draft actions outlined in this plan are informed by local, state and national government, arts industry policy context (Appendix 1), arts industry trends, benchmarking and research, and direct stakeholder engagement through participation and online survey data (Appendix 2).

Future planning should set out a coordinated approach for the development of cultural infrastructure and resources across the shire, ensuring a cost effective, strategic approach to arts and cultural development.



image: (left) Five Writers Road Trip Event - Byron Writers Festival Partner program; (above) Bright Sparks - Deck Art Kids Workshop

NRCG & Ignite Studios: Our Background

NRCG programs foster and ignite creativity, and build community connection through the arts.

The Northern Rivers Community Gallery (NRCG) is a significant regional cultural hub in the Northern Rivers region of New South Wales, encompassing local government areas of Ballina, Byron Bay, Clarence Valley, Kyogle, Lismore, Richmond Valley and Tweed.

NRCG exhibitions and programs promote critical thinking, creative exploration and social inclusion; and connect makers and audiences with creative opportunity.

NRCG programs act as a catalyst for artists and community to explore ideas and forge collaborative exchanges.

As a community gallery NRCG is guided by a unique artistic mantra based on the principles of access, equity and participation – delivering arts many benefits through engagement, activity and learning.

The gallery features four exhibition spaces and presents a range of professional, multi-arts and cultural programs. Projects are initiated

by local and national artists, arts professionals and cultural and community groups. Uniquely, the NRCG provides opportunities for emerging and established artists nationally to hire galleries and exhibit and sell their work under subsidised arrangements, as well as presenting touring exhibitions and in-house curated programs. The gallery charges low-cost hire fees and commissions on all sales and is manned by a dedicated team of volunteers and staff.

In 2007 Ballina Shire Council established the Northern Rivers Community Gallery (NRCG) in the historic former Ballina Municipal Council Chambers built in 1927. Adjacent to the gallery in the same building is the popular Ballina Café.

In 2018 NRCG expanded into the heritage-listed, former Ballina Fire station, which reopened as Ignite Studios. Ignite Studios is Ballina's newest multidisciplinary creative space providing dedicated, fit-for-purpose, creative industries spaces for studios, residencies, projects and events. Ignite Studios supports regional arts and cultural development through the provision of subsidised creative industry studio spaces and professional development programs including master classes and the visiting artist program. NRCG's diverse programs

and community initiatives emphasise life-long creative learning for all members of the community.

NRCG's life-long, creative learning programs are shaped by collaboration and conversation; and have grown with community aspirations as they change and evolve. Gallery program highlights include *Bold Sparks Lifelong Learning Program* for aged care residents, the *Art and Literacy schools program*, and *Bright Sparks* creative school holiday and after-school programs. A diverse range of public programs and funded projects are offered throughout the year for all levels of creative development supporting participation in arts and cultural activities for visitors and the wider community. The *Visiting Artist* program engages with the unique identity, history and current social, environmental and economic context of the Northern Rivers through social or environmentally-engaged artist collaborations and projects.

Through culturally diverse and accessible programming, NRCG has achieved strong community engagement and exceptional growth in visitation - between 2015 and 2019 visitation has grown from 15,017 in 2015 to 27,616 in 2019.

NRCG & Ignite Studios: The Opportunity

NRCG programs foster and ignite creativity, and build community connection through the arts.

NRCG has established itself as a leading regional cultural institution, increasing cultural visitation to the shire, securing state funding for expansion into Ignite Studios, consolidating a reputation for professionalism and innovation in program design. There is an opportunity to further consolidate NRCG as the cornerstone of creative infrastructure for arts and cultural activity in the region, a 'must visit' cultural tourism destination with the potential to attract professional arts companies, high quality events and programming to the Shire. Ballina has the potential to be more than just a 'gateway', for locals and tourists.

Future expansion of Ballina Councils' cultural assets, might

include the evolution of NRCG as a contemporary Arts and/or Cultural Centre, Expansion of NRCG on council owned land in the heart of Ballina CBD, across various buildings and open spaces on the existing site, or a new masterplanned site owned by council, to create an active and thriving creative precinct in Ballina, (whilst preserving and ensuring the longevity of the heritage character of the spaces if remaining in the existing site).

NRCG, under an Arts Centre model, as the anchor tenant would attract and collaborate with professional creative businesses and organisations. Creative space hire would generate revenue for the Centre through, venue hire,

commercial leases for other creative industry, third party art events and activities.

Coordinated development of Cultural Infrastructure and cultural expertise within council is in-line with community aspirations (survey) and acknowledges current and future demographic changes.

As the key Council-managed facility for the support of our creative sector, the NRCG and its Creative Action Plan provide a sound policy framework to support the vibrancy and diversity of our inclusive community.



Image: Fantastical Photos with Natalie Grono - Bright Sparks After School Program in Ignite Studios

Creative Life Long Learning

Northern Rivers Arts Centre social impact programs.



Bold Sparks Lifelong Learning Program

Bold Sparks Creative Sessions Ignite a meaningful connection between mature adults living within the aged care community, and arts and culture. Over 300 local seniors and community members from across six aged care facilities have enjoyed the opportunity for monthly creative engagement and community connection through the program.

With guidance from professional artist mentors, participants are engaged in a dialogue of arts, culture and memory through creative activities and morning tea in the Gallery. Research has shown that art-based therapies support the notion that art can induce both psychological and physiological healing, and aid with the improvement of self-esteem, social engagement and general mobility. We've explored everything from weaving, to creative writing and grief journaling, terrarium building, screen-printing and theatre sports.

We believe all members of our community, regardless of age or mobility, deserve access to dynamic artistic and cultural experiences and opportunities for creative expression.



Arts and Literacy Schools Program

Run in conjunction with the schools curriculum, this unique program harnessed the potential for the arts to improve literacy outcomes - through artistic discussions, creative writing, and vocabulary enrichment.

1,337 school children from across 21 Northern Rivers schools have engaged creatively with the gallery exhibitions through the program. The program incorporates teacher training, and a series of school based activities prior to visits to the gallery for further learning experiences. A highlight for the children and audiences was to read the childrens responses showcased beside the artwork on exhibition.

- 90% of participating schools visited a museum or gallery less than once in the previous 12 months
- 61 teachers registered for the program
- 80% of participating schools integrated the program with their school curriculum.
- A cross section study by participating schools confirmed a 78% increase in literacy outcomes of students participating in the program (based on NAPLAN grading criteria).

/images: (left) Bold Sparks Lifelong Learning session in the Gallery; (right) Schools Arts and Literacy program in the Gallery



/images: Casino Wake-Up Time and Kuwinjku Women's Group Exhibition



/image: Virtually Impossible, Andrew Christie and Sprung! Integrated Dance Theatre

Strategic Directions

Four priority areas are identified as Strategic Directions to inform future planning and activities of the NRCG.

A Creative Industry Capacity:

Create spaces and initiatives where arts and cultural activity and creative entrepreneurship can thrive (for emerging and established artists, designers, makers and thinkers)

B Arts and Cultural Infrastructure:

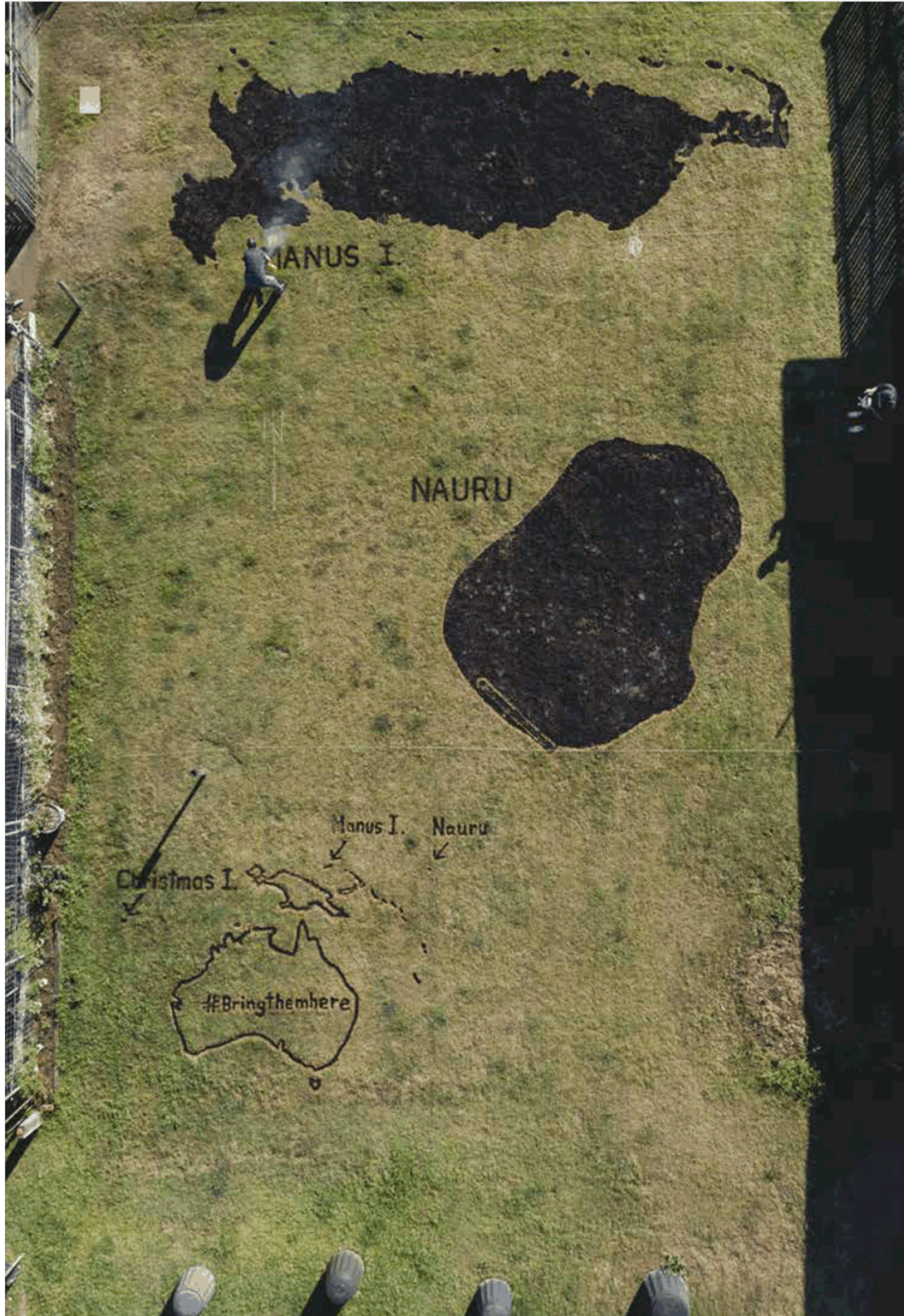
Coordinated support of arts and cultural infrastructure to ensure cost effective future investment in hard and soft infrastructure and resources.

C Engage our Audiences: Provide

opportunities for cross-cultural, multi art form, and intergenerational creative expression for people of all ages, ethnicities and abilities.

D Strive for Excellence: Develop high quality

programs connecting audiences with contemporary arts and cultural experiences.



A. Creative Industry Capacity

Create spaces and initiatives where arts and cultural activity and creative entrepreneurship can thrive (for emerging and established artists, designers, makers and thinkers)

- Enable creative projects and collaborations between national and local artists, curators and community
- Build creative industries capacity: support spaces and initiatives for emerging and established artists, performers, designers, makers and thinkers

PRIORITY ACTIONS

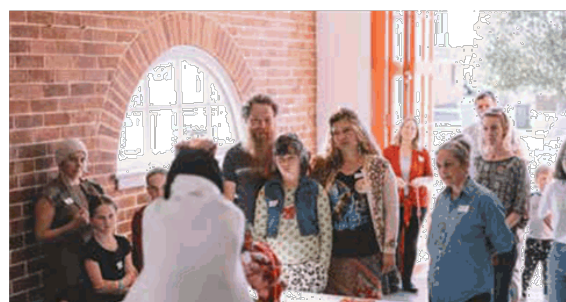
A.1 Creative Activation

- A.1.1 Present an annual program of excellence to connect and engage contemporary audiences with arts and cultural experiences in the Ballina Shire.
- A.1.2 Provide subsidised opportunities, exhibitions, work spaces and event venues through NRCG and Ignite Studios.
- A.1.3 Manage Ignite studios artist-in-residence program, artist projects and community events and experiences.
- A.1.4 Promote programs and events locally and nationally to generate cultural tourism, revenue and creative industry jobs in the Ballina Shire.

A.2 Creative People & Enterprise

- A.2.1 Foster a community of interest around the gallery and Ignite Studios for professional artists and creative industry to connect, network and collaborate.
- A.2.2 Provide subsidised creative spaces to support creative innovation, enterprise and retail opportunities.
- A.2.3 Advocate and support partnerships with local and national arts sector and/or private enterprise to enable professional development opportunities for local creative practitioners.

Image: Emma Wise, *Out of Sight Out of Mind, In Plain Sight*, Installation (Ignite Studios Visiting Artist-in-Residence creative activation in collaboration with Ballina Region for Refugees)



Images: (top bottom right) Hiromi Tango Collaborative Community Art Workshop at Ignite Studios (Splendour in the Grass Arts program)
(bottom left) Sprung!! Integrated Dance Theatre - Live performance - Ignite Studios

B. Arts and Cultural Infrastructure

Coordinated support of arts and cultural infrastructure to ensure cost effective future investment in hard and soft infrastructure and resources

- Cost effective, evidenced based investment in arts and cultural Infrastructure
- Build capacity and infrastructure of NRCG as a cultural hub and integrated creative precinct connecting the broader Northern Rivers region and future co-location of arts and cultural services and activities.

PRIORITY ACTIONS

B.1 Support for Arts and Cultural Infrastructure

- B.1.1 Support the development of an integrated strategic approach to arts and cultural infrastructure planning to ensure evidenced based investment in arts and cultural infrastructure in the Ballina Shire.
- B.1.2 Support an organisational approach that encourages cultural and creative industries activity.
- B.1.3 Improve industry specific soft infrastructure to better support unique operational requirements of Gallery and Ignite Studios.

B.2. Evolution, rebranding and restructure of the NRCG that encapsulates a multi-arts facility model.

- B.2.1 Review and rebrand the NRCG to better represent its evolution into a multi-arts facility ensuring relevance now and into the future.
- B.2.2 Improve existing outdoor spaces and amenity on the NRCG/Ignite Studios sites.
- B.2.3 Advocate for the development of an integrated Creative Precinct within the Ballina CBD.



Images: Schools Arts and Literacy Program in the Gallery, Cabbage Tree Island Public School visit.

C. Engage our Audiences:

Provide opportunities for cross-cultural, multi art form, and intergenerational creative experiences for people of all ages, ethnicities and abilities

- Promote equity and access to arts and culture
- Deliver positive social impact through arts and cultural programs
- Nurture creative futures for young people
- Support lifelong learning through arts education and participatory arts experiences

PRIORITY ACTIONS

C.1. Design and deliver accessible, participatory arts and cultural programs for diverse audiences.

- C.1.1 Resource and deliver dynamic Lifelong Learning programs that engage the whole community in meaningful arts and cultural experience.
- C.1.2 Deliver interactive creative projects that engage audiences with arts and culture in new and unexpected ways.
- C.1.3 Support audience engagement with Aboriginal arts and culture through Lifelong Learning Programs and projects.
- C.1.4 Promote NRCG programs and events to schools and the broader community through our marketing plan.

C.2 Support volunteering, creative opportunity and pathways to employment.

- C.2.1 Develop and deliver regular in-house learning programs for Gallery volunteers on visitor experience, arts management and art appreciation.
- C.2.2 Support local young peoples' creative futures'.
- C.2.3 Partner with regional professional arts organisations to develop/facilitate accessible community partner programs.



D. Strive for Excellence

Develop high quality programs connecting audiences with contemporary arts and cultural experiences of excellence

- Contribute to the conversation defining arts and culture in Australia
- Tell our stories, and universal stories. Celebrate local distinctiveness - the people, environment and history
- Recognise diversity, inspire cultural understanding, connection, belonging, and challenge prejudice
- Support artistic excellence, ideas and creation
- Develop, produce and collaborate through strategic partnerships to encourage innovation and distinctiveness across all programming

PRIORITY ACTIONS

D.1 Implement a strategic curatorial approach across creative events, exhibitions, projects and programming.

- D.1.1 Resource and deliver an ambitious annual program and public programs through NRCG maintaining a competitive edge in securing grant funding through innovation, contemporary approaches and curatorial best practice.
- D.1.2 Attract cultural visitation to the Ballina Shire through high quality events, programs and other creative industries projects (including screen, performing and visual arts, culture and heritage)..
- D.1.3 Present work by diverse emerging and established Northern Rivers and National artists, community initiatives and touring exhibitions.
- D.1.4 Incorporate new media technologies across visitor experience, exhibition and program content.

D.2 Collaborate and develop strategic partnerships

- D.2.1 Explore and initiate partnerships across all sectors including community, business, health, education, environment and government.
- D. 2.2 Collaborate and partner with artists and arts organisations to deliver community engaged arts programs, special curated projects and a National Art Prize.
- D.2.3 Work with Aboriginal Artists and groups to present contemporary and traditional cultural expression, programs and events.



Re-experiencing Waves, Visiting Artist UUendy Lau



Implementation and resourcing

Achieving the objectives of each of the four strategic directions set out in this plan will require adequate resourcing and staffing of the NRCG and Ignite studios.

There are five key operational function areas which are integral to NRCG's management framework:

- **Marketing and Promotion** : Raise the profile of NRCG, develop Ballina Shire's creative identity and generate economic activity through increasing cultural tourism.
- **Administration** : Optimise productivity ensuring administrative functions are matched with streamlined systems and procedures and appropriate levels of staffing for desired service delivery.
- **Facility Management** : Cost effective investment in fit-for-purpose hard and soft infrastructure and manage co-tenancy agreements to benefit the core programming of NRCG and enable opportunities for multiple revenue streams.
- **Volunteer Management** : Provide meaningful connection for community to participate in the arts and enable career pathways.
- **Financial accounting** : Manage financial resourcing efficiently and responsibly to ensure sustainable and manageable return on investment for the community.

In order to continue improvement of organisational performance – Council needs to ensure the NRCG is supported by a strong management framework which includes appropriate resourcing and effective systems and processes to enable staff to deliver against strategic objectives and key services and functions.

Immediate priorities for NRCG are to consolidate economic sustainability by securing increased concurrent local, state and federal funding, and ensure creative programming and gallery operations are sufficiently resourced. A key challenge being short term and inconsistent funding cycles impact on retaining skilled staff and forward planning to appropriately fulfill community demand for creative experiences within the Ballina Shire. Opportunities exist to expand participation based programming and strategically promote the Gallery to attract cultural tourism and maximise income generating activities.

Priority areas and actions to implement and resource the strategic objectives of this plan are as follows:

Improve Operational Sustainability

- Secure ongoing funding to:
 - ◊ Address resource limitations and ensure gallery staffing levels support desired levels of service;
 - ◊ secure and retain specialist skilled staff; and
 - ◊ support the NRCG core program.
- Identify and implement various non-government revenue streams to support operational sustainability.

- Capture and quantify gallery data and use results to inform future development of policy, programs, infrastructure and report on performance.
- Maintain a strong volunteer program to support operations, programming and opportunities for community.
- Ensure future Gallery Café Lease agreement renewals/amendments are mutually advantageous to NRCG operations, budgets, facility management and enable event revenue for the Gallery.
- Promote and educate the community on sustainability through projects and information sharing and the procurement process.

Communicate and Collaborate

- Collaborate and partner with a wide range of organisations nationally to build strong, formal partnerships, and a network of support for the future.

Act as Custodian

- Maintain the building infrastructure, ensuring any development or maintenance is undertaken in consideration of the heritage status of the properties.

Advocate

- Work with council and state and federal arts organisations to advocate for a coordinated and cost-effective investment in arts and cultural infrastructure (hard and soft) across the region.

Image: UUendy Lau - visiting artist-in-residence (socially and environment engaged art practice);
(bottom) 'Re-experiencing Waves' exhibition - Ignite Studios

APPENDIX 1:
Where this plan fits?



NATIONAL & STATE POLICY CONTEXT

NSW GOVERNMENT CULTURAL INFRASTRUCTURE PLAN

NRCG's four strategic priorities outlined in this plan align with those identified in the NSW Government Cultural Infrastructure Plan 2025.

1. Cultural infrastructure supports strong communities and economies in NSW
2. Access to space for community participation in culture
3. Cultural infrastructure for a collaborative and thriving cultural sector
4. Creating impact through partnerships and capacity building

The NSW Government Cultural Infrastructure goals are to:

- Integrate cultural infrastructure planning with land use, infrastructure and transport planning
- Improve cultural infrastructure and precinct design to create better cultural spaces.
- Understand and maximise social and economic benefits of cultural infrastructure.

Specific State arts funding priorities for the North Coast include:

- Improve suitability of existing infrastructure
- Support consolidation and growth of regional creative industries
- Integrate cultural infrastructure planning within the North Coast Regional City Action Plans

Ambitions for NSW are also outlined in the *NSW State Infrastructure Strategy, 2018 – 2038 Restart NSW/ Rebuilding NSW Strategy* to deliver "world-class institutions to maintain strong cultural and sporting sectors and support the visitor economy".

This plan is supported and informed by broad planning and research including:

- International Arts Tourism: Connecting Cultures (Australia Council 2018)
- Arts NSW Aboriginal Arts & Cultural protocols 2011
- NSW Arts and Cultural Policy Framework
- The Economic Value of Arts, Screen and Culture to NSW (KPMG for Create NSW 2018)
- Culture, Value and Place 2018: A Report for NSW Department of Planning and Environment

APPENDIX 1: Where this plan fits?

LOCAL POLICY CONTEXT

BALLINA SHIRE COMMUNITY STRATEGIC PLAN

At a local level, Councils in NSW are required to prepare and implement a Community Strategic Plan (CSP). These CSPs are developed to encourage councils, the community and other organisations to work together to plan for the future in an efficient and collaborative manner.

Ballina Shire Council's CSP was endorsed in 2017 and is called "Our Community: Our Future". It sets out the Council's overall plan for the development of the shire, and the communities within it. The NRCG Strategic Plan is intended to sit below our CSP and act as a blueprint for arts and cultural development through

NRCG in the shire. As the key Council-managed facility for the support of our creative sector, the NRCG and its Creative Action Plan provide a sound policy framework to support the vibrancy and diversity of our community, and the changing demographics and cultural landscape.

The CSP provides the strategic direction and projected needs of the Ballina Shire and establishes the broad objectives to direct operations within the NRCG over the next five years. The NRCG 'Creative Action Plan' is linked to the following objectives within the CSP.

BALLINA SHIRE COMMUNITY STRATEGIC PLAN (CSP) PRIORITIES

CONNECTED COMMUNITY

- CC2.1 Encourage community interaction, volunteering and wellbeing
- CC2.2 Create events and activities that promote interaction and education, as well as a sense of place

- CC2.3 Assist disadvantaged groups within our community
- CC3.1 Provide strategies for older residents to be part of our community
- CC3.2 Provide young people with a range of leisure activities, along with opportunities for personal development
- CC3.3 Support improved health outcomes by providing equitable access to sporting, recreational and community facilities

PROSPEROUS ECONOMY

- PP1.1 Promote our area as an attractive place to visit and live
- PP1.2 Provide opportunities for new business
- PP1.3 Encourage diversification and enhance image of the local economy

ENGAGED LEADERSHIP

- EL1.1 Facilitate and develop strong relationships and partnerships with the community
- EL1.2 Involve our community in the planning and decision making processes of Council
- EL1.3 Actively advocate community issues to other levels of government
- EL2 Council's finances and assets are well managed
- EL3 We are all valued customers

HEALTHY ENVIRONMENT

- HE2 We use our resources wisely
- HE3 Our built environment blends with the natural environment

Image: Change Makers - Creative Youth Mentoring program - Ignite Studios (funded by Create NSW and Arts Northern Rivers)

APPENDIX 1: Where this plan fits?

BALLINA SHIRE CULTURAL PLAN

The Ballina Shire Cultural Plan is a flexible plan which lays out a foundation upon which to grow the cultural activity in our community over time. Importantly, it is a framework which identifies the key areas our community has said it values most to guide the future development of cultural activity in the Shire. It therefore contains the following elements to assist Council, and the community, in directing the growth of cultural activity throughout our Shire.

The plan identifies five cultural activity objectives which embrace the key areas the community value most, and wish to improve or develop:

1. **Sense of Place:** Foster cultural activity that promotes the heritage, stories and unique features that are the Ballina Shire.
2. **Aboriginal Culture:** With the Shire's Aboriginal community, promote understanding of local Aboriginal identity, culture and heritage.
3. **Great Outdoors:** Care for, or enhance, our natural and other outdoor environments which underpin our special lifestyle.
4. **Art Smart:** Encourage and support our creative industries to be sustainable and accessible. Cultural Spaces: Better utilise our existing cultural infrastructure, as well as respond to changing needs, to hold and encourage cultural activity.
5. **Family Fun:** Shape our cultural image and infrastructure to reflect a family friendly place for all of us to live and others to visit.

The Creative Action Plan is linked to a number of 'Opportunities' identified within the 5 cultural activity objectives as follows:

SENSE OF PLACE

- Encourage community based activities and events that engage with our history and local collections/ museums, as well as artists and performers to tell these stories.
- Foster or strengthen community or regional partnerships to hold cultural activity reinforcing our sense of place.

ABORIGINAL CULTURE

- Continue to showcase local and regional Aboriginal artists at the Northern Rivers Community Gallery.

- Form ongoing partnerships with the Shire's Aboriginal groups to develop and fund new cultural activity to promote their identity, culture and heritage.

GREAT OUTDOORS

- Celebrate our environment through cultural activity held in the Shire – including through exhibitions, public art and family based events.

ART SMART

- Continue to support and develop a diverse and engaged creative community via a distinctly local program of exhibitions, public programs and events at the Northern Rivers Community Gallery.
- Continue to activate the Northern Rivers Community Gallery as a central hub for creative activity in the Shire and region.
- Utilise grant funds to complement regional-based programming at the Northern Rivers Community Gallery.
- Explore new ways to promote creative activity in the Shire including adopting creative activity to assist in achieving Council's Community Strategic Plan goals.

CULTURAL SPACES

- Support outdoor community events that are family friendly.
- Develop the Northern Rivers Community Gallery as a hub for diverse cultural activity that complements exhibitions – including live music and other performance, education and professional development programs and family based cultural activity.

FAMILY FUN

- Work with children, young people, parents and grandparents to plan for cultural activity and infrastructure that is inclusive of all families and family members – including age, gender, disability and cultural groupings.
- Encourage community events that are family friendly and integrate creative family activities into existing community events.
- Promote our environment and cultural activity to residents and visitors in age and culturally appropriate ways and to reflect the whole Shire community.

APPENDIX 2: Community Aspirations

In 2018 NRCG asked community members to share their vision for arts and culture in Ballina Shire. The results show an aspirational creative community who value the contribution of arts and culture in their lives, yet feel existing investment in arts and cultural infrastructure is below expectations.

Respondents agree or strongly agree

- 98%

It is important that arts and cultural activity happens in the Ballina Shire

- 92%

Arts and cultural activity helps me appreciate the shire's unique characteristics and its people

- 69%

Arts and cultural activity is an important factor in deciding where I will live

- 93%

Arts and culture contributes to my life and the social cohesion and wellbeing of our community

However only 18% agreed or strongly agreed The range of arts and culture activities and events in the Ballina Shire is adequate and offers diversity.

Consultation with 22 Gallery stakeholders consisting of key arts and culture organisations, education providers – primary, secondary and tertiary, community art groups, Indigenous organisations, disability arts groups, aged care providers and independent artists reflected the wider community aspirations in addition to partnering with NRCG to strengthen arts and cultural activities in the Ballina Shire.

Respondents agree or strongly agree

- 95%

Co-locating Arts and Culture infrastructure to create a multi-disciplinary art centre facility is beneficial for community, tourism, access and participation

- 95% agree or strongly agree

Expansion of NRCG facilities to include dedicated workshop spaces, artist studios, creative project space and a visiting artist-in-residence space will benefit the artistic and social life of Ballina Shire

Both community and Stakeholder survey respondents identified a desire for a broader range of arts and cultural facilities to be available within the Ballina Shire. creative workshop and subsidised artist S'tudios were the two top priorities within both respondent groups.

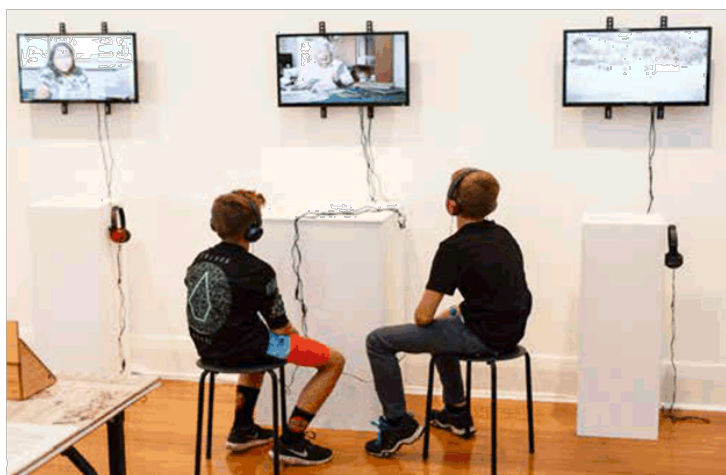


Image: (left) Picturing the Past - Creative Youth Heritage exhibition in the Gallery; (right) Monkey Monkey, Shake Shake live performance in Ignite Studios



nrcg

northern
rivers
**community
gallery**

Northern Rivers Community Gallery
44 Cherry Street, Ballina NSW 2478
phone 02 6681 6167 | email nrcg@ballina.nsw.gov.au
www.nrcgballina.com.au

Northern Rivers Community Gallery is an initiative of Ballina Shire Council



NRCG PARTNERSHIP + PROGRAM REQUESTS // COMMUNITY FEEDBACK

ORGANISATION // COMMUNITY MEMBER	PROGRAM PARTNERSHIP REQUESTS
Byron Arts Magazine	National Annual Art Prize Exhibition
Byron School of Art and Southern Cross University	Annual Student Awards
Articulate – Sydney Contemporary Art Space	Regional artist exchange program
North Coast Ceramics	<ul style="list-style-type: none"> • Mud Trail sponsorship • Mud Trail satellite event • Professional Development symposium (annual or biennial) • Annual Group Exhibition • Visiting Artist Program • Presenting partner – workshop program
Local primary and secondary schools	Student exhibitions / gallery educational programs
Ballinalé	Presenting partner – biennial public art event
Sprung!! Integrated Dance Theatre	Biennial exhibition and/or performance program
Splendour in the Grass	Collaborative Community Art Program – Festival Artist
Still at the Centre	Art Prize Exhibition
Future Care Ballina	Disability term based art program for NDIS participant
Well Ways Lismore	Disability art classes for NDIS participant
Dept. Community & Justice	Bright Sparks children’s after school program
LabX – Art Science Group - SCU	Exhibition + public program
Ballina Arts Society	Annual Exhibition (sponsored)
Practicing Artist Network (PAN)	Annual Exhibition (sponsored)
Byron Writers Festival	Satelite Writers Festival Event – presenting partner
Local Dance Teacher	Dance Therapy Workshops
Lismore Spinners and Weavers	Exhibition program
Ballina District Hospital	Art & Health program – ongoing – exhibition, public events, collaborations
Andrea Lems	School Holiday Workshops – request for more school holiday workshops // specific ages for tweens and younger kids Complaint regarding lack of availability for workshops in consideration of reduced enrolment numbers more workshops should be held.
ProjectALL Shorts	Ignite - short films program
Lennox Arts Board (LAB)	Present extended Gallery program in Lennox Head
Sourdough Business Pathways	Event location - networking

PUBLIC PROGRAM REQUESTS

Cartoons & Animation	Jewellery
Pottery, clay art	A climate change one
Women's Shed	Animation, Puppets
Big canvases	Wood work
Drawing workshop	Painting, textile printing, fibre arts
Music	More Weaving Workshops
Screen printing	Natural Dying
Compositions with other types of art	More "cultural" focused workshops/Aboriginal and other
Activities for general public	Clay Workshops
Pottery / Clay Art	Storytelling workshops / Aboriginal art
More public art	Drawing for kids
More cultural workshops	Painting Workshops
Make pencil cases / self-portrait/ sculptures	Corporate creative team building experiences
Making a movie /Animation	Coding for Kids (computer coding)
Accessible Art Studio Program	

Funding

GRANTS APPLIED: 26
 SUCCESSFUL: 13
 AMOUNT: \$427K

Operational and Program

Year	Funding Body	Purpose	Amount	Successful
2010/2011	Regional Arts Fund (RAF)	Workshop program	1000	Y
2015/2016	NSW Office Environment & Heritage	Lighting sustainability upgrades and expansion to Ignite	\$96,000	N
2016/2017	Arts NSW Regional Capital grant	Lighting sustainability upgrades and expansion to Ignite	\$40,000	Y
2016/2017	Arts NSW - Audience Development	Schools Arts and Literacy Program	\$8,000	Y
2016/2017	Arts NSW - CASP grant	Bold Sparks - Life Longlearning	\$5,000	Y
2016/2017	Dept Industry, Innovation and Science	Lighting sustainability upgrades and expansion to Ignite	\$96,200	N
2017/2018	Building Better Regions Fund	Lifelong learning programs	\$19,985	N
2017/2018	Create NSW - Cultural Projects Round 1	Schools Arts and Literacy Program	\$55,000	Y
2017/2018	NSW Govt Regional Cultural Fund	Lighting sustainability upgrades and expansion to Ignite	\$158,400	Y
2018/19	Australia Council - Arts Projects Round 1	Sprung + Andrew Christie Virutally Impossible project	\$19,744	N
2018/19	Create NSW - 360 Vision	Sprung + Andrew Christie Virutally Impossible project	\$19,744	Y
2018/19	NSW Government - My Community Grant	Lifelong learning programs	\$80,200	N
2018/19	Create NSW - Cultural Projects Round 2	Schools Arts and Literacy Program	\$60,000	N
2018/19	Ingrained Foundation Stone and Wood	Bold Sparks - Life Longlearning	\$18,100	N
2018/19	Club Grants - Category 1 Club Grant	Bold Sparks - Life Longlearning	\$10,000	N
2018/19	FACS - Youth Opportunities	Ignite Youth Animator - digital animation program	\$26,900	Y
2018/19	Regional Arts NSW - CASP	Change Makers: Youth Art + Activism	\$5,000	Y
2018/19	Museums and Galleries - Audience Development	Citizen Science Workshop program	\$10,000	Y
2018/19	Create NSW // Annual Organisation Funding	Public program & comms staffing	\$139,000	N
2019/20	Stronger Country Communities Round Three	NRCG Equipment upgrade - AV, kiln, wheel chair lift	\$84,971	Y
2019/20	Create NSW LGA Multiyear A&C Projects	Operational funding - 2 positions	\$149,000	N
2019/20	Australia Council Resilience Fund	Support Covid-19 program recovery	\$17,320	N
2019/20	Create NSW-Digitise	Transition programs to online delivery	\$10,000	N
2020/21	Regional Arts Fund (RAF) - Relief Grant	Workshop Program recovery	\$3,000	Y
2020/21	Create NSW - Organisation Project Funding	Creative Youth Mentorship & Sensory Garden	\$59,575	N
2020/21	Create NSW/Arts Northern Rivers	Recovery funding - Facilitator Mentorship program	\$10,000	Y

NSW Regional Arts Network Review

Stage 1: Core Funding

Review Report

Create NSW

October 2020



Premier
& Cabinet

Contents

Regional Arts Network Review – Stage 1: Core Funding	1
Background	1
Consultation with the Regional Arts Network	1
Consultation findings - key questions	2
Strengthening the Regional Arts Network	5
Create NSW investment in the Regional Arts Network (Q1)	5
Network model, collaboration and sharing (Q2&3)	5
First Nations engagement (Q4)	6
Country Arts Support Program (CASP) and Artstate funding (Q5&6)	7
Future funding challenges (Q7)	7

Regional Arts Network Review – Stage 1: Core Funding

Background

Create NSW is reviewing the Regional Arts Network to confirm that NSW Government investment in the Network is returning maximum value and is well placed to support the Network's ongoing sustainability and relevance for the next 10 years.

Stage 1 of the review aimed to identify the best approach to core funding in consultation with the Network including establishing the funding agreements and the financial security of the Network for the next four years – to be completed by the end of October 2020.

Regional NSW is a priority area under *Create in NSW, the government's Arts and Cultural Policy Framework* and under the *NSW Cultural Infrastructure Plan 2025*. Regional NSW is also recognised as a priority in whole of Government policy and service delivery frameworks, including the *NSW Ageing Strategy* and the *NSW Health and the Arts Framework*.

The Government is responding to the recent series of emergencies across regional NSW - drought, bushfires, floods and now COVID-19 - with funding to support recovery measures. In these uncertain times, with unprecedented calls from the community for help, the NSW Government needs to set clear funding priorities and focus resources to areas of immediate need. Across the State, organisations whose funding is dependent on Government are, in many cases, needing to manage with the same, or less core funding, and increasing revenue relies on innovative thinking in how to make existing support go further.

Consultation with the Regional Arts Network

Stage 1 of the Regional Arts Network Review aimed to address issues central to core funding for Network members, the 14 Regional Arts Development Organisations (RADOs) and Regional Arts NSW. A Discussion Paper was distributed to Network members which canvassed seven questions.

Regional Arts Network members were invited to work with Create, to identifying the best approach to core funding for the Regional Arts Network and the best use of existing Government support to enable Network members to thrive and deliver outcomes for regional areas.

The consultation process with Network members included:

- Two one-hour information and discussion meetings with all Network members (videoconferences 16 & 18 September)
- One-to-one meetings between Network members and Create NSW senior managers, as requested by members (4 x videoconference meetings held 17-30 September)
- Written submissions by members in response to review questions (16-30 September)
- Two-hour workshop involving CNSW feedback on preliminary analysis of written submissions and further discussion on each of the questions. (videoconference 9 October)

Consultation findings - key questions

Analysis of input from the consultation process indicates general agreement on each of the Discussion Paper questions as outlined below:

1. What is the best use of NSW Government's current investment in the Regional Arts Network?

- The majority of the Network support the principle of equal core funding to each RADO and that this funding should be increased and if not, maintained at least at the current level
- Funding must recognise the disparities between regions - number of councils, population, geography – and that equal core funding provides a secure operational base. Create NSW core funding underpins the willingness of councils to contribute and enables leverage to other funding
- Network members could support a competitive funding process, say for strategic projects or initiatives, but only if this was in addition to core funding.
- Local government contribution is an issue across the network. There is a desire for Create NSW to negotiate better outcomes in Council funding, including the possibility of mandated contributions.
- The majority of the network wants Create NSW to continue to fund RANSW, based in Sydney. A number of RADOs submitted that the model could be improved.
- New models should be considered, for example, the Destination NSW model. It is recognised that this would require additional funding

2. How can the Network model evolve to reflect the maturity and increased capabilities of the RADOs and reflect current thinking in self-determination and local decision making?

- The current network model is successful and evolving, but it could always improve. Local and regional decision-making is strong, respectful and flexible.
- Recent changes to communication within the Network, particularly more regular videoconference meetings, as a result of COVID and other crisis points, indicate possible future directions for how the Network can operate. Collegial behaviours and better information gathering and sharing, may point to new ways of looking at the Network structure and decision-making.
- The Network can continue to evolve. For example, measurement in the current funding structure does not address activity other than that which is project based. It may be possible, however, to set standard targets and KPIs across the Network, which may include measurement of the support RADOs provide to artists and other organisations.
- RANSW should remain in Sydney. It is important to have a voice in a metro location. A number of RADO submissions to the Review indicate that a network-led discussion regarding possible strategic change to the relationship with RANSW is currently underway. Advice is that improvements being discussed include greater transparency, more representation on the RANSW Board, and greater support to the Network from RANSW.
- Submissions suggested that there could be a stronger approach to collaboration and recognition of an arts ecology in regional NSW. Relationships with other arts organisations are increasingly important, especially in instances where RADOs may be seen by some other arts organisations as competitors.

- 3. Does the Network need a strategic network-wide policy to coordinate best practice around collaboration and sharing of resources? If so, how is this best developed and delivered?**
 - Overall, the network feels there is already good collaboration and sharing within the Network, on an informal basis. There is no need for a network-wide policy.
 - Rather than a formal policy on sharing and collaboration, there is some support for development of strategic, state-wide initiatives, for example, there could be yearly agreed-upon initiatives, such as a year of Youth Arts.
 - There could be better definition of issues relating to geographic/council boundaries to ensure clarity on what resources can be shared, who might collaborate and in what circumstances.
 - The service support functions of RANSW could be improved at a network-wide level, e.g. to share best practice. This is best delivered through tailored and targeted programs designed for specific interest groups or areas of specific need, e.g. improving volunteer run museums or helping emerging artists.

- 4. How can First Nations' engagement, including partnerships, be enhanced; representation sustained, and Aboriginal arts and cultural aspirations be better met?**
 - These aspirations and partnerships would be best improved and met with guaranteed and/or long-term funding for First Nations arts and culture staff positions or funding increases to support these roles to deliver sustainable, rather than short-term outcomes.
 - There is support for a separate First Nations regional body or network made up of the Aboriginal Arts Officers (or equivalent roles), which is self-governed and self-led with RADOs offering support to achieve outcomes.

- 5. Does CASP still deliver outcomes relevant to the regions? Is there a new model for small grants delivered by RADOs?**
 - Current CASP application process is cumbersome, complicated and can be a hurdle for some applicants, increasing the support required from RADOs.
 - The network wishes to have the funds for CASP allocated to RADOs to administer micro-grants which would be more efficient than the current processes and deliver outcomes in a shorter amount of time.

- 6. What is the best model for an Artstate type event to enable the development of overall strategic direction and planning to enhance the reach and impact of the Regional Arts Network?**
 - There was general agreement that Artstate, in its current form, had run its course and was very demanding on the resources of RANSW.
 - Without any other funds available, it was agreed by many Network members that the funding for Artstate to be divided amongst RADOs to supply an increase to core funding.
 - If other funding was provided to increase core funding, it was thought that the Artstate allocation would be valuable as a strategic pool of funding for the Network.
 - If an event is necessary, however, there is support for a different format with more digital access to lower associated costs for attendees and a bigger focus on showcasing regional art, rather than a conference format.

7. In considering the Options for Create NSW funding (1. *Status Quo - retain RANSW*; 2. *A Lead RADO* or 3. *Create NSW Coordination*) which would be the preference of your Organisation for future use of the Create NSW funding currently committed to the Regional Arts Network?

- The majority of the network wants to retain a central representative capacity, based in Sydney, which is RANSW. The majority see the role of RANSW as providing:
 - strategic advice and support to individual RADOs and the Network
 - research and advocacy services, the 'voice' of the Network
 - corporate support services, including professional development and capacity building
 - support for developing strategic, state-wide policies and initiatives
 - strategic liaison with other levels of government, federal and local
 - coordination and management of funding and other programs from the Federal Government and other entities, e.g. the Regional Arts Fund
- There is majority support the idea of an 'Option 4', which would be the opportunity for:
 - Better representation of RADOs in the governance of RANSW
 - Improved communication between RADOs and between RADOs and RANSW
 - More formal input to the strategic direction of RANSW
 - Clearer definition of roles and responsibilities between Network members
- Network members believes that Create NSW could better support regional arts by:
 - Increasing funding to the Regional Arts Network
 - Creating a senior staff position within Create NSW specifically for regional arts and culture
 - Addressing local government arts & culture issues through engagement with the Office of Local Government, Regional and Joint Organisations of Councils and individual contributing councils in RADO regions.
 - More actively supporting Network strategic planning, including setting broader targets and KPIs, as part of Create NSW funding processes

Strengthening the Regional Arts Network

The Review has analysed the input from its own research activity and from consultation with Regional Arts Network members. The following summaries and recommendations address the issues raised by the questions contained in the Review Stage 1 Discussion Paper.

Create NSW investment in the Regional Arts Network (Q1)

Analysis shows that core funding from Create NSW and contributing councils is not keeping up with inflation¹. Although there have been small individual variations in this amount reported on the RADO annual acquittals, the figure of \$140,000 per year, per RADO was stable between 2013-2018. When adjusted for inflation (using an average annual inflation rate of 1.8%), the 2018 figure represents a 9.1% cut in funding compared to 2013 levels. As a result, RADO budgets are increasingly squeezed. Prudent financial management and care with financial risk means organisations have avoided financial distress, despite these budgetary pressures.

Only a handful of council areas are not covered at all by a RADO, limiting scope for increasing funding by adding new council areas. Convincing councils to increase contributions to a RADO is challenging. Many councils have low ratepayer bases, competing priorities and budgetary pressures of their own caused by drought, socio-economic challenges and other constraints on revenue generation.

The Network needs stability and certainty in its funding arrangements to serve large geographic areas, to provide services and to innovate. RADOs struggle to secure non-government funding with different rates of success for obtaining non-State Government project funding. In general, RADOs manage their finances well and all are in a stable financial position.

RADOs have also been successful in attracting investment through project funding from State and Federal Governments and partnering with other entities and Government departments, such as NSW Health and the Department of Communities and Justice to enable enhanced arts and cultural as well social outcomes for their regions.

Recommendations:

1. That, as per Recommendations 10 & 11, the core funding for the 14 RADOs is increased, using a portion of the budget previously allocated to RANSW, and potentially, using funds from the current Artstate allocation.
2. That a portion of funding is retained from the current Artstate allocation to provide a potential strategic funding pool available to the RADO network on a competitive basis. Such a pool to be administered by Create NSW, with applications to the fund assessed by the Festivals Advisory Board.

Network model, collaboration and sharing (Q2&3)

A majority of responses by RADOs express the view that now is an opportune time to enhance and strengthen the relationship between the RADOs and Regional Arts NSW.

- Better representation of RADOs within RANSW
- Improved communication between RADOs and between RADOs and RANSW
- More formal input to the strategic direction of RANSW

¹ Financial Analysis and RADO fact sheets by Sharpe Advisory, 2018 and 2020, commissioned by Create NSW, unpublished

- Clearer definition of roles and responsibilities between Network members

A key principle of decision-making and self-determination is that it occurs in and is led by the community that it affects. Each region in NSW has its own set of circumstances and its own strengths and challenges. However, RADOs have indicated that more intensive and organised interaction between members of the Network may engender within its membership a new model of strategic leadership, featuring constructive inter-dependencies and supports for capacity building.

The landscape in which RADOs operate is constantly changing and evolving. Each RADO can better serve and support future self-determined arts and cultural needs and aspirations in their region if it has stability, flexibility and capacity for incisive thinking and long-term relationships. Individual RADO members of the Network need to be enabled to:

- build local capacity to work with artists and arts and cultural organizations in their regions and the RADOs contributing councils
- contribute to and respond to the aspirations and needs of their local communities, including First Nations communities
- develop innovative ways to refresh staff skills
- build strong relationships with metropolitan arts organisations through mutual consultation in order that the most appropriate programs can be delivered in the regions
- work with a wide range of arts and cultural organizations outside their usual network
- improve their business operations through management support, professional development and support for Aboriginal Arts Officers
- make optimum use of digital technologies in the delivery of services
- set strategic priorities for their programs (core KPIs) and improve data collection
- share staff resources and training across the network

Recommendations:

3. That Create NSW works with Network members to streamline and strengthen the governance and operation of the Regional Arts Network, including the primary functions of Regional Arts NSW in providing support services to the Network.
4. That Create NSW allocates a position within the agency to be a primary contact point for communication and coordination of Create NSW support for RADOs, Regional Arts NSW, and Service Organisation across the State.

First Nations engagement (Q4)

These aspirations and partnerships would be best improved and met with guaranteed long-term funding for First Nations arts and culture staff positions or funding increases to support these roles to deliver sustainable, rather than short-term outcomes.

There is support for a separate First Nations regional body or network made up of the Aboriginal Arts Officers (or equivalent roles), which is self-governed and self-led with RADOs offering support to achieve outcomes.

Recommendations:

5. That the issues raised, particularly the need for a First Nations led autonomous arts a cultural service organisation or network, by both the Regional Arts Network Review and the Create NSW Review of Sector Service Needs, are addressed by Create NSW as a matter of urgency.

6. That Create NSW works with Aboriginal Affairs NSW to investigate these issues in the context of the priority reforms outlined within the new National Agreement on Closing the Gap. The priority reforms are:
 - Formal partnerships and shared decision-making
 - Building the community-controlled sector
 - Transforming government organisations
 - Shared access to data and information at a regional level

Country Arts Support Program (CASP) and Artstate funding (Q5&6)

CASP

Create NSW allocates \$250,000 in devolved CASP funding each year under a multi-year funding agreement (2016-18 + 2 years rolled over) with Regional Arts NSW. RADOs are unanimous that the current CASP application process is cumbersome, complicated and can be a hurdle for some applicants, increasing the support required from RADOs. RADOs believe that CASP funds allocated to RADOs to administer micro-grants would be more efficient and deliver outcomes in a shorter amount of time.

Create NSW has acted on this issue and as an interim action has taken over the management of the CASP funding program in its current form from RANSW.

Artstate

Create NSW allocates \$200,000 p.a. to Regional Arts NSW to deliver Artstate. Consultation with Network members and assessment of options for future use of this funding indicate the best future value to be from having the majority of the funds currently allocated for Artstate made available for strategic funding purposes for the Network, with the remainder equally divided amongst RADOs. If an event with similar aims to Artstate was required by Government, an alternative funding model would need to be devised and it is likely that a different format would be employed. Enhanced digital access, lower associated costs for attendees and a greater focus on showcasing regional art are recommended.

Recommendations:

7. That the CASP is re-designed to be managed as devolved funds by each RADO, adopting a similar model to recent 'micro-grant' processes.
8. That CASP is open to regional artists and organisations not inside the coverage remit of the RADO Network.
9. That, as per Recommendation 2, Create NSW funding currently allocated to RANSW to run the Artstate event is reallocated for Regional Arts Network purposes.

Future funding challenges (Q7)

The majority of Network members wants to retain a central representative and support capacity, based in Sydney, RANSW. The majority of RADOs see the primary role and functions of RANSW as:

- research and advocacy services, the 'voice' of the Network
- support for developing strategic, state-wide policies and initiatives
- strategic advice and support to individual RADOs and the Network

- corporate support services, including professional development and capacity building
- liaison with other levels of government, federal and local
- coordination and management of funding and other programs from the Federal Government and other entities, e.g. the Regional Arts Fund

Regional Arts NSW receives \$455,000 p.a. in core funding from Create NSW. In addition, for the past four years it has received \$200,000 p.a. to deliver Artstate and has also delivered the CASP being \$250,000 in devolved Create NSW funding.

The Review has concluded that one of the primary sources of value from NSW Government investment in regional arts and culture is through direct funding to RADOs. This reflects an assessment of RADOs as mature, professionally managed organisations with strong local and regional knowledge and connections and a solid track record of achievement.

This report recommends increasing the core funding offered to each of the 14 RADOs in 2021-24 funding agreements by:

- An additional \$25-28k p.a. core funding in Year 1
- Increasing additional funding in Year 2

These funding increases will be delivered through redistribution of current funds as presented in Table 1, below:

Funding Year	RADO	RANSW	CASP (to be devolved 20/21)	Strategic Fund	Artstate	Total Regional Arts Network budget
2019/20	\$140,000 each plus (\$4,000 WDA) (\$1,964,000)	\$455,000	\$250,000	0	\$200,000	\$2,869,000
2020/21	\$168,000 (\$2,352,000)	\$120,000	\$247,000 (\$9k for non-contributing regions)	\$150,000	To Strategic Fund & RADO core	\$2,869,000
2021-22	\$176,500 (\$2,471,000)	0 (all funds re-allocated to RADOs)	\$247,000 (\$9k for non-contributing regions)	\$150,000	To Strategic Fund & RADO core	\$2,868,000

Table 1 Re-allocation of Regional Arts Network funding

To provide additional support to RADOs, Create NSW will allocate a position within the agency to service the RADO Network, Regional Arts NSW, and Service Organisations across the State to assist in leveraging partnerships.

Input from consultation with Regional Arts Network members and research and analysis by the Review strongly points to benefits to be gained if the Network, in collaboration with Create NSW were to undertake a significant review of its Network governance arrangements. Such a review would include the future role and governance of RANSW, including consideration of re-design of aspects of the Network to allow for greater network participant-led governance.

In addition, Create NSW may consider the best ways to address other issues of importance to regional arts and culture that may not be directly within the scope of the Regional Arts Network, including:

- The significant boost to regional cultural infrastructure as a result of the Regional Cultural Fund serves a broad constituency. While RADOs are engaged in many instances, most facilities are primarily the concern of Councils and a wider group of stakeholders, including the State's major Cultural Institutions and significant arts organisations.

- The many regional Councils which have their own substantial arts and culture activities, staff, facilities and which may not directly involve RADOs.
- The increasing call for an independent First Nations Arts & Cultural Network that would maintain connections with RADOs, but which would have additional connections and concerns.

Recommendations:

10. That current funding to the Regional Arts Network is re-directed to RADO members of the Regional Arts Network, as advised.
11. That RADOs may use a portion of re-directed funds, to be advised, to maintain RANSW.
12. That Create NSW works with Network members to streamline and strengthen the functions and operation of RANSW.

4.7 Workforce Management Plan - 2021/22 to 2024/25

4.7 Workforce Management Plan - 2021/22 to 2024/25

Section People and Culture

Objective To obtain approval to exhibit the draft Workforce Management Plan for 2021/22 to 2024/25.

Background

The Integrated Planning and Reporting (IP&R) requirements require councils to have a resourcing strategy, which consists of the Long Term Financial Plan (LTFP), the Asset Management Plan and the Workforce Management Plan.

The Workforce Management Plan is a document that outlines the human resourcing requirements of Council's Delivery Program and it must be for a minimum period of four years.

This report discusses the draft Workforce Management Plan for 2021/22 to 2024/25, which is included as Attachment 1 to this report.

Key Issues

- Human resource strategies
- Resource limitations
- Customer service and program delivery

Discussion

The draft Workforce Management Plan provides an overview of Council's structure and workforce profile, along with a summary of the various actions implemented, on an on-going basis, to ensure that Council has a motivated and contemporary work force.

With the current high level of economic activity within the Ballina, along with a far quicker roll-out of new homes than has traditionally been the case, various areas of the organisation are facing very high workloads, with service level response times also slipping behind normal benchmarks.

The difficulty with increased economic activity and additional infrastructure from development, is trying to determine what may be the new normal level of activity and what levels of permanent staffing are required.

Casual resources or contractors are engaged to assist with peaks, however it is also important to employ permanent staff where there is an identified resource need, as this helps with a more consistent level of service delivery.

The two appendices in the Workforce Management Plan provide a summary of current and forecast employee numbers.

Appendix A outlines the workforce distribution and movements in employee numbers.

Appendix B is a summary of the additional resources sought by Directors to ensure that adequate services are delivered to the community, along with confirming which positions have been included in the draft LTFP.

A summary of the positions included is as follows.

Planning and Environmental Health Division

Strategic Planning

- Gallery Programs Officer – Part time – This position has not been included, at this point, as it is subject to Council resolving to cease membership of Arts Northern Rivers.

An earlier report in this agenda examines the Community Gallery direction and resource levels.

- Sustainability (Climate) Officer – Part-time - Two days – Based on Councillor discussion at the March 2021 Ordinary meeting, which indicated a preference for this position, two days have been included in the draft LTFP.

This has been achieved through a reduction in a number of operating budgets including Planning Strategy Reviews (\$10,000 deletion from budget), Cultural and Heritage Programs (\$10,000 saving to revised budget of \$20,000), Environmental Action Plan (\$10,000 deleted from budget). The net impact is \$17,000.

The employment of a permanent position will allow Council to grow this position over time.

Other existing positions will help to support the part-time role.

Development Services

- Graduate Development Assessment Officer – Full Time – Additional position to assist in assessing applications based on current workload and recurrent revenue levels.
- Compliance Officer (Pool Inspections) – Two Days – This may be through an extension to an existing position, or a new part time position, with the need due to the increased workload. Similar to the above position, it is funded from increased revenue.
- Business Support Officer – Full Time – The Department of Planning is introducing the new Planning Portal from July 2021, with applications across the State to be lodged online.

This should improve the overall process however there is a need for increased resources to assist with the application and vetting process.

This position is funded through a vacant three day position, and the additional two days is funded from increased application revenue.

Public and Environmental Health

- Environmental Health Officer Contaminated Lands – Full Time – To ensure Council meets its statutory obligations. This position is currently funded by a grant and as those grant funds are exhausted the position is supplemented in future years from Council revenue.

Open Spaces

- Landscape Architect/Urban Designer – Part Time – Three Days – Council regularly expends significant monies on consultants and contract staff to assist with master planning projects, plans of management and landscaping plans for infrastructure projects.

This position now converts that expenditure to a three day part-time position.

The position has been funded from a saving in salaries of approximately \$10,000, due to a retirement, and reductions in operating budgets for the Ballina Major Regional Centre Strategy (reduced by \$10,000 to \$10,000) and Plans of Management (reduced by \$10,000 to \$10,000).

It is also proposed to direct charge approximately one day for the position to capital works, as landscaping and urban design is typically a major part of many Council projects (i.e. Airport Boulevard, Lennnox Head Village Vision, River Street – Four Laning etc).

- Administration Officer - Full time – An internal review and an internal audit report from Grant Thornton, both support the need for this role, which will provide additional coverage for the cemeteries, along with other Planning and Environmental Health Division functions.

The position has been funded through an increased dividend for the Cemeteries to General Fund (increased to \$70,000 from \$50,000) along with an existing labourer position not being appointed. This resulted in a transfer of funding from the Open Spaces operating budget, to Employee Costs, to fund the role.

- Bushland Regenerators – Two Full Time – One Trainee and One Supervisor – Since the early 2000s Council has been engaging contractors to assist with offsetting environmental impacts from development and managing vegetation on public land.

In recent years Council has also received funds from developers associated for compensatory habitat works on public land.

Based on a review of current funding and forecast compensatory monies, the employment of two dedicated officers is now recommended to assist the open spaces team in this work.

The following table provides an overview of the budgets where the majority of the employee costs will be allocated.

Funding Sources – Bushland Regenerators

Item	2021/22	2022/23	2023/24	2024/25	2025/26
Coastal Reserves Recurrent Funding	62,000	62,000	63,400	65,000	66,600
Bushland Reserves Recurrent Funding	13,000	13,000	13,500	14,100	14,700
Environmental Activities Recurrent Funding	6,000	6,000	6,200	6,400	6,600
Boulder/Angels Coastal Path/Walk Precinct	30,000	30,000	30,600	31,300	32,000
Intrapac North Boulder Beach (\$165,000)	28,000	28,000	28,000	28,000	53,000
BP Compensatory Works (\$202,300)	28,000	28,000	28,000	28,000	90,300
Killen Falls Vegetation Rehabilitation	5,000	3,500	3,500	3,000	0
Tara Downs Compensatory Works	2,800	2,800	2,800	2,800	2,800
Allowance for New Compensatory Works	20,000	20,000	20,400	20,900	21,400
Total	194,800	193,300	196,400	199,500	287,400

The first three items are existing recurrent budgets.

A recurrent budget of \$30,000 has also been created to maintain the Boulder Beach / Angels Beach coastal walk / coastal path precinct, with a lot of the compensatory works also planned for that precinct.

The other line items relate to compensatory works associated with planning approvals or infrastructure works.

Civil Services Division

Resource Recovery

- Waste Management Officers – Three Full time (one per annum) – Based on one additional position per annum, albeit if the workload becomes too great this may be reviewed during a Quarterly Review of the LTFP.

The positions reflect the sustained increase in kerbside waste collection volumes, as well as additional customers coming through the gate.

The positions are funded from existing operating budgets.

Water and Wastewater

- Plant operator – Full time – The Water and Wastewater Construction Team regularly hire tipper trucks. A business case was completed to review whether the best advantage to Council is to purchase a tipper truck and recruit an operator instead of the current hire arrangements, which are managed under a Casual Plant Hire Contract.

The business case reported the Construction Team has used approximately 2,000 hours of tipper truck hire per annum in recent years, and this level of use is not anticipated to change significantly in the medium term.

The business case compared a number of options including, continuing to hire these services, dry hire of a truck and recruitment of an operator, or purchase of a truck and recruitment of an operator. It was concluded that when the number of tipper truck operating hours is greater than 1,600 per annum, the employment of the position and the purchase of a tipper truck is the most cost effective option.

4.7 Workforce Management Plan - 2021/22 to 2024/25

Purchasing a tipper truck will also reduce the risk of reliance on the casual hire contract, as there is only a small number of suppliers.

The business case estimates the purchase of a tipper truck to cost \$250,000. The Wastewater Fund has sufficient reserves to finance this purchase.

The current hire spend is charged directly against operational and capital projects, and this will be the case for both the operator and the associated plant costs. This means the operational expenses will be accommodated within existing budgets.

- Fitter / Machinist – Full time – Required to meet workload due to the ever expanding number of pumps in the Shire. Funded through existing operational budgets, with contractors currently used when there is a shortfall of staff.

Corporate and Community Division

People and Culture

- Trainee and Apprentice Support Officer – Part Time (Two days) - This temporary position has been in place for 24 months and is recommended to be funded on a permanent basis. The role is required to help support Council's established apprenticeship programs. The position has been funded from small savings in a number of operational budgets.

Commercial Services

- Airport Reporting Officer (AROs) – Full Time – This will increase Council's AROs to four. This will help to ensure compliance with CASA regulations and Airport safety requirements, and will allow Council to better plan for leave and unexpected absences. The additional position will help to reduce casual engagements and high overtime levels. Funded through the existing operating budgets.

Facilities Management

- Building Maintenance Officer – Full time – Required to ensure sufficient skilled resources to address the ongoing maintenance requirements for Council's built assets. Funded through cost savings through reduced use of contractors.

Legal / Resource / Financial Implications

The positions identified as funded in the Workforce Management Plan are included in the draft LTFP. The qualifier on this is that the current financial forecast for 2021/22 is a significant working capital and operating deficit, therefore savings still need to be made across Council's operations, in the short to medium term, to improve overall sustainability.

Consultation

The preparation of the Workforce Management Plan involves consultation across the organisation along with a review of our service delivery.

Options

The Workforce Management Plan forms part of the IP&R documents. The options are to approve the document or amend based on differing priorities.

It is recommended that Council approve the exhibition of the document as part of the draft Delivery Program and Operational Plan.

RECOMMENDATIONS

1. That Council approves the exhibition of the draft Workforce Management Plan 2021/22 to 2024/25, as per Attachment 1 to this report.
2. That subject to the adoption of that document, Council authorises the General Manager to proceed with the recruitment of the positions identified as funded.
3. That Council authorises an amendment to the Wastewater Plant Replacement Program, to allow the inclusion of the purchase of an additional item, being a tipper truck, estimated at \$250,000, funded from Wastewater Reserves.

Attachment(s)

1. Workforce Management Plan - 2021/22 to 2024/25 (draft) (Under separate cover)

4.8 General Fund - Long Term Financial Plan

4.8 General Fund - Long Term Financial Plan

Delivery Program

Financial Services

Objective

To provide an overview of the General Fund - Long Term Financial Plan for 2021/22 to 2030/31.

Background

The Long Term Financial Plan (LTFP) forms a major component of the exhibition of the draft Delivery Program and Operational Plan. Through the Finance Committee meetings, plus various other reports and adopted strategies and plans, the draft LTFP onwards is now at a stage where it can be exhibited, subject to any changes that arise from this meeting.

The Council's finances operate on a fund basis with Water and Wastewater Funds having been the subject of separate reports to the March 2021 Finance Committee. The focus of this report is on the General Fund.

Key Issues

- Forecast working capital deficit and financial sustainability

Discussion

In managing a Council's finances one of the key objectives is to obtain a cash operating surplus, with the surplus funds then invested into capital activities such as asset expenditure, loan principal repayments and transfers to reserve for future activities.

The draft LTFP (Attachment 1) consists of seven main sections:

- Part A – Provides an overview of the forecast results, from an operating result and working capital perspective.
- Part B – Provides the operating revenues and expenses for each of the General Fund programs.
- Part C – Summary of the capital expenditure planned, along with how that expenditure is funded.
- Part D – Summary of capital income items and movements in Section 7.11 contributions.
- Part E – Transfers to and from the reserves held within the General Fund.
- Part F – Summarises the General Fund loan repayments and loan debt.
- Part G – Appendices for the document.

4.8 General Fund - Long Term Financial Plan

The current forecast operating results, and working capital (WC) movements, for the General Fund are as follows:

Table One - Forecast General Fund Operating Result (\$'000)

Year	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Operating Revs	71,395	74,715	75,831	77,561	79,233	81,065	82,951	84,976	86,979	88,945	91,350
Operating Exps Excl Non-Cash	59,745	60,118	60,542	62,243	63,631	64,722	65,589	67,077	68,575	69,503	71,122
Result before Non-Cash items	11,650	14,596	15,289	15,318	15,602	16,343	17,362	17,899	18,404	19,441	20,228
Depreciation/Loss on sale	19,197	18,565	18,906	19,252	19,606	19,966	20,332	20,707	21,089	21,479	21,876
Result (Deficit)	(7,547)	(3,969)	(3,617)	(3,935)	(4,004)	(3,623)	(2,969)	(2,808)	(2,685)	(2,037)	(1,648)
Operating Ratio	-6.83%	-2.90%	-2.40%	-2.75%	-2.78%	-2.25%	-1.41%	-1.19%	-1.02%	-0.27%	0.17%
WC Result	(820)	(435)	(731)	(764)	(692)	(463)	(302)	(76)	313	463	1,029
WC Balance	3,888	3,453	2,722	1,958	1,266	803	501	425	738	1,201	2,230

The 2020/21 year has been significantly impacted by the economic impacts of the COVID-19 pandemic. Looking forward, there are a number of items that impact, or may potentially impact, on the overall financial position of the General Fund and matters of particular note include:

- Legal expenses budgeted for \$300,000, whereas in previous years the budget was estimated at \$200,000, albeit that the budget has increased significantly during the year, for the last three years. There is a real risk that this budget may be insufficient
- An Emergency Services one off grant of \$107,800 received in 2020/21, as compensation for an increase in the required contribution to the Rural Fire Fighting Fund, is not anticipated for 2021/22
- Hazard Reduction expenditure is no longer eligible for reimbursement from the NSW Rural Fire Service. This expenditure has averaged approximately \$60,000 per annum for the last four years
- Public Risk insurance increases approximating \$65,000, well in excess of CPI
- Interest on investments. The average income for the 2017/18 to 2019/20 years for the General Fund was \$880,000. Due to the significant decline in the cash rate, this income is now forecast at \$320,000
- Information Services expenditure budgets have increased by well above CPI to reflect the organisation size and needs
- Forecast dividends to the General Fund for 2021/22 consist of \$100,000 from Commercial Property, \$50,000 from Flat Rock Tent Park and \$70,000 from Cemeteries. Total dividends to the General Fund had traditionally been significantly higher. Loan repayment requirements, in relation to property projects, have necessitated that the dividend available to the General Fund is significantly lower
- Council's contribution to Rous County Council for Floodplain Management has increased by \$28,000, an increase of 13%
- Council's contribution to the Richmond Tweed Regional Library has increased by 6%.
- Main Street paving cleaning budgets, averaging approximately \$70,000 have been created for 2021/22 onwards. This regular cleaning is needed to maintain the paving provided as part of the main street upgrades and to reduce the risk of slips and falls.
- A \$30,000 recurrent budget has been created to help maintain the Coastal Walk and Coastal Path precinct, including the vegetation, in the Boulder Beach / Sharpes Beach Head precinct.

4.8 General Fund - Long Term Financial Plan

- Forecast Non-cash expenditure (Depreciation and Loss on Disposal of Assets) is \$18.6 million, including \$1.8m in the forecast loss on disposal of assets. These amounts are difficult to forecast and represent a major component of operating expenses.

The future year forecasts indicate the General Fund does not reach an operating surplus within the LTFP timeframe.

Table One also includes the forecast Operating Performance Ratio as per the current LTFP. This is measured as the operating result (total operating revenue less operating expenditure, excluding profit or loss on sale) as a percentage of operating revenue.

The ratio is predicted to be in the vicinity of -2% to -3% for the next several years, working towards a positive ratio for 2030/31.

The “Fit for the Future” criteria established by the Office of Local Government includes achieving an operating result of break-even to ensure that the Council is financially sustainable. The NSW Code of Accounting Practice benchmark is to achieve an Operating Performance Ratio of equal to, or greater than, zero.

Worthy to note, a report was released by IPART in September 2014, being a review of criteria for fit for the future for Local Government. This report is available in by the following link:

https://www.ipart.nsw.gov.au/files/sharedassets/website/trimholdingbay/final_report_-_review_of_criteria_for_fit_for_the_future_-_september_2014.pdf

Notably, IPART’s recommendations, proposed that a loss of 3% of operating revenues (to surplus of 10%) was reasonable, per page 25 of that report:

IPART recommends adoption of the measure Operating Performance Ratio with the benchmark being amended to a range between an operating deficit of 3% and an operating surplus of 10% of operating revenues. This measure should be averaged over 3 years.

The report discussion included comment that an operating deficit may be appropriate in the short-term, but not in the longer term.

Sustained operating deficits indicate that a council may be funding some of its current operations through capital grants and contributions and/or additional debt, possibly at the expense of future generations of ratepayers.

The report discussion included comment that the ratio measurement is highly sensitive to how councils estimate depreciation expense, as this is often a high proportion of total expenses.

For Ballina Shire Council, forecast depreciation expense and loss of disposal for 2021/22 is \$18.6 million, which represents 24% of total operating expenses.

In view of the comments of IPART, together with consideration of the large depreciation and loss on disposal forecasts, the forecast deficits may not be unreasonable and an internal benchmark of achieving a ratio of -3% or better is more realistic.

The forecast working capital results, however, are highly unfavourable. The forecast cash result for 2021/22 is a reduction to working capital of \$434,900.

The result for 2021/22 includes the removal of **\$460,000** in recurrent road reconstruction (capital) works. This is to help reduce the General Fund working capital deficit from \$894,900 to \$434,900, an outcome which is still considered highly undesirable.

This reduction in works for 2021/22 follows a similar reduction, of **\$510,000**, in the 2020/21 adopted budgets. It had been anticipated, at that time, in June 2020, that the reduction would be a one-off occurrence. Unfortunately, the current position of the General Fund necessitates this measure to be proposed again for the coming year.

On the positive side, with this measure in place, the working capital balance still remains positive throughout the entire ten years, which means that Council has a reasonable buffer in place to help manage financial shocks. However, for the longer term perspective, the working capital results for the 2021/22 to 2026/27 timeframe are undesirable.

Council will need to be extremely mindful in minimising expenditure over these years. Ideally we would like to start every financial year with a forecast working capital result of zero or positive.

It is necessary to continue to restrain and reduce operating expenditure (i.e. service levels) in order to ensure the General Fund does reach a healthy operating position, and importantly to provide assurance for the working capital balance.

The draft LTFP provides details on individual programs and brief comments on the operating budgets and capital works for the General Fund are as follows.

Operating Budgets (Part B)

This section of the report provides comments from an operating result perspective (i.e. operating revenues less operating expenses), and on a cash basis, which is how working capital is calculated, on items of interest when comparing 2020/21 to 2021/22, as well as any other major variations.

It is important to note that the 2020/21 comparatives in this report are as per the December 2020 Quarterly Financial review.

Planning and Environmental Health Division (pages 15 to 30)

- **Development Services**

The 2021/22 forecast cash position is \$118,000. This compares to the 2020/21 forecast deficit of \$241,900, an improvement of \$123,900.

The 2021/22 forecast revenue for legal cost recoveries is \$60,000, comparing to the 2020/21 current forecast of \$550,000. The 2020/21 result includes a \$490,000 reimbursement of legal costs from Intrapac Property Pty Ltd.

Other revenues have been forecast to increase by 8.4%, in total, to reflect an expected continuation of the high level of development activity.

4.8 General Fund - Long Term Financial Plan

The 2021/22 forecast legal expenditure budget is \$300,000, comparing to the 2020/21 current forecast of \$615,000. The allowance of only \$300,000 is a financial risk, and actual costs may well exceed this.

Internal reserve balances do hold \$190,000 for future unbudgeted legal expenses.

Other expenditure budgets have been forecast to increase by 4.6%, with the largest budget item being salaries, which have been increased by 4.1%.

- Public and Environmental Health

There were a significant number of reserve funded projects for this program during 2020/21 and the bottom line cash result is similar for both years, improved by \$20,100.

Grant funding for 2021/22 includes \$140,000 for the Regional Contaminated Lands Officer and \$217,000 for the Lake Ainsworth Coastal Management Plan.

- Public Order

Forecast revenue from fine income has been increased by \$38,000, an increase of 29%, to \$170,000. This forecast is in line with pre-COVID 19 levels.

This forecast income is offset by an increase in ranger salary and related costs.

- Strategic Planning

The 2021/22 forecast operating deficit is \$897,500 and the cash result is a deficit of \$984,000.

This result includes an overhead credit of \$157,000.

Once the overhead credit is removed the cash deficit is \$1,141,000 which is a small deterioration, of \$20,600, on 2020/21.

- Northern Rivers Community Gallery

The 2021/22 forecast cash result is a deficit of \$320,000. This compares to the current forecast 2020/21 deficit of \$332,000, a small decrease to the deficit of \$12,000.

- Open Spaces

The 2021/22 forecast cash result is a deficit of \$4,707,000. This compares to the current forecast 2020/21 deficit of \$4,424,500, an increase to the deficit of \$282,500.

Employee costs have increased by \$281,000, to \$985,000. The salaries increase includes an Administration Officer and a Landscape Designer.

- Open Spaces Buildings and Structures

The 2021/22 forecast cash result is a deficit of \$1,026,000. This compares to the current forecast 2020/21 deficit of \$1,009,700, a small increase to the deficit of \$16,300.

Civil Services Division (pages 31 to 56)

- Asset Management

The 2021/22 forecast operating deficit is \$1,005,000 and the cash result is a deficit of \$1,041,000.

This result includes an overhead credit of \$1,302,000.

Once the overhead credit is removed the cash deficit is \$2,343,000 which is an improvement, of \$124,400 on 2020/21.

Forecast revenue from engineering and inspection fees has been increased by \$68,000 (38%) to \$245,000, to reflect the economic upturn.

Employee costs have decreased by \$68,500 (2.8%) to \$2,415,000.

- Stormwater and Environmental Protection

The 2021/22 forecast cash operating result for this section is a deficit of \$643,700. This compares to the current forecast 2020/21 deficit of \$850,800, a decrease to the deficit of \$207,100.

The main movement between 2020/21 and 2021/22 forecast expenditures is the canal dredging expenditure, with the current 2020/21 forecast including the dredging of Ballina Quays (\$200,000), and the 2021/22 forecast of \$20,000.

A review of future dredging requirements has seen a revision to the 2025/26 proposed costs (revised to \$250,000) and 2030/31 proposed costs (revised to \$280,000). The years in between have a small recurrent budget for any unplanned maintenance work.

- Roads and Bridges

The 2021/22 forecast cash operating result for this section is a deficit of \$2,461,200. This compares to the current forecast 2020/21 deficit of \$2,378,300, an increase to the deficit of \$82,900.

Forecast operating expenses for 2021/22 are approximately \$36,000 higher than 2020/21, with paving cleaning budgets offset in part by cuts in other operating budgets.

Forecast operating income is lower in 2021/22, with 2020/21 including the supplementary block grant of \$77,000 in this section (this grant has been applied to the Transport NSW section in 2021/22) and some natural disaster funding.

4.8 General Fund - Long Term Financial Plan

The forecast cash result after capital movements for 2021/22 includes the removal of \$460,000 in recurrent road reconstruction (capital) works. This is to help reduce the General Fund working capital deficit to \$434,900.

This reduction in works for 2021/22 follows a similar reduction, of \$510,000, in the 2020/21 adopted budgets.

- Ancillary Transport Services

The 2021/22 forecast cash operating result is a deficit is \$1,218,900. This compares to the current forecast 2020/21 deficit of \$1,189,600, an increase to the deficit of \$29,300.

Forecast street lighting expenditure has been revised up, with an increase of \$50,000 (or 9%) from the current 2020/21 forecast which looks to be insufficient.

The forecast income and expenditure relating to private works have been revised down.

Ferry fees have been revised up by an additional \$86,000 from the current 2020/21 forecast, as the current year forecasts were impacted by the economic downturn and COVID-19 impacts.

More than offsetting this is an annual slip expenditure budget of \$160,000 for the 2021/22 year, comparing to \$20,000 for the 2020/21 year.

- Emergency Services

The 2021/22 forecast cash operating deficit is \$439,200, a deterioration of \$52,500 from the 2020/21 deficit of \$386,700.

The 2020/21 year includes additional one off funding of \$107,800 received from the Office of Local Government as compensation for an increase in the required contribution to the Rural Fire Fighting Fund.

This funding is not anticipated for 2021/22.

The 2020/21 year also includes an expenditure budget of \$64,000 for Hazard Reduction. This budget has been transferred to Open Spaces for 2021/22 as there is now no longer any matching grant funding.

In previous years, these hazard reduction works were reimbursed by the NSW Rural Fire Service. As noted in the December 2020 quarterly budget review reported, to the February 2021 Ordinary Meeting, a change in eligibility requirements has meant that works undertaken by Council are no longer eligible for the funding. The works are still essential, which is why the expenditure budget has been transferred to Open Spaces.

- Landfill and Resource Management and Domestic Waste Management – These programs were reported to the March 2021 Finance Committee meeting.
- Water and Wastewater – These programs were reported to the March 2021 Finance Committee meeting.

Corporate and Community Division (pages 57 to 86)

- Governance

The 2021/22 forecast cash operating deficit is \$1,321,000, compared to the 2020/21 deficit of \$1,048,200. This result includes an overhead credit of \$1,749,000.

Excluding the overhead credit, the forecast operating deficit of \$3,070,000 for 2021/22 is higher than the current 2020/21 of \$2,739,500, by \$330,500.

The 2021/22 forecast includes Election expenses of \$300,000. Public Risk Insurance is forecast to increase by \$65,800.

Offsetting in part the above, there is a decrease to employee costs, of \$72,000, impacted by a transfer of one staff member to the Communications section.

- Communications

The 2021/22 forecast cash operating deficit is \$530,000, compared to the 2020/21 forecast of \$531,100.

This result includes an overhead credit of \$1,005,000. Excluding the overhead credit, the forecast operating deficit of \$1,535,300 for 2021/22 is higher than the current 2020/21 of \$1,431,000 by \$104,300.

Salaries budgets increased by \$114,000, part of which relates to the transfer of one staff member from the Governance section.

The budget for the Festivals and Events program has been increased by \$65,000 to \$120,000 which is more consistent with earlier years. The 2020/21 budget had been set at \$55,000 as a number of events planned for 2020/21 did not proceed.

The 2020/21 expenditure budgets included \$100,000 for Bushfire Resilience and Recovery, funded from reserves created by a grant received in 2019/20.

- Financial Services – General Purpose Revenues

The net cash operating surplus for the program has increased by \$920,300. The 2021/22 figures includes an increase of \$774,300 for rates revenue based on a rate peg of 2.0% and an increase to the financial assistance grant of \$92,000.

Interest on overdue rates of \$50,000 has been included for 2021/22.

- Financial Services

The 2021/22 forecast operating deficit is \$347,500. This result includes an overhead credit of \$976,000. Excluding the overhead credit, the forecast operating deficit of \$1,323,500 for 2021/22 is very similar to that of 2020/21.

4.8 General Fund - Long Term Financial Plan

- Information Services

The 2021/22 forecast cash operating deficit is \$2,613,000 compared to the 2020/21 forecast of \$2,525,600.

This result includes an overhead credit of \$895,000. Excluding the overhead credit, the forecast operating deficit of \$3,508,000 for 2021/22 is higher than the current 2020/21 of \$3,408,700 by \$99,300.

Expenditure budgets have been increased by \$190,300 in total.

Contribution to projects from other sections of Council have been increased by \$61,000 and forecast information fee income is increased \$30,000.

This budget continues to grow as the organisation rolls out new technology.

- Commercial Property

This comprises the Commercial Property Management and Flat Rock Tent Park.

The Commercial Property Management program has historically been able to provide a contribution, by way of a dividend, to the General Fund. For 2020/21, an assessment of the property reserve balances resulted in this being reviewed, with a nil dividend to the General Fund for the year.

A dividend to the General Fund, of \$100,000, is proposed for 2021/22 onwards.

Forecast income for Commercial Property Management is \$256,000 higher than the current forecast for 2020/21.

The more significant improvements from the forecast 2020/21 incomes are for the Norfolk Homes and Wigmore Arcade lease incomes.

Forecast expenditure for Commercial Property Management is \$177,500 higher than the current forecast for 2020/21.

Expenditure for 2021/22 includes a budget of \$100,000 for the Southern Cross Masterplan, which has a current budget of \$56,000 for 2020/21.

Forecast interest expense is higher, by \$82,000, for 2021/22, in relation to the loans for Boeing Avenue, Airport Boulevard and the WUEA expansion.

Forecast maintenance budgets have been increased, for 2021/22, for maintenance works required for the former Tintenbar Chambers and Wigmore Arcade.

The Flat Rock Tent Park has a forecast cash operating surplus of \$100,500 for 2021/22, comparing to a deficit of \$7,000 for 2020/21 which was significantly impacted by the economic downturn from COVID-19.

- Ballina Byron Gateway Airport

Total operating revenue for 2021/22 is forecast as \$6,923,000, a significant improvement over the current 2020/21 forecast of \$5,273,000, and in line with pre COVID (2018/19) results.

Total operating expenditure for 2021/22, excluding depreciation, is forecast as \$4,970,000, compared to the current 2020/21 forecast of \$4,442,000. The largest increase is for security costs, commensurate with the increase to security charges recouped.

The operating result is forecast to move back into a healthier surplus position for 2021/22 and following years.

The airport reserves are forecast to be in deficit at 30 June 2022 and the following two years due to the significant capital works scheduled, however are anticipated to move back into a positive position during 2024/25.

The 2020/21 budgets will be reviewed as part of the March quarterly budget review. It is anticipated that the forecast operating result, and subsequently the reserve balance at the end of 2020/21, will show some improvement.

- Community Facilities

Forecast revenue for 2020/21 is much improved reflecting the rebound in the economy. The net cash deficit for all programs is forecast at \$464,000, a significant improvement from the current forecast 2020/21 deficit of \$754,600, however an increasing net cost in comparison to historical results.

- Library Services

Council is one of four councils who form part of the Richmond Tweed Regional Library (RTRL) service (Ballina, Byron, Lismore ,Tweed).

Under an established Deed of Agreement ('Agreement'), Lismore City Council facilitate the running of the library service, supported by a Senior Leadership Group and Library Committee comprising of representatives across each of the four councils.

Under this Agreement, all library staff are currently employed by Lismore City Council.

The current Agreement will expire in November 2021 however consensus has been reached across all councils to extend the Agreement until 30 June 2022 with a potential further 12 month extension.

During this period the councils will be working together to review the current service levels and develop a new Agreement to support the continued library operation.

Our Council's contribution to the RTRL for 2020/21 is \$1,460,000. Due to an increase in operational costs, Council's contribution for 2021/22 is budgeted for \$1,550,000.

- Swimming Pools

Revenues have been forecast to increase by 7%, with expenditure forecast to increase by 5%.

The net cash operating deficit is forecast as \$676,000.

- Facility Management

The 2021/22 forecast cash deficit is \$704,500 compared to the 2020/21 forecast of \$1,007,000.

This result includes an overhead credit of \$933,000.

Excluding the overhead credit, the forecast cash deficit of \$1,637,500 for 2021/22 is lower than the current 2020/21 of \$1,640,300 by \$2,800.

Capital Expenditure (Part C)

The draft budget includes an extensive capital works program with the total works for the General Fund estimated at \$51m, of which \$20m relates to the Ballina – Byron Gateway Airport.

The program largely reflects the recurrent works and non-recurrent works presented as separate reports to this meeting.

Section 7.11 Contributions and Other Capital Income (Part D)

This section provides an overview of capital income movements, with many of those items helping to fund capital expenditure projects.

There is a mixture of confirmed grants and grant applications (still to be determined) in the capital income section.

Loan borrowings included in 2021/22 are Airport (\$10.5m in 2021/22 with a further \$10.0m for 2021/22), Lennox Head – Village Renewal (\$3.3m in 2021/22), Airport Boulevard (\$1.7m in 2021/22 further to \$2.0m taken in 2020/21) and Section 7.11 Roads Contributions (\$2m).

Reserve Movements (Part E)

This section provides details on the General Fund reserves, including movements to and from those reserves, and the reserve balances.

A review of the closing balances section for Part E, provides the estimated closing balances for all the General Fund reserves.

There are generally four main categories of reserve:

- Externally Restricted – This includes Domestic Waste Management, Crown Reserves and Section 7.11 contributions, as all funds held for these items must be held in reserve.

4.8 General Fund - Long Term Financial Plan

- Business Operations – The surplus funds for programs such as Cemeteries, Flat Rock, Airport, Landfill and Resource Management, Quarries and Plant are held in reserve, with Council taking dividends occasionally from these reserves.
 - Future Planning – Reserves such as Council Elections, Leave Entitlements, Wigmore Arcade, Canal Dredging, Bypasses, Street Cleaning etc are all established to smooth out lumpy expenditure that occurs when payments are required for these services / entitlements.
- 1)
- Contingency / Deferred Works – Major expenditure areas, such as roads, have funds held to assist with variations that occur in project costs, or where projects have been deferred from one year to the next.

Loan Principal and Interest Repayment Schedule (Part F)

This section outlines the loan repayments for the General Fund.

Balance Sheets (Part G)

This final section includes the balances sheets for the General, Water and Wastewater Funds, and on a consolidated basis.

Community Consultation Policy

The document will be placed on exhibition for a minimum period of 28 days.

Financial / Risk Considerations

This report outlines the total budget.

Options

Council is required to exhibit the draft document for public comment and the recommendation is to endorse the exhibition process, subject to any changes arising from this report or other reports elsewhere in this agenda. As touched on in the report Council still needs to be looking for savings in the recurrent budget to improve our working capital results for the General Fund in future years.

RECOMMENDATION

That Council approves the exhibition of the draft Long Term Financial Plan, as per Attachment 1 to this report, including any amendments arising from this meeting.

Attachment(s)

1. Draft 2021/22 Long Term Financial Plan (LTFP) and Budget (under separate cover)

4.9 Community Infrastructure Projects - Recurrent Expenditure

4.9 Community Infrastructure Projects - Recurrent Expenditure

Section	Financial Services
Objective	To outline the preferred works program for the community infrastructure projects where there is recurrent funding included in the Long Term Financial Plan.

Background

The capital expenditure in Council's Long Term Financial Plan (LTFP) can be classified into two groups, recurrent and non-recurrent funded projects.

Recurrent refers to items in the LTFP, where an allocation of general revenue funding is provided, each and every year, to assist Council deliver core community infrastructure.

Non-recurrent refers to items in the LTFP, where capital expenditure funding is not required every year, however there are times when major injections of funding are needed (eg. swimming pool redevelopments, major community facility refurbishments, town centre renewals).

This report deals with the recurrent funded items.

The following report in this agenda deals with the non-recurrent funded projects.

The recurrent funding allocated in the Council's draft General Fund LTFP, for 2021/22 onwards, is approximately as follows:

1. Open Spaces – \$730,000 pa
2. Sports Fields – \$200,000 pa
3. Public Amenities – \$160,000 pa
4. Stormwater / Drainage – \$825,000 pa
5. Street Lighting and Car Parks – \$105,000 pa
6. Footpaths / Shared Paths – \$500,000 pa
7. Roads – Recurrent revenue funding of approximately \$6m including recurrent grants, with this amount subject to change, dependent on other income sources such as loans, other grants and Section 7.11 contributions for road works
8. Community Buildings – \$500,000 pa plus approximately \$200,000 for Depot and Administration Centre improvements

For each of these items a four year works plan is included in the Council's 2021/22 to 2024/25 Delivery Program to outline the works planned for the term of the document.

Key Issues

- Level of funding
- Ideal level of funding based on depreciation expense
- Priorities based on technical assessments

4.9 Community Infrastructure Projects - Recurrent Expenditure

Discussion

From a financial perspective it is paramount that a council efficiently manages and minimises its operating expenses, so as to maximise the funding available for capital expenditure. Without adequate renewal and maintenance funding provided on an on-going basis, infrastructure deteriorates, resulting in reduced service levels, increased maintenance costs and increased risk due to asset failures.

It is also important that a council focuses, as the first priority for capital expenditure, on asset renewal, rather than expanding its asset base, as councils need to have adequate funds to maintain existing assets before building new facilities.

As touched on in the General Fund – Long Term Financial Plan report, elsewhere in this agenda, one of the major financial issues now facing Council, is the on-going maintenance and renewal of new infrastructure delivered during the last ten years. Every effort needs to be made to maximise funding available for asset renewal.

In respect to the recurrent funding allocated in the draft 2021/22 to 2024/25 Delivery Program, the proposed works for the next four years are as follows.

Open Spaces - Manager – Cheyne Willebrands

Council has an adopted Playground Upgrade Plan which helps to support this program of works (copy available at the following link to Council's website):

https://www.ballina.nsw.gov.au/cp_themes/default/page.asp?p=DOC-ICR-42-35-17

<i>Item</i>	<i>2021/22</i>	<i>2022/23</i>	<i>2023/24</i>	<i>2024/25</i>
Open Spaces	2,343,100	729,000	744,000	759,000
Crown Reserve Improvements	28,000	29,000	30,000	31,000
District Park, Wollongbar	465,100			
Pop Denison Master Plan, Ballina	750,000			
Ross Park, Lennox Head	400,000			
Bolwarra Park, Wollongbar	10,000			
Cummings Park, Cumbalum	100,000			
Elevations Park, Lennox Head	99,000			
Fitzroy Park, Wardell	179,000			
Meldrum Park, Ballina	119,000			
Ocean Breeze Park, Lennox Head	193,000			
Lakefield Park, Lennox Head		39,000		
Campbell Park, Wollongbar		95,000		
Madden Park, Cumbalum		80,000		
Missingham Park, Ballina		391,000		
Montwood Park, Lennox Head		95,000		
Edgewater Cove Park, Ballina			65,000	
Lilli Pilli Park, Lennox Head			85,000	
Prospect Park, Ballina			90,000	
Swift Street Park, Ballina			85,000	
Faulks Reserve, Ballina			199,000	
Saunders Oval, Ballina			190,000	
Ballina Heights Sports Field, Ballina Heights				150,000
Kearney Park, Ballina				100,000
Westland Park, Ballina				100,000
Elizabeth Ann Brown Park, Alstonville				100,000
Condon Park, Ballina				65,000
Chickiba Park, Ballina				150,000
Cawarra Park, Ballina				63,000

4.9 Community Infrastructure Projects - Recurrent Expenditure

For 2021/22, additional funds are available for the Wollongbar District Park, Pop Denison Master Plan and Ross Park, Lennox Head. These funds, sourced from internal reserves or developer contributions, have largely been carried forward from 2020/21 to reflect the likely timing of the delivery of the works.

The order of works for the four years have also been reordered from previously adopted priorities, based on physical inspections of the existing equipment.

From a recurrent funding perspective, the estimated annual depreciation expense for open spaces, which includes playground equipment and related infrastructure, is approximately \$820,000. With recurrent funding of approximately \$730,000 the funding is reasonable considering depreciation is a high level estimate.

<i>Item</i>	<i>2021/22</i>	<i>2022/23</i>	<i>2023/24</i>	<i>2024/25</i>
Sports Fields	1,200,000	2,700,000	204,000	208,000
Saunders Oval, Ballina - Irrigation	30,000			
Lyle Park< Wollongbar - Lighting	170,000			
Williams Reserve, Lennox Head - Irrigation		200,000		
Geoff Watt Oval, Alstonville – Lighting			204,000	
Wollongbar – Irrigation and Surface (Field Two)				208,000
Kingsford Smith, Ballina - Major Upgrade	1,000,000	2,500,000		

The Kingsford Smith works are fully funded from a State Government grant.

The estimated annual depreciation expense for sport fields is \$500,000 with the recurrent budget set at \$200,000, representing a significant shortfall. Major one-off grants, such as the Kingsford Smith funding, assist greatly with asset renewal, although they can also create increased maintenance requirements for Council through new facilities and infrastructure.

Sports fields is an area where Council needs to closely review how the depreciation expense is being calculated to ensure it is realistic, and what options there are to reduce the gap between the recurrent funding and the depreciation expense. Also, this actual funding gap may not be as large as the figures reflect in Council's financial reporting, as those figures do not reflect the significant in-kind works that many sporting clubs undertake each year on the Council owned facilities.

Public Amenities – Cheyne Willebrands

<i>Item</i>	<i>2020/21</i>	<i>2021/22</i>	<i>2022/23</i>	<i>2023/24</i>
Public Amenity Refurbishments	160,000	160,000	160,000	160,000
Lennox Head Surf Club	160,000			
Lennox Head Park		160,000		
Bulwinkel Park			80,000	
Cawarra Park			80,000	
Compton Drive				160,000

The estimated annual depreciation expense for public amenities is \$22,000, which means there may well be surplus funds allocated to this program. A recurrent budget for public amenity improvements has only been created since 2014/15 and there has been some level of catch-up taking place.

4.9 Community Infrastructure Projects - Recurrent Expenditure

Based on these depreciation figures, there has been no indexation applied to the \$160,000 in recurrent funding during the ten year life of the LTFP, and it may be possible to reallocate some of this funding in future years, to other infrastructure priorities.

Facilities Management - Manager – Craig Brown

<i>Item</i>	<i>2021/22</i>	<i>2022/23</i>	<i>2023/24</i>	<i>2024/25</i>
Community Facilities and Halls	524,000	500,000	510,000	520,000
Alstonville Cultural Centre - Refurbishment	524,000	220,000		
Kentwell Centre - Refurbishments			220,000	
Ballina Surf Club - Dividing Wall			40,000	
Ballina Surf Club - Building B - Rolla doors			16,000	
Ballina Surf Club - Floors, A-C, Hot Water		78,000		
32 Swift Street – Community Spaces			40,000	
Ballina Library - Amenities and Foyer		120,000		
Library / Richmond / VIC - Roof				220,000
Richmond Room - Amenities and Foyer		82,000		
Lennox CC Library - Carpet / Painting / Roof			60,000	150,000
Lennox CC CWA - Kitchen / Sheeting / Roof			42,000	150,000
Wardell Hall - Roof			42,000	
Wollongbar Hall - Roof			50,000	
Works Depot	469,000	200,000	204,000	208,000
Solar	120,000			
Open Spaces Section	149,000			
Hardstand / Security / Electrical	200,000			
Roof Replacement - Trades		200,000		
Roof Replacement - Store			204,000	
Depot Yard – Fencing and Security				208,000

The works depot solar and open spaces section projects are carried over from 2020/21.

The major project planned is the Alstonville Cultural Centre - Refurbishment, with Council endorsing a concept plan estimated at \$7m to \$8.5m. This project is not able to be funded from recurrent revenue therefore other funding sources such as loans, Section 7.11 contributions, grant funds and internal reserves will need to be sourced to allow the project to proceed. Detailed design and engineering plans are being advanced to ensure the project is shovel ready, if funding does become available.

The recurrent funding for community facilities and halls is set aside for the Alstonville Cultural Centre in 2021/22, to ensure that Council, as a minimum, has some funds set aside as a contribution to a grant application.

Council has been fortunate during 2020/21 to have a significant amount of grant funding available through the Federal Government's Local Roads and Community Infrastructure (LRCI) program, and this has allowed important maintenance projects to be undertaken on numerous Council buildings.

The estimated annual depreciation expense for the various categories of community buildings (i.e. Cultural Centres, Administration Centre, Visitor Centre, Indoor Sports Centre, Public Halls, Depot etc) is approximately \$2m, and with only \$700,000 (including the depot) in recurrent funding there is a significant shortfall. Regular dividends from Council's Commercial Property Reserves have helped supplement these types of projects, however this is another area where the recurrent funding needs to be increased over time.

4.9 Community Infrastructure Projects - Recurrent Expenditure

Stormwater - Manager - Paul Busmanis

<i>Item</i>	<i>2021/22</i>	<i>2022/23</i>	<i>2023/24</i>	<i>2024/25</i>
Stormwater	825,000	842,000	859,000	876,000
Urban Lanes		75,000	75,000	75,000
Kerr Street (Tamar Street to Richmond River)			60,000	
Urban Stormwater Management Plan	25,000	25,000	25,000	25,000
Asset Data Collection	45,000	50,000	50,000	50,000
Tide Gates to Urban Streets	55,000	55,000	55,000	55,000
Urban Stormwater Reticulation Renewal	152,000	307,000	211,000	371,000
Alison Avenue, Lennox Head	150,000			
Ballina Fair, Ballina	60,000			
Owen Street, Ballina	80,000			
Grant Street, Ballina	84,000			100,000
Martin Street, Ballina	90,000	70,000	90,000	
Lems Lane / Cliff Murray Lane, Lennox Head	84,000			
Moon Street (Tamar Street to Holden Lane)			90,000	
Henry Philp Avenue, Ballina		50,000	40,000	
Williams Reserve, Lennox Head			15,000	
Temple Street, Ballina		120,000		
Oakland Avenue, Ballina			120,000	120,000
River Street, Ballina		50,000		
Norton Street, Ballina				80,000
Cherry Street, Ballina		40,000	28,000	

The estimated annual depreciation expense for stormwater is \$1,450,000 representing a significant shortfall in recurrent funding. Council levies an annual stormwater charge that generates \$400,000 per annum, with the balance of the recurrent funding of \$825,000 sourced from rate revenue and general purpose grants (i.e. Financial Assistance Grant).

Ancillary Transport - Manager – Paul Busmanis

<i>Item</i>	<i>2020/21</i>	<i>2021/22</i>	<i>2022/23</i>	<i>2023/24</i>
Street Lighting	55,000	55,000	56,100	57,300
Riverside Drive, Ballina	12,000			
Daydream Avenue/Sunnybank Drive, Ballina	7,000			
Hackett Lane, Ballina	36,000	55,000		
Ceretto Circuit, Wollongbar				
Hill Street / Pine Avenue, Ballina			42,100	
Daly Street, Alstonville			14,000	
North Creek Road, Ballina				42,000
Burnet Street, Ballina				7,000
Amber Drive, Lennox Head				8,300
Car Parks	50,000	50,000	75,000	100,000
Pat Morton Lookout	50,000			
Rocky Point		50,000		
The Coast Road - north west of Pat Morton				3,000
Flat Rock Road - line marking			2,000	
King St near Club Lennox - line marking			4,000	
Rutherford Street - line marking				3,000
Alston Avenue, Alstonville - line marking				5,000
Alstonville Preschool - lighting			12,000	
Wollongbar Preschool - lighting			7,000	
Marine Rescue Tower - lighting			7,000	
Ballina Skate Park - lighting			20,000	
Lake Ainsworth Caravan Park / Ross Street - lighting			20,000	
Shelly Beach Road (south of SLSC) - lighting				26,000
Shelly Beach Road (north of SLSC) - lighting				20,000
Pop Denison Park - lighting				26,000
Pacific Parade at Ross Street - lighting				20,000

4.9 Community Infrastructure Projects - Recurrent Expenditure

The estimated annual depreciation expense for ancillary transport is \$215,000, which primarily includes car parks and boat ramps.

With Council recently creating a recurrent funding program for car park renewals, the aim will be, during the medium term, to work towards having recurrent funding being close to depreciation.

<i>Item</i>	<i>2021/22</i>	<i>2022/23</i>	<i>2023/24</i>	<i>2024/25</i>
Footpaths and Shared Paths	510,000	510,000	520,000	530,000
Bike Plan Projects		100,000	100,000	100,000
Bike Plan - Eyles, John Sharpe, Links	100,000			
Owen Street, Ballina	15,000			
Tamarind Drive, Ballina North	10,000			
Old Pacific Highway, Newrybar	65,000			
Grandview Street, East Ballina	110,000			
Manly Street, East Ballina	22,000			
Moon Street, Ballina	13,000			
Williams Street, Lennox Head	50,000			
Kerr Street, Ballina	20,000			
North Creek Road, Ballina	15,000			
Quays Drive, West Ballina	80,000			
Greenwood Place, Sunrise Cres, Lennox				
Camoola Avenue, Ballina		35,000		
River Street, Ballina		45,000		
Fox Street, Ballina		90,000		
Tamar Street, Ballina		35,000		
Coral Street, Alstonville		5,000		
Cedar Street, Wardell		50,000		
Rifle Range Road, Wollongbar		145,000		
Burnet Street, Ballina			35,000	
Owen Street, Ballina		5,000		
Skennars Head Road, Skennars Head			20,000	
Westland Drive, West Ballina			5,000	
Green Street, Alstonville			15,000	
Canal Road, Ballina			40,000	
Chickiba Drive, East Ballina			70,000	
Martin Street, Ballina			80,000	
Montwood Drive, Lennox Head			155,000	35,000
Jameson Ave, East Ballina				100,000
Anderson St, East Ballina				5,000
Stewart St, Lennox Head				70,000
Martin St/Fox St, Ballina				10,000
Horizon Dve, West Ballina				90,000
Mellis Crt, Alstonville				120,000

The estimated depreciation expense for footpaths is \$520,000.

This means Council is close to funding this expense, albeit that sometimes the funding is allocated to new footpaths, which then increases the depreciation expense.

As well as the recurrent depreciation expense, major infrastructure such as the coastal walk and coastal shared path require significant maintenance commitments as well.

For example, a specific budget of \$30,000 has been created in the recurrent budget for open spaces to deal with the maintenance of this new infrastructure and associated vegetation in the Sharpes Beach / Boulder Beach precinct.

4.9 Community Infrastructure Projects - Recurrent Expenditure

Roads and Bridges - Manager - Paul Busmanis

<i>Item</i>	<i>2021/22</i>	<i>2022/23</i>	<i>2023/24</i>	<i>2024/25</i>
Roads and Bridges Funding:				
Council Revenue	4,433,500	5,079,600	5,038,000	4,995,000
Roads to Recovery Grant	880,000	880,000	880,000	898,000
Safer Roads Grant – State Government	1,657,000	2,327,000	0	0
Airport Boulevard – Federal Government	1,000,000	0	0	0
Fixing Local Roads – State Government	250,000	0	0	0
State / Federal Govts – Pearces Ck Bridge	300,000	3,948,400	0	0
State and / or Federal Governments - Grants	0	0	0	7,507,500
Developer Contributions	3,368,000	5,848,000	5,959,000	2,931,000
Loan Funds	7,040,000	4,753,000	4,865,500	0
Internal Reserves	2,685,000	2,792,000	1,225,000	443,000
Total	20,763,500	24,778,000	17,191,500	10,175,000

As per these figures there is a significant amount of road works planned for the next four years. The program is grouped into the following categories.

<i>Reseals and Patching</i>	<i>2021/22</i>	<i>2022/23</i>	<i>2023/24</i>	<i>2024/25</i>
Urban Roads - Bitumen Reseals	503,000	523,000	533,000	544,000
Urban Roads - Heavy Patching	478,000	498,000	508,000	518,000
Rural Roads - Bitumen Reseals	491,000	511,000	521,000	531,000
Rural Roads - Heavy Patching	289,000	305,000	311,000	317,000
Sub Total	1,761,000	1,837,000	1,873,000	1,910,000

Reconstruction

Urban Roads

	<i>2021/22</i>	<i>2022/23</i>	<i>2023/24</i>	<i>2024/25</i>
Northumberland Avenue segment 10	540,000			
Gibbon Street segment 20	147,000			
Gibbon Street segment 10	215,000			
Stewart Street segment 150	90,000			
Brunswick Street segment 20	135,000			
Barlows Road segment 20	185,000			
Crane Street segment 30	120,000			
Broadwater Place segment 10		156,000		
Bangalow Road segment 20	97,000	274,000		
Wilson Street segments 10 and 20	140,000			
Smith Drive segment 20		393,000		
Burnet Street segment 50	192,000			
Henry Phillip Avenue segments 10, 20 and 30			390,000	
Moon Street segment 130		230,000		
Raglan Street segment 10		120,000		
Cawley Street segment 10		107,000		
Temple Street segment 10		400,000	350,000	
Holden Lane segment 30		38,000		
Hickey Place segment 30			125,000	
Bolding Street segment 10			210,000	
Russell Street segment 10			340,000	
Waverley Place segment 10			139,000	
Burnet Street segment 40			180,000	
Kalinga Street segment 30			240,000	160,000
Helen Court segment 10				90,000
Hickey Place segment 20				230,000
Mary Street segment 10				140,000
Skinner Street segment 20				200,000
Burnet Street segment 60				210,000
Cawarra Street segment 20				150,000
Moon Street segment 20				315,000
Cherry Street segment 30				315,000

4.9 Community Infrastructure Projects - Recurrent Expenditure

<i>Reconstruction (cont'd)</i>	<i>2021/22</i>	<i>2022/23</i>	<i>2023/24</i>	<i>2024/25</i>
Rural Roads				
Teven Road segments 70, 58 to 60		330,000		
South Ballina Beach Road segment 60	304,000			
Fernleigh Road segment 80	499,000			
Teven Road segment 10	460,000			
Wardell Road segment 110	303,500			
Teven Road segment 52	450,000			
Moylans Lane segment 10		360,000		560,000
Old Pacific Highway segment 20		385,000		
Houghlahans Creek Road segment 160		130,000		
River Drive segment 70		330,000	362,000	
Teven Road segment 60		400,000	560,000	
Fernleigh Road segment 10		230,000		
Beacon Road segment 10			292,000	
Pimlico Road segment 100			135,000	375,000
River Drive segment 120			480,000	
Dalwood Road segment 110				390,000
Marom Creek Road segment 140				350,000
Hermans Lane segment 30				254,000
Dust Seal Program				
Rishworths Lane Dust Seal	120,000			
O'Keefes Lane Dust Seal		120,000		
Gap Road Dust Seal			43,000	
Houghlahans Creek Road Dust Seal			35,000	
Cooks Lane Dust Seal			42,000	102,000
Bartletts Lane Dust Seal				18,000
Bridges				
Bridges - Other	108,000	120,000	122,000	124,000
Sub Total	4,105,500	4,003,000	3,923,000	3,859,000
Bypass Reserves				
Bypass Funds - Alstonville	102,000	104,000	106,000	108,000
Bypass Funds - Ballina	160,000	163,000	166,000	169,000
Bypass Funds - Tintenbar to Ewingsdale	108,000	110,000	112,000	114,000
Sub Total	370,000	377,000	384,000	391,000
Grant, Reserve and Loan Funded Projects				
Lennox Head Village Renewal	4,000,000	1,500,000		
Airport Boulevard	2,740,000			
Safer Roads - Byron Bay Rd/Ross Lane	950,000	2,327,000		
Safer Roads - Kerr St / Bentinck St - Lights	707,000			
Southern Cross Fixing Local Roads Grant	250,000			
Pearces Creek Road Bridge	300,000	3,948,000		
Sub Total				
Section 7.11 Program				
Roads Plan Contributions				
Hutley Drive - Middle Connection	50,000	0	0	0
Bang Rd / Angels Bch Dve R'bout Lanes	1,350,000	0	0	0
River St - Stage 1 - Smith Dr / Burns Pt	0	0	0	3,671,000
River St - Stage 2 - Burns Pt to Barlows	1,300,000	0	0	0
River St - Stage 3 - Fishery Creek Bridge	200,000	7,446,000	7,669,500	0
River St - Stage 4 - Brunswick to Tweed	1,910,000	0	0	0
Tam Dr - Nth Ck Rd to Kerr St - 4 Lanes	200,000	0	0	0
North Creek Road and Bridge	200,000	50,000	50,000	50,000
S7.11 Reseals	170,000	170,000	170,000	170,000
Barlows Road Connection	200,000	3,000,000	3,000,000	
Heavy Haulage Plan Contributions				
Heavy Patching Reseals	170,000	170,000	170,000	170,000
Sub Total – Section 7.11	5,750,000	10,836,000	11,059,500	4,061,000
Total Roads and Bridges	20,763,500	24,778,000	17,191,500	10,175,000

4.9 Community Infrastructure Projects - Recurrent Expenditure

Council general revenue typically funds the urban and rural roads and bridges reconstruction program, reseals and heavy patching. The general revenue funding is supplemented by the Federal Government's Road to Recovery grant program, which for the next few years is forecast to be \$880,000.

The bypass reserve works are funded from internal reserves, which were created from funds transferred to Council, by Transport for NSW, for the estimated maintenance cost for ten years, of the bypassed highways, with those road assets transferred to Council.

Based on current expenditure forecasts, the estimated cash balances for these internal reserves, as at 30 June 2031, which is the current 10 year life of the LTFP, are Ballina (\$34,000), Alstonville (\$13,000) and Tintenbar to Ewingsdale (\$107,600).

Once the reserves are exhausted, the annual maintenance for these roads assets will need to be fully funded by Council. This will then leave a \$370,000 shortfall in funding based on current annual expenditure levels.

The grant, reserve and loan funded projects are a mixture of projects; i.e.

- Lennox Head Village Renewal - \$3.3m from loans and \$2.2m from Community Infrastructure Reserve dividends
- Airport Boulevard - \$1.74m from loans and \$1m from grants
- Safer Roads and Fixing Local Roads Projects – funded from State Government grants
- Pearces Creek Bridge – Funded from State and Federal grants

In respect to the Section 7.11 Roads Contribution Plan works, the aim is to complete River Street – Four Laning (Stage 2 – Burns Point Road to Barlows Road and Stage 4 – Brunswick Street to Tweed Street), along with the lane extensions at the Bangalow Road / Angels Beach Roundabout by 30 June 2022.

For the Section 7.11 program, the 2021/22 projects are funded based on the current level of Section 7.11 contributions collected, albeit loan funds are needed for the River Street works, as the projects are not 100% funded from contributions.

The exact timing of the 2022/23 onwards works will depend on the level of developer contributions collected and any grants that may be secured.

More detailed information on the Section 7.11 works program is included in the Community Infrastructure Projects – Non-recurrent funding report, which is the next report in this agenda.

Finally, as mentioned in the General Fund Long Term Financial Plan report, elsewhere in this agenda, there has been a one-off reduction of \$460,000 in the revenue funded road reconstruction program for 2021/22. This followed a deferral of \$510,000 for 2020/21 in response to the COVID-19 pandemic.

Unfortunately the recurrent forecast working capital deficits and operating deficits means that it is necessary to reduce expenditure, in this case capital, to ensure that Council retains enough working capital liquidity.

4.9 Community Infrastructure Projects - Recurrent Expenditure

Community Consultation Policy

The priorities endorsed by Council will be exhibited for public comment as part of the draft 2020/21 to 2023/24 Delivery Program and Operational Plan.

Council did also resolve to examine funding for the construction of a continuous retaining wall at Ballina Street, Lennox Head (between Byron Bay Road/North Creek Road roundabout and Allens Parade) at the March 2021 Ordinary meeting based on a submission from the Lennox Head Chamber of Commerce. If this project is to be funded, with an estimated cost of \$150,000, Council should defer one of the road reconstruction projects listed. The technical advice is that the wall is sound structurally and is not a higher priority than other road reconstruction projects.

Financial / Risk Considerations

The purpose of this report has been to highlight the funding available for recurrent community infrastructure projects and to outline the preferred priority for projects. The major risk is that Council does not allocate sufficient recurrent funding for the maintenance and renewal of existing infrastructure, which results in significant asset deterioration and possible failure over a lengthy period of time.

Annual Estimated Depreciation and Estimated Funding Summary

Description / Asset Class	Depreciation Estimate (\$)	Recurrent Funding (\$)
Cemeteries (1)	17,000	126,000
Open Spaces – Playgrounds, fencing, signage	820,000	728,000
Sports Fields – Buildings and other infrastructure	500,000	200,000
Public Amenities	22,000	160,000
Stormwater	1,450,000	825,000
Roads	8,100,000	6,000,000
Ancillary Transport	215,000	105,000
Footpaths	520,000	500,000
Ferry	25,000	0
Emergency Services	160,000	0
Quarries – Depreciation and Remediation (1)	57,000	21,000
Landfill – Plant and Remediation (1)	150,000	147,000
Domestic Waste – Plant and Equipment (1)	250,000	265,000
Commercial Property (1)	45,000	880,000
Flat Rock (1)	8,000	100,000
Ballina – Byron Gateway Airport (BBGA) (1)	900,000	1,952,000
Plant Operations (1)	1,250,000	1,986,000
Community Buildings (Halls, Child Care Centres, Cultural Centres, Surf Clubs etc)	1,175,000	700,000
Libraries	165,000	
Swimming Pools	250,000	
Tourism	30,000	
Administration Centre and Depots	595,000	
Animal Pound	9,000	
Gallery	52,000	
Sub Total – General Fund	16,765,000	
Water (1)	1,700,000	2,020,000
Wastewater (1)	4,200,000	7,492,000
Total – Consolidated Operations	22,665,000	24,207,000

4.9 Community Infrastructure Projects - Recurrent Expenditure

The recurrent funding figures for Cemeteries, Land, Domestic Waste, Commercial Property, Flat Rock, BBGA-Airport, Plant Operations, Water and Wastewater (all marked with a (1)) is the operating surplus, excluding depreciation. All of these items are distinct business activities with Council able to determine its own pricing.

Items such as the Cemeteries, Commercial Property and Flat Rock provide a dividend to the General Fund, as the operating surplus is sufficient to fund asset renewals and pay a dividend. The BBGA also has a significant cash surplus however that is funding a significant amount loan debt.

Plant Operations is also currently making a significant cash operating surplus, albeit this is based on an internal charging structure. There is a level of catch-up occurring with some plant purchases, at the moment, and it is planned to reduce that surplus in future years. This can then free up funds for operational areas such as open spaces and roads, as the internal hire charges can be reduced, or remain steady from year to year.

Public amenities, ancillary transport and footpaths are also reasonably funded.

The major funding gaps are in stormwater, roads and community buildings / facilities, which includes the animal pound, community gallery, libraries, swimming pools, emergency services (SES and Marine Rescue), cultural centres (Lennox Head and Alstonville), Ballina Indoor Sports Centre, Surf Clubs etc.

Stormwater is difficult as there are virtually no grants available to assist with these works, so every effort needs to be made to increase the funding for that program over time.

The \$6m estimate for roads recurrent funding is based on Council recurrent revenue plus recurrent grants such as the Roads to Recovery Program and even with this there is still a significant shortfall.

All up there is a deficit of approximately \$2m for recurrent funding for infrastructure renewal for the General Fund, and this shortfall is somewhat reflected in Council's forecast operating deficit, which is around this figure.

Options

The options available relate to the timing of the works identified in the report, along with the priorities, with Councillors able to amend priorities based on community feedback. The recommendation is to endorse the information included in the report, for exhibition, as the priorities represent adopted programs or the latest assessments from technical staff.

RECOMMENDATION

That Council approves the inclusion of the recurrent capital expenditure priorities, as outlined in this report, in the draft 2021/22 to 2024/25 Delivery Program and Operational Plan.

Attachment(s)

Nil

4.10 Community Infrastructure Projects - Non-recurrent Expenditure

4.10 Community Infrastructure Projects - Non-recurrent Expenditure

Section	Financial Services
Objective	To confirm the preferred priority of works for the non-recurrent community infrastructure projects.

Background

The capital expenditure in Council's long term financial plan (LTFP) can be classified into two groups being recurrent and non-recurrent funded projects.

Recurrent refers to items in the LTFP where an allocation of general revenue funding is provided, each and every year, to assist Council deliver core community infrastructure.

Non-recurrent refers to items in the LTFP, where capital expenditure funding is not required every year, however there are times when major injections of funding are needed (eg. swimming pool redevelopments, major community facility refurbishments, town centre renewals).

This report examines the non-recurrent projects under consideration by Council.

Key Issues

- Priorities
- Funding options

Discussion

This non-recurrent community infrastructure report is submitted to Council each year as part of the preparation of the Delivery Program and Operational Plan as it allows Council to take stock of the numerous projects that the community wish to see delivered.

The report is updated each year with details of projects completed and / or funded, along with identifying projects that are not yet funded.

The report provides an opportunity to review existing funding strategies and to identify any new projects that should be considered.

Projects completed, progressing or with a funding strategy

- Coastal Shared Path – Complete.
- Coastal Walk – Largely complete. Grant funding has allowed Council to approve funding for a viewing platform that was removed from the construction contract.

There are still elements of this project where Council could allocate funding to complete additional works.

4.10 Community Infrastructure Projects - Non-recurrent Expenditure

- Ballina Town Centre – Complete – Eventually Council will need to start planning for the next upgrade.
- Wardell Town Centre – Boardwalk and other ancillary works. Wardell Progress Association would like to see additional works undertaken to improve the town centre.
- Alstonville Town Centre – Complete.
- Ballina Surf Club – Complete including Building B.
- Northern Rivers Community Gallery Refurbishment – Complete including works on the adjacent fire station.
- Kentwell Community Centre – Complete although Council has a resolution to examine future expansion of the building. There are no plans for that extension.
- Lennox Head Cultural Centre and Skate Park – Complete with the Centre recently undergoing a \$2.2m refurbishment.
- Alstonville Cultural Centre (ACC) – Council has resolved to support a refurbishment estimated at \$7m to \$8.5m. The project is moving through the detailed design stage and it is hoped that planning consent will be issued by the end of 2021.
- Ballina Indoor Sports Centre (BISC) – Complete.
- Marine Rescue Tower – Complete.
- Ballina and Alstonville Swimming Pool Upgrades – Complete with \$400,000 expended on the Alstonville amenities upgrade during July and August 2020.
- Wollongbar Sports Fields – Complete with recent drainage, irrigation and turf works improving the main fields. Council has also allocated funding to improve the stormwater for the access road.
- Skennars Head Sports Field Expansion – Complete.
- Wollongbar Skate Park – Largely complete.
- Wollongbar District Park – Contractor appointed and funding allocated to complete the project.
- NSW Boating Now Plan – Majority of works complete with only the Lennox Head North Creek Boat Ramp and Brunswick Street Boat Ramp projects outstanding. Grant funding has been approved for works at the North Creek Boat Ramp.
- Lake Ainsworth South Eastern Precinct – Complete, with this project now superseded by the Lake Ainsworth Coastal Management Plan.

4.10 Community Infrastructure Projects - Non-recurrent Expenditure

- Missingham Park Concept Plan and Car Park – Complete.
- Shaws Bay Coastal Management Plan (CMP) – Largely complete, with the next review of the CMP now being scheduled.
- Lake Ainsworth Coastal Management Plan (CMP) – The LTFP includes a number of actions in this CMP, however many are dependent on grants.
- Airport Boulevard – Construction contract has been let and is underway.
- Lennox Head Village Renewal – Approximately \$6.7m is included in the LTFP for Ballina Street and Ross Park works. The major components unfunded relate to Park Lane, Byron Street and the Lennox Foreshore, estimated at approximately \$2m.
- 9 Commercial Road, Alstonville – Car Park – Complete.
- Pop Denison Park Master Plan – This Plan has a works schedule totaling approximately \$2m, although more recent estimates put the value of the total plan closer to \$3m.

There is approximately \$1m in the LTFP for this Master Plan, for works relating to a junior playground area, paths and shelters.

This project is also included in the Open Spaces and Community Facilities Section 7.11 Developer Contributions Plan, which is helping to fund the works.

- SES Building – Council has a statutory responsibility to provide a new building with the LTFP including \$800,000 in 2022/23 and \$700,000 in 2023/24 to help deliver the project. The State Government has allocated \$200,000 towards this project.

Council is currently examining the merits of building the new building on land adjacent to the existing site.

- Lennox Head Rural Fire Service Shed – The LTFP has \$900,000 included for this project, with a construction tender scheduled to be reported to the April 2021 Ordinary meeting.
- Section 7.11 Roads Plan – The Section 7.11 Roads Plan has tens of millions of dollars of road infrastructure projects identified over the next 20 years and the timing of those works will depend on the collection of developer contributions.

The LTFP is based on a combination of developer contributions and loans to fund the works for the four laning of River Street, preliminaries for Tamarind Drive and improvements at the intersection of Bangalow Road and Angels Beach Drive.

Council has also now resolved to further advance the Barlows Road construction project, with the LTFP including \$200,000 in 2021/22 to advance that project.

4.10 Community Infrastructure Projects - Non-recurrent Expenditure

Projects without a confirmed funding strategy in the LTFP

- Ballina Town Entry Treatment Master Plan - The various elements to this project are as follows.

Table One - Ballina Town Entry Treatment Master Plan – Components (\$)

No.	Project	Status	Latest Estimate
1	Landscaping of median strip between the roundabouts at Quays Drive and Barlows Road / Keppel Street.	On hold	400,000
2	Installation of tree planting blisters and tree planting along each side of River Street between Burns Point Ferry Road and Barlows Road/Keppel Street.	On hold	280,000
3	Installation of tree planting blisters and tree planting along each side of River Street between Barlows Road/Keppel Street and Boatharbour Road.	On hold	120,000
4	Installation of tree planting blisters and tree planting along each side of River Street between the Canal Bridge and Kerr Street.	Complete	N/A
5	Installation of tree planting blisters and tree planting along each side of Kerr Street between River Street and Fox Street.	On hold	180,000
6	Installation of tree planting blisters and tree planting along each side of Tamarind Drive between the Canal Bridge and Southern Cross Drive. Landscaping/tree planting on the corner of Kerr Street and Tamarind Drive	Complete	N/A
7	Roadside planting of trees on Tamarind Drive between Southern Cross Drive and Bicentennial Gardens.	Complete	N/A
	Total value of works still to be completed		980,000

With Council now progressing the four laning of Tamarind Drive and River Street this master plan is largely obsolete, and should be removed from Council's adopted strategies.

- Captain Cook Park Master Plan – The various elements to this master plan are as follows:

Table Two – Captain Cook Master Plan – Possible Staged Implementation (\$)

Ref	Item	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Funded
1.	Laneway and Car Park – access		750,000				On hold
2.	Public Art / Monument					50,000	On hold
3.	Improved Pedestrian Entry - River Street		200,000				On hold
4.	RSL Edge Landscaping	150,000					Complete
5.	Open Park Land – Paths etc				200,000		On hold
6.	Public Wharf and Pontoon (Boating Now)	300,000					Complete
7.	Water Play Area – Drainage etc					500,000	On hold

4.10 Community Infrastructure Projects - Non-recurrent Expenditure

Ref	Item	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Funded
8.	Picnic Shelter – BBQs, Structures				150,000		On hold
9.	Public Toilets					300,000	On hold
10.	Jetty			350,000			On hold
11.	Landscape - Activity Zone / Fawcett Park			150,000			On hold
	Totals	450,000	950,000	500,000	350,000	850,000	

This is a high profile location and the project remains a priority, albeit unfunded.

With the Master Plan having been adopted in 2014, it may start to be out of date in the not too distant future and may require a further consultation process.

- Ballina Marina Master Plan – Council has adopted this Master Plan and it is not intended Council will fund any of the work. The preference is to lobby the State Government to progress the project.
- Martin Street Boat Harbour Master Plan – Council has adopted a Master Plan for this precinct with no major funds allocated in the LTFP. The project is dependent on grant funds and Council has been successful with a grant to assist with the design of the marina component of the plan.
- North Creek Dredging – Approval - The estimated cost of this project, which is to obtain planning consent and is not for actual dredging, is approximately \$800,000 to \$1m with Council having undertaken certain stages of the feasibility process. There is no funding available to complete all stages of the approval process and no readily available funding source.

The project is now on hold until the North Creek Coastal Management Plan is completed as that Plan will determine whether dredging is a feasible option. If dredging is supported in the Coastal Management Plan it will help Council seek grant funding to recommence the approval process.

- Lennox Head Surf Club – Estimated cost of approximately \$5.5m based on preliminary designs.

This project was initially identified as a priority due to structural concerns regarding the building approximately six years ago. Certain works have been undertaken to address some of those concerns and the urgency of the project has decreased.

- Ballina Ocean Pool – This project is supported by Council subject to the works being funded by the community or other levels of government.

4.10 Community Infrastructure Projects - Non-recurrent Expenditure

- Sharpes Beach Car Park Master Plan – The estimated cost of this project is \$1.2m. This includes allowances for ancillary items such as trees, four picnic facilities, beach shower, unisex toilet and store rooms as well as sewer, water, power etc. This project is not identified in Council's Developer Contributions Plans and no funding is allocated in the LTFP.

Council did resolve to negotiate with Intrapac in respect to the works, in lieu of paying developer contributions, however with Intrapac recently initiating yet another legal case with Council in respect to the payment of their developer contributions at the Aureus Estate, it is unlikely this proposal will proceed.

- Lennox Head Pre-school – Council has confirmed that 9 Byron Bay Road is available this new facility. The State Government has allocated funding to the project although there are concerns that Council may be asked to contribute towards the works, with no funding in the LTFP.

Community Consultation Policy

The majority of the projects mentioned in this report have been identified through public consultation processes.

Financial / Risk Considerations

The financial implications of this report are dependent on the priorities determined by Council.

Options

In reviewing the LTFP Council has a number of major projects funded; i.e.

- Lennox Head Rural Fire Shed (\$900,000)
- Ballina SES Building (\$1,500,000)
- Lennox Village Vision (largely)
- Pop Denison (largely)
- Kingsford Smith (fully grant funded – had not been identified as a priority)
- Wollongbar District Park and Skate Park (approximately \$1.7m)

The one significant shortfall in an identified priority is the Alstonville Cultural Centre (ACC), which currently has the following funding allocated based on an estimated cost of around \$8m.;

- 2020/21 - \$200,000
- 2021/22 - \$524,000
- 2022/23 - \$220,000

Grant funds remain an important funding source for this project, particularly with the library component, as there are likely to be more opportunities for library expansion grants.

Council's Community Infrastructure Property Reserve has its available funding largely allocated up to 2024/25, with any funds in that reserve funding the Lennox Head Rural Fire Service Shed and SES Building.

4.10 Community Infrastructure Projects - Non-recurrent Expenditure

With Council currently loan funding property development projects there is unlikely to be any major cash injections into this reserve, until those loan funds are repaid from future sales.

Section 7.11 contributions may be able to be applied to the project, as it does involve an expansion of the facility, and the next review of the Open Spaces and Community Facilities Contribution Plan will aim to maximize the developer contributions able to be applied.

Loan funds is also an option, although with a significant operating deficit, Council will need to make savings elsewhere to offset the loan repayments.

In summary based on current funding and other commitments it is likely that the ACC redevelopment is still a few years away, unless significant grant funding is secured.

One other major area of interest is the Section 7.11 Roads Contribution program of works, as it represents a significant liability for Council for the next ten years.

A brief summary of how those works are forecast in the LTFP is as follows.

Section 7.11 Roads Contribution Plan - Forecast Movements (\$'000)

Year	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Opening Balance	8,257	9,609	8,885	6,178	3,853	5,046	6,454	5,992	4,454	2,606	1,072
Collected	4,800	2,430	2,930	3,430	3,930	4,430	4,930	6,430	8,430	9,430	9,430
Interest	80	45	41	34	24	38	58	60	47	26	6
Expended	3,528	3,198	5,678	5,789	2,761	3,060	5,449	8,028	10,324	10,990	8,750
Closing Balance	9,609	8,885	6,178	3,853	5,046	6,454	5,992	4,454	2,606	1,072	1,758

Collections for road contributions can vary significantly from year to year as shown for the past three years; i.e. 2017/18 - \$5,529,000, 2018/19 - \$9,190,000 and 2019/20 – \$8,256,900.

The collections for 2020/21, for the year to date, are only \$1.9m, which is well below budget. Contributions are paid in lump sums, particularly when a major subdivision is approved, and are difficult to estimate.

Council also has the on-going court case with Intrapac in respect to the payment of road contributions for the Aureus Estate.

The major Road Contribution works included in the LTFP are as follows.

Section 7.11 Roads Contribution Plan – Capital Works (\$'000)

Identification	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/31
Hutley Drive - Byron Bay Rd (100%)	50						
Hutley Drive - Middle Connection (100%)	150	50					
River St - S1 - Smith Dr / Burns Pt (73.9%)					3,671	3,781	
River St - S2 - Burns Pt to Barlows (73.9%)	2,807	1,300					
River St - S3 - Fishery Ck Bridge (49.6%)	118	200	7,446	7,669			
River St - S4 - B'wick to Tweed (49.6%)	70	1,910					
Tam Dr - Nth Ck Rd/Kerr St-Lanes (98.6%)	120	200					10,680
Tam Dr - Canal Bridge - 4 Lanes (98.6%)							7,963
Bangalow Rd / Hogan St - LILO (100%)							953
Angels Bch Dve/Sheath St - LILO (100%)							1,020
North Creek Road and Bridge (100%)		200	50	50	50	50	28,132
Ross Lane Improvements - West (100%)							7,191
Ross Lane Improvements - East (48.5%)							16,405

4.10 Community Infrastructure Projects - Non-recurrent Expenditure

Identification	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/31
Tam Dr to Sthn X Dve - Right Ban (100%)						218	
North Ck Rd/Res Rd/Hutley-Calm (71.6%)							4,416
Bang Rd / Angels Bch Dve R'bout (100%)	164	1,350					
Sandy Flat Road (100%)							4,843
Nth Ck/Tam Dve/Sth X Dve-Lanes(100%)	49						2,303
Bangalow Rd - Lane East R'bout (100%)							1,780
Barlows Road Connection (64.5%)		200	3,000	3,000			
Totals	3,528	5,410	10,496	10,719	3,721	4,049	85,686

The percentage figures represent the amount allowed to be funded from developer contributions with the balance to be funded from Council or other sources such as grants.

Key points from this forecast works program include:

- The primary focus is on the River Street four laning project
- Barlows Road Connection has been included as a priority for the next three years
- Funding is allocated to commence the planning for the North Creek Road bridge reinstatement. It is anticipated that pre-planning activities for this project will take a number of years
- The Bangalow Road / Angels Beach Drive roundabout lane extension project is scheduled for completion by June 2022
- No funding has been included to complete the missing link for Hutley Drive between the northern extension and the southern works undertaken by the developers of the Elevation Estate.

In respect to funding the priorities for the next four years, it has been necessary to include loan funding for Council's share of the cost of the projects.

The forecast loan borrowings are:

Year	Borrowing	Projects
2021/22	\$2,000,000	River Street Stages 2 and 4
2022/23	\$4,753,000	\$3,753,000 for Fishery Creek Bridge, \$1m for Barlows Road
2023/24	\$4,865,500	\$3,865,500 for Fishery Creek Bridge, \$1m for Barlows Road
2024/25	Nil	

When loan funds are sourced for road construction projects, the loan repayments are offset by reductions in the roads reconstruction program. This ensures there is no net negative impact on Council's recurrent budget, however it also reduces the funding available for regular reconstruction works.

Ideally Council will aim to secure grant funds for the Section 7.11 projects to help reduce the Council funding commitment to the works.

The Section 7.11 works from 2022/23 onwards are indicative only as they depend heavily on the amount of Section 7.11 Roads Contributions held by Council.

There are still numerous works to be completed and the delivery of these major road upgrades is one of the largest financial challenges facing Council.

The funding summary for all the capital works is available from the Capital Expenditure Section of the attachment to the General Fund – Long Term Financial Plan report.

4.10 Community Infrastructure Projects - Non-recurrent Expenditure

In conclusion, in respect to other projects, on balance no major changes are recommended to the draft LTFP, with there still being a significant capital works program ahead for Council. If Councillors have any other capital priorities they wish to have funded, or to examine options for funding, they should be raised as part of this report.

RECOMMENDATION

That Council notes the contents of this update on non-recurrent community infrastructure projects.

Attachment(s)

Nil

4.11 Delivery Program and Operational Plan 2021/22 to 2024/25 - Exhibition

4.11 Delivery Program and Operational Plan 2021/22 to 2024/25 - Exhibition

Section Communications

Objective To endorse the draft Delivery Program and Operational Plan and place on exhibition for public comment.

Background

The Office of Local Government's (OLG's) Integrated Planning and Reporting (IPR) Framework require councils to review the Delivery Program and prepare a new Operational Plan each financial year.

The purpose of this report is to obtain Council approval to exhibit the documents for public comment.

Key Issues

- Ensuring the documents reflect the objectives of Council

Discussion

The OLG's IPR Framework specify a range of information that must be included in the Delivery Program and the Operational Plan.

A summary of the major elements for each document are as follows.

Delivery Program

- A council must have a Delivery Program, detailing the principal activities it will undertake to achieve the objectives established in the Community Strategic Plan, within the resources available under the Resourcing Strategy.
- The Delivery Program must include a method of assessment to determine the effectiveness of each principal activity detailed in the Delivery Program in achieving the objectives at which the activity is directed.
- A council must prepare a new Delivery Program after each ordinary election of councillors to cover the principal activities of the council for the four year period commencing on 1 July following the election. The Delivery Plan is based on a four year plan.
- The General Manager must ensure that progress reports are provided to the council, with respect to the principal activities detailed in the Delivery Program, at least every six months.
- A council must review its Delivery Program each year when preparing the Operational Plan.

Operational Plan

4.11 Delivery Program and Operational Plan 2021/22 to 2024/25 - Exhibition

- Council must have an annual Operational Plan, adopted before the beginning of each financial year, outlining the activities to be undertaken that year, as part of the Delivery Program. The Operational Plan focuses on actions and activities to be delivered during the current year.
- The draft Operational Plan must be publicly exhibited for at least 28 days and public submissions can be made to Council during the period.
- Council must consider any submissions made on the draft Operational Plan before adopting the Operational Plan.
- A copy of the adopted Operational Plan must be placed on the Council website, within 28 days after the plan is adopted

Council has been producing a combined Delivery Program and Operational Plan for a number of years to avoid unnecessary documentation and duplication.

This approach has worked well and a combined document is once again submitted for 2021/22 to 2024/25, with that document provided as Attachment 1 to this report.

The key part of the attached document is the section titled "*Heading in the Right Direction*", as this section outlines the various activities (or tasks) that are planned for 2021/22, along with activities planned for later years.

It is important that Councillors have their priorities included in this section of the document as it is these actions that direct staff resources during the year.

Ensuring that this section accurately reflects the goals of Council assists staff in allocating resources to implement the various actions in the document.

An accurate document also helps reduce the need for ad hoc notices of motion during the year. Notices of motion result in the redirection of staff resources towards projects, which then impact on planned priorities for the year.

The Operational Plan should be the document that reflects the Council's goals and through its public exhibition and formal adoption, the community is in a position to measure how Council is performing against those goals.

Community Consultation Policy

The documents will be exhibited for public comment following approval at the April 2021 Ordinary Council meeting. The exhibition will occur during May and June 2021, with the outcomes from the exhibition period reported to the June 2021 Ordinary Council meeting.

In respect to public meetings, in recent years Council has held meetings in Lennox Head and Wardell. This is again recommended and it is also proposed to do another live stream broadcast from the Council Chambers. This worked reasonably well last year as public meetings were prohibited due to COVID-19 restrictions.

4.11 Delivery Program and Operational Plan 2021/22 to 2024/25 - Exhibition

Financial / Risk Considerations

Council has satisfied its compliance obligations by preparing a draft Delivery Program and Operational Plan 2021/22 to 2024/25 for public exhibition.

Options

The recommendation is to exhibit the draft Delivery Program and Operational Plan, subject to any changes that arise from this meeting.

RECOMMENDATION

That Council approves the exhibition of the draft Delivery Program and Operational Plan, as per Attachment 1 to this report, subject to any changes arising from this meeting

Attachment(s)

1. Draft 2021/22 to 2024/25 Delivery Program and Operational Plan (DPOP) (under separate cover)

5. Confidential Session

In accordance with Section 9 (2A) of the Local Government Act 1993, the General Manager is of the opinion that the matters included in the Confidential Business Paper, and detailed below are likely to be considered when the meeting is closed to the public.

Section 10A(4) of the Local Government Act, 1993 provides that members of the public are allowed to make representations to or at a meeting, before any part of the meeting is closed to the public, as to whether that part of the meeting should be closed.

A brief summary of each of the reports recommended for consideration in confidential session follows:

5.1 Debtor Write-off - Confidential

Refer to Item 4.3 of this agenda.

RECOMMENDATION

That Council moves into committee of the whole with the meeting closed to the public, to consider the following items in accordance with Section 10A (2) of the Local Government Act 1993.

5.1 Debtor Write-off - Confidential

Reason for Confidentiality

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

- b) the personal hardship of any resident or ratepayer

and in accordance with 10D(2)(c), on balance, the discussion of the matter in an open meeting is not considered to be in the public interest as the discussion on the report will be in relation to the personal and private circumstances of the resident ratepayer.