

Norfolk Island Regional Council

Norfolk Island Regional Council Offices
Kingston
Norfolk Island 2899
Telephone: +6723 22001

Ordinary Council Meeting

Wednesday 20 July 2016

ORDER OF BUSINESS

1. Welcome
2. Statement of Respect

The Norfolk Island Regional Council promotes a climate of respect for all. We will endeavour to inspire in our community shared civic pride by valuing and protecting our unique culture and environment, both natural and built, for the current and future generations. We, the elected members and staff of the Norfolk Island Regional Council undertake to act with honesty and integrity, to conduct ourselves in a way that engenders trust and confidence in the decisions we make, and the actions we take on behalf of the Norfolk Island community. We acknowledge the Norfolk Island people, the traditional custodians of this Island
3. Apologies
4. Disclosures of Interest
5. Confirmation of minutes
6. Public Access
7. Mayoral Minute
8. Reports from Committees
9. Reports from Officers
10. Notices of Motion
11. Urgent Business without Notice
12. Confidential Matters for Consideration
13. Questions for the next meeting

AGENDA

1. Welcome
2. Statement of Respect
3. Apologies
4. Disclosures of Interest
5. Confirmation of minutes
6. Public Access
7. Mayoral Minute
8. Reports from Committees
9. Reports from Officers

General Manager

| | Page: |
|--|-------|
| Procedural: | |
| (ITEM: GM 07/16) CODE OF MEETING PRACTICE | 3 |
| (ITEM: GM 08/16) REMUNERATION FEES FOR COUNCILLORS AND MAYOR | 6 |
| (ITEM: GM 09/16) DELEGATIONS OF AUTHORITY – GENERAL MANAGER | 9 |

Policies:

| | |
|---|----|
| (ITEM: GM 10/16) PAYMENT OF EXPENSES AND PROVISION OF FACILITIES TO COUNCILLORS | 12 |
| (ITEM: GM 11/16) COUNCILLOR ACCESS TO INFORMATION AND INTERACTION WITH STAFF | 16 |
| (ITEM: GM 12/16) MEDIA POLICY | 18 |

Plans:

| | |
|---|----|
| (ITEM: GM 13/16) COMMUNITY STRATEGIC PLAN 2016-2026 | 20 |
|---|----|

Services and Commercial Hub:

| | |
|---|----|
| (ITEM GS 01/16) MAKING OF AN ORDINARY RATE | 24 |
| (ITEM GS 02/16) OPERATIONAL PLAN BUDGET 2016/17 | 28 |

10. Notices of Motion
11. Urgent Business without Notice
12. Confidential Matters for Consideration
13. Questions for the next meeting

Close of meeting

(ITEM: GM 07/16) CODE OF MEETING PRACTICE

REPORT BY: Lotta Jackson, General Manager

SUMMARY:

The purpose of this report is for Council to adopt the draft Code of Meeting practice to be placed on public exhibition for 28 days and make it available for submissions for a total period of 42 days.

BACKGROUND:

The Norfolk Island Regional Council, as a new Council governed by the NSW *Local Government Act 1993* and relevant regulation, does not currently have a Code of Meeting Practice.

Both Extraordinary and Ordinary Council meetings must incorporate the provisions of the Act and Regulation and may not be inconsistent with them. Section 360 of the Act states:

- (1) The regulations may make provision with respect to the conduct of meetings of councils and committees of councils of which all the members are councillors.*
- (2) A council may adopt a code of meeting practice that incorporates the regulations made for the purposes of this section and supplements those regulations with provisions that are not inconsistent with them.*
- (3) A council and a committee of the council of which all the members are councillors must conduct its meetings in accordance with the code of meeting practice adopted by it.*

In order for Council to ensure compliance with the provisions contained within the Act and Regulations, the “Norfolk Island Regional Council Code of Meeting Practice” has been developed to guide Councillors and staff and to keep the community informed of its meeting practice (see Attachment 1).

Further section 361 of the Act requires the Code to be placed on public exhibition as follows:

361 Preparation, public notice and exhibition of draft code

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

RELEVANCE TO COMMUNITY STRATEGIC PLAN AND RESOURCING STRATEGY:

It is good Governance for Council to have a Code of Meeting Practice and the draft Community Strategic Plan’s key Strategic Direction 5: An Informed and Accountable Community align with this item.

DISCUSSION:

Meeting procedures contribute to good public decision-making and increase Council's transparency and accountability to its community. Councillors are accountable to their communities for the decisions that they make. Those decisions should be based on sound and adequate information. The conduct of effective meetings is an indicator of good governance. Well run meetings reflect an effective partnership and relationship between the governing body of council and council administration. (sections 232 and 439 of the Act)

While legislation sets out certain procedures that must be followed in Council meetings, Councils themselves should determine meeting dates and times, order of business, agenda and any other relevant items, for example a Statement of Respect. Norfolk Island Regional Council resolved at the Extraordinary Meeting held on 6 July 2016, the dates and times of its Ordinary Council meetings and the order of the business agenda. These items have been included within the Code of Meeting Practice. Please note that the dates in February and March were incorrect at the Extraordinary meeting and should be Wednesday 15 February and Wednesday 15 March 2017 (not 16 February and 16 March).

The draft Code of Meeting Practice has been developed by incorporating the requirements of the *Local Government Act 1993* (the Act); the *Local Government (General) Regulation 2005* (the Regulation); the Norfolk Regional Council Model Code of Conduct 2016, and the NSW Division of Local Government Meeting Practice Note No 16 (August 2009).

The draft Code is now presented to Council for adoption to be placed on public exhibition for 28 days with a 42 day period available for public submissions. (Attachment 1).

GOVERNANCE/POLICY IMPLICATIONS:

Once adopted by Council, and subsequent to the period of public exhibition, the draft Code of Meeting Practice becomes the adopted Code for how Council will conduct its meetings.

LEGAL IMPLICATIONS:

The draft Code of Meeting Practice must be in line with the requirements of the *Local Government Act 1993* (the Act); the *Local Government (General) Regulation 2005* (the Regulation). The draft Code is compliant with the Act and the Regulations.

ENVIRONMENTAL IMPLICATIONS: Nil

SOCIAL IMPLICATIONS: Nil

FINANCIAL IMPLICATIONS: Nil

CONCLUSION:

The Norfolk Island Regional Council draft Code of Meeting Practice has been developed to ensure transparent and compliant meeting practices that incorporate the requirements contained within the *Local Government Act 1993* and the *Local Government (General) Regulation 2005*. The draft Code is now presented to Council for adoption to be placed on public exhibition for 28 days with a 42 day period available for public submissions.

RECOMMENDATION:

- (1) That the General Manager's Report "Code of Meeting Practice", be received and noted;
- (2) That the draft Norfolk Island Regional Council Code of Meeting Practice be placed on public exhibition for 28 days with a 42 day period for public submission;
- (3) That should Council not receive any public submissions within the 28 days of the Public Exhibition period, and no submissions are lodged within 42 days since the Code was placed on Public Exhibition, the draft Code of Meeting Practice becomes the adopted Code of Meeting Practice for the Norfolk Island Regional Council; and
- (4) That Council corrects the meeting dates for the Ordinary Council meetings adopted at the Extraordinary Council meeting on 8 July, 2016, for February and March 2017, to be Wednesday 15 February and Wednesday 15 March 2017 (not 16 February and 16 March).

Attachment 1: Draft Code of Meeting Practice

(ITEM: GM 08/16) REMUNERATION FEES FOR COUNCILLORS AND MAYOR

REPORT BY: Lotta Jackson, General Manager

SUMMARY:

The purpose of this report is for Council to adopt the remuneration fees for Councillors and the Mayor, and for the fees to be in line with the determination made by the NSW Local Government Remuneration Tribunal 26 March 2016, and the Norfolk Island Applied Laws Ordinance 2016 Ordinance No. 9, 2016.

BACKGROUND:

Pursuant to section 241 of the Act the NSW Remuneration Tribunal determines in each category of Council, the maximum and minimum amount of fees to be paid to Mayors and Councillors of Councils.

241 Determination of fees

The Remuneration Tribunal must, not later than 1 May in each year, determine, in each of the categories determined under section 239, the maximum and minimum amounts of fees to be paid during the following year to councillors (other than mayors) and mayors.

RELEVANCE TO COMMUNITY STRATEGIC PLAN AND RESOURCING STRATEGY:

This item is in line with the draft Community Strategic Plan's Strategic Direction 5: An Informed and Accountable Community.

DISCUSSION:

The NSW *Local Government Act 1993* sections 248 and 249 specify how the fees should be determined.

In relation to Norfolk Island Regional Council, amendments have been made to sections 248 and 249 of the Act and these amendments have been included below: (*Norfolk Island Applied Laws Ordinance 2016 Ordinance No. 9, 2016*).

Division 5 – What fees, expenses and facilities may be paid or provided to councillors?

248 Fixing and payment of annual fees for councillors

- (1) A council must pay each councillor an annual fee.*
- (2) A council may fix the annual fee and, if it does so, it must fix the annual fee in accordance with the remuneration determination for the year as if the council were placed in the rural category.*
- (3) The annual fee so fixed must be the same for each councillor.*
- (4) A council that does not fix the annual fee must pay the appropriate minimum fee determined by the remuneration determination for the year as if the council were placed in the rural category.*

248A Annual fees or other remuneration not to be paid during period of suspension

A council must not at any time pay any fee or other remuneration, or any expenses, to which a councillor would otherwise be entitled as the holder of a civic office, in respect of any period during which:

- (a) the councillor is suspended from civic office under this Act, or*
- (b) the councillor's right to be paid any such fee or other remuneration, or expense, is suspended under this Act,*

unless another provision of this Act specifically authorises payment to be made, or specifically permits a person to authorise payment to be made, when the suspension is terminated.

249 Fixing and payment of annual fees for the mayor

- (1) A council must pay the mayor an annual fee.*
- (2) The annual fee must be paid in addition to the fee paid to the mayor as a councillor.*
- (3) A council may fix the annual fee and, if it does so, it must fix the annual fee in accordance with the remuneration determination for the year as if the mayoral office were placed in the rural category.*
- (4) A council that does not fix the annual fee must pay the appropriate minimum fee determined by the remuneration determination for the year as if the mayoral office were placed in the rural category.*
- (5) A council may pay the deputy mayor (if there is one) a fee determined by the council for such time as the deputy mayor acts in the office of the mayor. The amount of the fee so paid must be deducted from the mayor's annual fee.*

249A Definition of remuneration determination

In sections 248 and 249:

remuneration determination, for a year, means the determination of the Remuneration Tribunal under section 241 of the Local Government Act 1993 as in force in New South Wales of the maximum and minimum amounts of fees to be paid during the year in relation to councils and mayoral offices in New South Wales.

In accordance with the Ordinance, Norfolk Island Regional Council has been placed in the Rural Category. The minimum fees for Councillors in this category is \$8,540.00 and the maximum fee \$11,290.00. For the Mayor an additional minimum fee of \$9,080.00 and maximum \$24,630.00 (see Attachment 2).

It is recommended that Council adopts the maximum Councillor fee of \$11,290.00 and the Mayor's additional fee at the maximum \$24,630.00. These fees reflect the importance of the holding of civic office and the commitment required by the Councillors and the Mayor.

Councillors may amend the recommended fees however not determine a fee less than the minimum fees set by the Tribunal.

Note that Councillors are exempt from pecuniary interest disclosure in regards to adopting the fees in accordance with *the Local Government Act 1993*, section 448 (k):

448 What interests do not have to be disclosed?

(k) an interest relating to the payment of fees to councillors (including the mayor and deputy Mayor).

The General Manager will ensure that the Fees and Expenses form is provided to each Councillor at each Ordinary Council meeting for the Councillors to sign and subsequently the fees will be paid on a monthly basis.

GOVERNANCE/POLICY IMPLICATIONS:

Councillors are entitled to a fee for their civic service.

LEGAL IMPLICATIONS:

The setting of fees for Councillors and the Mayor must be in line with the *Local Government Act 1993* as amended by the *Norfolk Island Applied Laws Ordinance 2016 Ordinance No. 9, 2016*.

ENVIRONMENTAL IMPLICATIONS: Nil

SOCIAL IMPLICATIONS: Nil

FINANCIAL IMPLICATIONS:

Costs associated with the fees have been allocated within the draft budget 2016/17 at the maximum rates for Councillors \$11,290.00 each and for the Mayor \$24,630.00 (this is in addition to the Councillors' fee).

CONCLUSION:

Council has been presented with the relevant legislation for the setting of the fees for Councillors and the Mayor and it is now recommended that Council adopts the maximum allowable fee for both the Councillors and the Mayor.

RECOMMENDATION:

- (1) That the General Manager's Report "Remuneration Fees For Councillors And Mayor", be received and noted;
- (2) That the fee for the Councillors be set at the maximum allowable being \$11,290.00 per Councillors for the year 2016/17,
- (3) That the additional fee for the Mayor be set at the maximum allowable being \$24,630.00 for the year 2016/17; and
- (4) That the General Manager arrange for the fees to be paid in monthly instalments on receipt of a Councillor signed "Fees and Expenses" form at the end of each Ordinary Council meeting.

Attachment 2: Table of Fees for General Purpose and County Councils

(ITEM: GM 09/16) DELEGATIONS OF AUTHORITY – GENERAL MANAGER

REPORT BY: Lotta Jackson, General Manager

SUMMARY:

The purpose of this report is for the newly elected Council to endorse the delegated functions and authorities to the General Manager, in terms of Sections 377 and 380 of the *Local Government Act 1993*, and in line with the delegations set down by the Minister in the *Norfolk Island (Local Government Act 1993 (NSW) (NI)) Direction and Delegation 2016 (No.1)* (see Attachment 3).

BACKGROUND:

The *Norfolk Island (Local Government Act 1993 (NSW) (NI)) Direction and Delegation 2016 (No.1)*, clause 7, makes provision for Council to delegate to the General Manager any of the functions of Council:

The Regional Council is empowered to delegate, in writing, to a specific person, any power vested in clause 4 of this instrument provided that the delegation complies with the requirement in sections 377 and section 379 of the LGA.

Section 377 of the *Local Government Act 1993*, states that: *a council may, by resolution, delegate to the general manager or any other person or body (not including another employee of the council) any of the functions of the council, other than the following:*

- (a) the appointment of a general manager,*
- (b) the making of a rate,*
- (c) a determination under section 549 as to the levying of a rate,*
- (d) the making of a charge,*
- (e) the fixing of a fee,*
- (f) the borrowing of money,*
- (g) the voting of money for expenditure on its works, services or operations,*
- (h) the compulsory acquisition, purchase, sale, exchange or surrender of any land or other property (but not including the sale of items of plant or equipment),*
- (i) the acceptance of tenders which are required under this Act to be invited by the council,*
- (j) the adoption of an operational plan under section 405,*
- (k) the adoption of a financial statement included in an annual financial report,*
- (l) a decision to classify or reclassify public land under Division 1 of Part 2 of Chapter 6,*
- (m) the fixing of an amount or rate for the carrying out by the council of work on private land,*
- (n) the decision to carry out work on private land for an amount that is less than the amount or rate fixed by the council for the carrying out of any such work,*
- (o) the review of a determination made by the council, and not by a delegate of the council, of an application for approval or an application that may be reviewed under*

section 82A of the [Environmental Planning and Assessment Act 1979](#) ,-Not applicable to Norfolk Island at this stage – the Norfolk Island Planning instrument apply.

- (p) *the power of the council to authorise the use of reasonable force for the purpose of gaining entry to premises under section 194,*
- (q) *a decision under section 356 to contribute money or otherwise grant financial assistance to persons,*
- (r) *a decision under section 234 to grant leave of absence to the holder of a civic office,*
- (s) *the making of an application, or the giving of a notice, to the Governor or Minister,*
- (t) *this power of delegation,*
- (u) *any function under this or any other Act that is expressly required to be exercised by resolution of the council.*

379 Delegation of regulatory functions

(1) *A regulatory function of a council under Chapter 7 must not be delegated or sub-delegated to a person or body other than:*

- (a) a committee of the council of which all the members are councillors or of which all the members are either councillors or employees of the council, or*
- (b) an employee of the council, or*
- (c) a county council.*

RELEVANCE TO COMMUNITY STRATEGIC PLAN AND RESOURCING STRATEGY:

To provide good Governance, delegations need to be in place.

DISCUSSION:

In order to provide for the expedient performance of its powers, functions and duties and the efficient management of its businesses and responsibilities, Council needs to endorse the delegations to the General Manager any functions and authorities other than those specifically identified in the *Local Government Act 1993* as non-delegable functions as listed in the background section of this report (Sec 377 and 379) subject to the following:

- The provisions of the *Local Government Act 1993*, the *Local Government (General) Regulation 2005* and any other legislation relevant to the delegations.
- The provision under the *Norfolk Island (Local Government Act 1993 (NSW) (NI)) Direction and Delegation (No.1)*.
- Council may, by resolution, direct the General Manager in the exercise of any function herein delegated.
- The General Manager shall exercise the functions herein delegated in accordance with and subject to policies of the Council adopted by resolution and current at the time of the exercise of the functions herein delegated.
- The General Manager will monitor legislative changes to ensure that delegations are up to date.

GOVERNANCE/POLICY IMPLICATIONS:

To ensure that Council fulfils its obligations through the General Manager, delegations are required to be in “writing” which means that they have to be endorsed by Council through a resolution of Council.

LEGAL IMPLICATIONS:

In terms of Section 380 of the *Local Government Act 1993*, Council must review all its delegations during the first twelve (12) months of each term of office.

ENVIRONMENTAL IMPLICATIONS: Nil

SOCIAL IMPLICATIONS: Nil

FINANCIAL IMPLICATIONS: Nil

CONCLUSION:

In order to provide for the expedient performance of its powers, functions and duties and the efficient management of its businesses and responsibilities, Council needs to delegate to the General Manager any functions and authorities other than those specifically identified in the *Local Government Act 1993* as non-delegable functions (Section 377 and 379).

RECOMMENDATION:

- (1) That the General Manager's Report "Delegations of Authority – General Manager" be received and noted; and further
- (2) That Council delegates as per its powers provided in the *Norfolk Island (Local Government Act 1993 (NSW) (NI)) Direction and Delegation 2016 (No.1)*, in terms of Sections 377 and 379 of the *Local Government Act 1993*, to the General Manager, Eva Liselotte (Lotta) Jackson, to exercise her functions as General Manager and exercise Council's powers, functions, duties and authorities contained in legislation, and the functions of the Council as specified in:
 - a) The *Local Government Act 1993* and related Acts and Local Government Regulations;
 - b) Other Acts under which Council has powers, authorities, duties and functions.
- (3) Subject to the provisions of the *Local Government Act 1993*, the *Local Government (General) Regulation 2005* and any other legislation relevant to the delegations:
 - a) Council may, by resolution, direct the General Manager in the exercise of any function delegated.
 - b) The General Manager shall exercise the functions delegated in accordance with and subject to policies of the Council adopted by resolution and current at the time of the exercise of the functions delegated.
- (4) This delegation shall remain in force until specifically altered or revoked by Council resolution.

Attachment 3: Norfolk Island (Local Government Act 1993 (NSW) (NI)) Direction and Delegation 2016 (No.1) pp 2-3

(ITEM: GM 10/16) PAYMENT OF EXPENSES AND PROVISION OF FACILITIES TO COUNCILLORS

REPORT BY: Lotta Jackson, General Manager

SUMMARY:

The purpose of this report is for Council to adopt the draft policy titled *Payment of Expenses And Provision of Facilities to Councillors* to be placed on public exhibition for a minimum of 28 days.

BACKGROUND:

The Norfolk Island Regional Council, as a new Council is required to have a Policy in relation to the payment of expenses for Councillors.

The draft Policy is made under the *Local Government Act 1993*, including Sections 252 to 254. The Act requires that the Council must adopt a policy concerning the payment of expenses and the provision of facilities to the Mayor and other Councillors.

The relevant sections can be seen below:

252 Payment of expenses and provision of facilities

(1) Within 5 months after the end of each year, a council must adopt a policy concerning the payment of expenses incurred or to be incurred by, and the provision of facilities to, the mayor, the deputy mayor (if there is one) and the other councillors in relation to discharging the functions of civic office.

(2) The policy may provide for fees payable under this Division to be reduced by an amount representing the private benefit to the mayor or a councillor of a facility provided by the council to the mayor or councillor.

(3) A council must not pay any expenses incurred or to be incurred by, or provide any facilities to, the mayor, the deputy mayor (if there is one) or a councillor otherwise than in accordance with a policy under this section.

(4) A council may from time to time amend a policy under this section.

(5) A policy under this section must comply with the provisions of this Act, the regulations and any relevant guidelines issued under section 23A.

254 Decision to be made in open meeting

The council or a council committee all the members of which are councillors must not close to the public that part of its meeting at which a policy for the payment of expenses or provision of facilities is adopted or amended, or at which any proposal concerning those matters is discussed or considered.

Councillors do not need to disclose a conflict of interest when considering the adoption of this policy in accordance with the Act, section 448 (l):

448 What interests do not have to be disclosed?

(l) an interest relating to the payment of expenses and the provision of facilities to councillors (including the mayor and deputy mayor) in accordance with a policy under section 252.

Further, the Act, section 253, specifies that the Policy dealing with expenses and facilities for Councillors and the Mayor be placed on public exhibition for a minimum of 28 days:

253 Requirements before policy concerning expenses and facilities can be adopted or amended

(1) A council must give public notice of its intention to adopt or amend a policy for the payment of expenses or provision of facilities allowing at least 28 days for the making of public submissions.

(2) Before adopting or amending the policy, the council must consider any submissions made within the time allowed for submissions and make any appropriate changes to the draft policy or amendment.

(3) Despite subsections (1) and (2), a council need not give public notice of a proposed amendment to its policy for the payment of expenses or provision of facilities if the council is of the opinion that the proposed amendment is not substantial.

(4) Within 28 days after adopting a policy or making an amendment to a policy for which public notice is required to be given under this section, a council is to forward to the Departmental Chief Executive:

(a) a copy of the policy or amendment together with details of all submissions received in accordance with subsection (1), and

(b) a statement setting out, for each submission, the council's response to the submission and the reasons for the council's response, and

(c) a copy of the notice given under subsection (1).

(5) A council must comply with this section when proposing to adopt a policy each year in accordance with section 252 (1) even if the council proposes to adopt a policy that is the same as its existing policy.

RELEVANCE TO COMMUNITY STRATEGIC PLAN AND RESOURCING STRATEGY:

It is a requirement for Council to have a Payment of Expenses Policy and the draft Community Strategic Plan's Governance Strategic Direction 5: An Informed and Accountable Community align with this Policy.

DISCUSSION:

The purpose of the policy is to ensure that there is accountability and transparency in the reimbursement of expenses incurred by councillors. The policy also ensures that the facilities provided to assist councillors to carry out their civic duties are reasonable.

The policy provisions are aimed at being non-discriminating and will be used in an equitable manner to enable the full participation of all Councillors.

Further, the policy provisions are at a level to encourage members of the community to seek election to Council by ensuring that they would not be financially or otherwise disadvantaged in undertaking the civic duties of a Councillor.

The policy will ensure accountability and transparency in the reimbursement of expenses incurred or to be incurred by Councillors and as such also build trust and confidence in the community.

In summary the policy need to cover the following expenses and facilities:

- Conference and seminar expenses.
- Spouse/ partner/ accompanying person expenses.
- Training and skill development expenses.
- Interstate travel expenses (including subsistence and out-of-pocket expenses).
- Overseas travel expenses (including subsistence and out-of-pocket expenses).
- Care and other related expenses (of dependants to enable a councillor to undertake his or her civic functions).
- The provision of dedicated office equipment allocated to councillors on a personal basis
- The cost of phone calls including mobiles, home located landlines, facsimile and internet services.

The draft *Payment of Expenses and Provision of Facilities to Councillors* is now presented to Council for adoption and to be placed on public exhibition for a minimum of 28 days (Attachment 4).

GOVERNANCE/POLICY IMPLICATIONS:

Once adopted by Council, and subsequent to the period of public exhibition, the draft *Payment of Expenses and Provision of Facilities to Councillors* policy becomes a Policy of Council.

LEGAL IMPLICATIONS:

The draft *Payment of Expenses and Provision of Facilities to Councillors* policy must be in line with the requirements of the *Local Government Act 1993*. The draft *Payment of Expenses and Provision of Facilities to Councillors* policy is compliant with the Act.

ENVIRONMENTAL IMPLICATIONS: Nil

SOCIAL IMPLICATIONS: Nil

FINANCIAL IMPLICATIONS:

Council has factored in an amount of \$30,000 in the draft budget for 2016/17 to cover costs for Councillors associated with this policy.

CONCLUSION:

The *Payment of Expenses and Provision of Facilities to Councillors* policy has been developed to ensure transparent and compliant payment of expenses and of the provision of facilities to Councillors that incorporates the requirements contained within the *Local Government Act 1993*. The draft *Payment of Expenses and Provision of Facilities to Councillors* policy is now presented to Council for adoption to be placed on public exhibition for 28 days.

RECOMMENDATION:

- (1) That the General Manager's Report "*Payment of Expenses and Provision of Facilities to Councillors* policy", be received and noted;
- (2) That the draft *Payment of Expenses and Provision of Facilities to Councillors* policy be placed on public exhibition for 28 days; and
- (3) That should Council not receive any public submissions within the 28 days, the draft *Payment of Expenses and Provision of Facilities to Councillors* policy becomes the adopted Payment of Expenses and Provision of Facilities to Councillors policy.

Attachment 4: Draft Payment of Expenses and Provision of Facilities to Councillors Policy

(ITEM: GM 11/16) COUNCILLOR ACCESS TO INFORMATION AND INTERACTION WITH STAFF

REPORT BY: Lotta Jackson, General Manager

SUMMARY:

The purpose of this report is for Council to adopt the policy titled *Councillor Access to Information and Interaction with Staff* (see Attachment 5).

BACKGROUND:

It is good governance to have a policy in relation to Councillor Access to Information and Interaction with Staff and that such a policy is in line with Council's Code of Conduct, the *NSW Local Government Act 1993*, and other relevant legislation.

RELEVANCE TO COMMUNITY STRATEGIC PLAN AND RESOURCING STRATEGY:

The *Councillor Access to Information and Interaction with Staff* Policy align with the draft Community Strategic Plan's Governance Strategy 5: An Informed and Accountable Community.

DISCUSSION:

Councillors need to have access to information and staff in order to ensure the smooth functioning of the Council. This policy establishes the protocols to be followed so that access to information and staff is facilitated through appropriate internal channels or legally available channels.

The objectives of this Policy are to:

- Provide a standard approach by which Councillors can access Council records.
- Ensure accessibility to Councillors of documents and data that are required by them to undertake their civic responsibilities.
- Ensure that Councillors receive accurate and timely advice to aid them in the performance of their civic responsibilities.
- Facilitate the appropriate level of access to staff.
- Facilitate a harmonious and respectful relationship between Councillors and the General Manager taking into account the differing roles that they are required to undertake as defined in the *Local Government Act 1993*.
- Complement the Code of Conduct for Councillors and Staff.
- Provide direction on Councillors' rights of access to Council buildings.

GOVERNANCE/POLICY IMPLICATIONS:

Once adopted by Council, the *Councillor Access to Information and Interaction with Staff* Policy becomes a Policy of Council.

LEGAL IMPLICATIONS:

The policy *Councillor Access to Information and Interaction with Staff* has been developed in line with the requirements of the *Local Government Act 1993*, and Council's Code of

Conduct.

ENVIRONMENTAL IMPLICATIONS: Nil

SOCIAL IMPLICATIONS: Nil

FINANCIAL IMPLICATIONS: Nil

CONCLUSION:

The *Councillor Access to Information and Interaction with Staff* policy has been developed to ensure the smooth functioning of the Council. This policy establishes the protocols to be followed so that Councillor access to information and staff is facilitated through appropriate internal channels or legally available channels. The policy is now presented to Council for adoption.

RECOMMENDATION:

That Council adopts the policy titled "*Councillor Access to Information and Interaction with Staff*" as provided in Attachment 5.

Attachment 5: Councillor Access to Information and Interaction with Staff

(ITEM: GM 12/16) MEDIA POLICY

REPORT BY: Lotta Jackson, General Manager

SUMMARY:

The purpose of this report is for Council to adopt a Media Policy in order to have a protocol that guides staff and Councillors in relation to the media.

BACKGROUND:

The Norfolk Island Regional Council, as a new Council, does not currently have a Media Policy to guide interactions with the media. It is therefore recommended that Council adopts such a policy.

RELEVANCE TO COMMUNITY STRATEGIC PLAN AND RESOURCING STRATEGY:

The Media Policy aligns with the draft Community Strategic Plan's Governance Strategic Direction 6: An Informed and Accountable Community.

DISCUSSION:

Norfolk Island Regional Council is accountable to the community for its performance and recognises the key role the media plays in effective communication between the Council and the community. Council encourages open communication with the media with an emphasis on promoting a positive, progressive and professional image of Council and staff.

The objective of the Media Policy is to establish central points of contact, protocols and a consistent method for managing communication between the Council and the print and broadcast media to ensure coordinated, accurate and reliable presentation.

The Media Policy can be viewed in Attachment 6 and is recommended to Council for adoption.

GOVERNANCE/POLICY IMPLICATIONS:

Once adopted by Council, the Media Policy becomes a Policy of Council.

LEGAL IMPLICATIONS:

Potential implications are highlighted within the policy as they relate to Council's Code of Conduct only.

ENVIRONMENTAL IMPLICATIONS: Nil

SOCIAL IMPLICATIONS:

It is important for Council to ensure good communication channels are established for the community to be informed of the business of council, Council's performance and public announcements. It is in the community's best interest to be able to trust and experience an open and united local government and thereby build social capital.

FINANCIAL IMPLICATIONS:

Costs associated with the implementation of this policy have been included in the draft budget for 2016/17.

CONCLUSION:

The Media Policy has been developed to ensure Council has a protocol that guides staff and Councillors. Council is accountable to the community for its performance and recognises the key role the media plays in effective communication between the Council and the community. The Media Policy is now presented to Council for adoption.

RECOMMENDATION:

That Council adopts the Media Policy as provided in Attachment 6.

Attachment 6: Media Policy

(ITEM: GM 13/16) COMMUNITY STRATEGIC PLAN 2016-2026

REPORT BY: Lotta Jackson, General Manager

SUMMARY:

The purpose of this report is for Council to adopt the draft Norfolk Island Community Strategic Plan 2016- 2026 titled *Our Plan for the Future* (see Attachment 7).

BACKGROUND:

The draft Community Strategic Plan has been developed following Community Engagement and two (2) periods of public exhibition. Extensive opportunities were facilitated for the community to attend meetings, focus groups, in person meetings, via survey or written submission.

In any form of Community Engagement there will always be members of the community that for whatever reason do not participate. It is also recognised that the period of the Community Engagement coincided with a difficult time for some members in the community due to year of transition of Government.

The development and adoption of the Community Strategic Plan is a legal requirement and it sets the scene for Council's future activities.

The Councillors will be tasked to develop a 4 year Delivery Program that will be in line with the Community Strategic Plan. The Delivery Program will identify key strategies and outcomes for the term of Council.

Further, a Resourcing Strategy must be developed and adopted by Council by January 2017. The Resourcing Strategy must contain a 10 year Long Term Financial Plan, a 10 year Asset Management Plan for each category of assets and a four (4) year Workforce Plan to support the Delivery Program.

Each year the Operational Plan including budgets, fees and charges and rates must also be developed in line with the Delivery Program and the Community Strategic Plan.

RELEVANCE TO COMMUNITY STRATEGIC PLAN AND RESOURCING STRATEGY:

It is a key requirement under the *Local Government Act 1993*, for Council to develop and adopt a Community Strategic Plan. This will guide Council in all its activities and is critical for the operation of service delivery as well as strategic and policy development.

DISCUSSION:

The Community Strategic plan sets the framework for which Council will deliver to its community and progress reporting will be open and transparent to the community through Council's business papers.

The draft Plan contains six (6) key Strategic Direction areas with a total of 13 Objectives. The key Strategic Direction areas covers social, cultural, environmental, economic and governance issues, and highlights the role of Council, the community and other stakeholders have in addressing these issues. The six (6) key Strategic Direction areas are as follows:

| | | |
|---|--------------------|--------------|
| 1 | An Environmentally | Objective 1: |
|---|--------------------|--------------|

| | | |
|---|--|--|
| | sustainable community (Environment) | Use and manage resources wisely Objective 2: Preserve a healthy environment |
| 2 | A proud, diverse Inclusive Community (Social/ Cultural) | Objective 3: Cultural Expression is maintained and Built Heritage is protected |
| 3 | A caring Community (Social/Economic) | Objective 4: We work together to achieve our goals Objective 5: Our Community is a great place to live and visit |
| 4 | A successful and innovative Community (Economic/tourism) | Objective 6: Strong, diverse and vibrant business environment Objective 7: A skilled and competent workforce Objective 8: Successful Public Private Partnership |
| 5 | An informed and accountable community (Governance) | Objective 9: An informed Community Objective 10: Transparency in decision making |
| 6 | A healthy and safe community (Social) | Objective 11: Informed, active and healthy residents Objective 12: Focused and coordinated approach to health care Objective 13: Visitors have a safe experience. |

A total of two (2) submissions were received at the conclusion of the Public Exhibition period of the second draft of the Community Strategic Plan (10 June 2016). These submissions can be viewed in Attachment 8.

The majority of the comments have been factored into the third draft, now presented to Council for adoption, and can be seen in red throughout the Plan. Where the comments have not been included, they were statements, or not in line with the rest of the sentiment of the Plan.

As a result of discussions with the Mayor and Councillors, and to ensure the plan is inclusive of the Norfolk Island Community, a number of amendments have been made. A joint message from the Mayor and the General Manager has been included.

The Vision has been changed to be aspirational rather than a statement (We will work together to create a positive future for all members of our community) and it reads: *"Norfolk Island – the Best Small Island in the World"*. Alternative vision statements for

Council to consider are *“Norfolk Island – the Best place to Live, Work and Visit”* and *“Norfolk Island: A healthy, vibrant, economically and environmentally sustainable community”*.

A Mission statement and Values have also been included, and these were work-shopped by the Councillors at a training session in late June 2016. The Mission will guide Council in its role in facilitating the Strategic Directions into the future:

The Norfolk Island Regional Council will provide local civic leadership and governance through good decision making, accountability and transparency.

We will protect and enhance our unique culture, heritage, traditions and environment for the Norfolk Island People. We will do this through promoting a healthy and sustainable lifestyle, by looking after our community assets, and by fostering a prosperous economy.

The following Values have been added with the acronym I CARE: Integrity, Communication, Accountability, Respect and Excellence.

In the section outlining the Community Consultation process the following acknowledgement has been included:

However, in any form of Community Engagement there will always be members of the community that for whatever reason do not participate. It is also recognised that the period of the Community Engagement coincided with a difficult time for some members in the community due to the year of transition of Government. (p 6)

A statement has also been added acknowledging the activities of the Norfolk Island People for Democracy (NIDP) and their future aspirations (p 12):

The Norfolk Island Regional Council is empathetic of the members of the Norfolk Island People for Democracy (NIDP) in their striving to achieve self-governing relationship in free association with Australia, and respect their views.

Referencing to the *NSW State Plan 2021* has also been removed or modified to suit Norfolk Island’s situation. The *NSW State Plan* does not apply to Norfolk Island.

Page numbering and formatting will be attended to subsequent to Council’s adoption of the Plan.

GOVERNANCE/POLICY IMPLICATIONS:

Once adopted by Council, the Community Strategic Plan becomes a Plan of Council.

LEGAL IMPLICATIONS:

It is a requirement for Council to adopt Community Strategic Plan under the *Local Government Act 1993*, section 402:

402 Community strategic plan

- (1) *Each local government area must have a community strategic plan that has been developed and endorsed by the council. A community strategic plan is a plan that identifies the main*

priorities and aspirations for the future of the local government area covering a period of at least 10 years from when the plan is endorsed.

(2) A community strategic plan is to establish strategic objectives together with strategies for achieving those objectives.

(3) The council must ensure that the community strategic plan:

(a) addresses civic leadership, social, environmental and economic issues in an integrated manner, and

(b) is based on social justice principles of equity, access, participation and rights, and

(c) is adequately informed by relevant information relating to civic leadership, social, environmental and economic issues

ENVIRONMENTAL IMPLICATIONS:

The Community Strategic Plan will guide the future strategies and actions relating to maintaining and enhancing both the built and natural environment.

SOCIAL IMPLICATIONS:

The Community Strategic Plan will guide the future strategies and actions relating to building and enhancing the social fabric of the community, and provide for services that address the needs of individuals.

FINANCIAL IMPLICATIONS:

The Community Strategic Plan will guide the future budgets and the long term financial plan as to the resources needed to fulfil the aspirations of the community.

CONCLUSION:

The Strategic Plan is now presented to Council for adoption.

RECOMMENDATION:

That Council adopts the Norfolk Island Community Strategic Plan 2016-2026 titled *Our Plan for the Future* contained within Attachment 7.

Attachment 7: draft Community Strategic Plan 2016-2026, *Our Plan for the Future*

Attachment 8: Submissions (2) from the community.

(ITEM GS 01/16) MAKING OF AN ORDINARY RATE

REPORT BY: Bruce Taylor, Group Manager Services

SUMMARY

The purpose of this report is for Council to make an ordinary rate, as required under section 494 of the *Local Government Act 1993* (the Act) and to place the recommended model on public exhibition for 28 days.

BACKGROUND

Chapter 15, Parts 1 to 9 inclusive, of the Act refers to the making of rates. It should be noted that amendments, specific to Norfolk Island, were made to the Act on 5 May, 2016 through *Norfolk Island Applied Laws Ordinance 2016. Ordinance No. 9, 2016. Schedule 4, section 30.*

Key Parts and Sections of the Act are:-

1. Ordinary rates must be made and levied annually.

Section 494(1) states:- *“A council must make and levy an ordinary rate for each year on all rateable land in its area.*

2. Structure of Rate:- Non-value based land rates system to be used for a period of up to two years.

Section 497 (c) states:-

“for an ordinary rate for a year ending before 1 July, 2018 – a base amount.

3. Minimum Revenue to be raised from ordinary rates

Section 513A states:-

“Despite any other provision of this Act, an ordinary rate made for a year by the Council must be such as to ensure that the total of ordinary rates levied on all rateable land for the year is at least:

for the year ending on 30 June 2017 - \$500,000; and

for the year ending on 30 June 2018 and any later year - \$1,000,000.

4. Categories of ordinary rates and categories of land

Section 493 states:-

(1) There are 4 categories of an ordinary rate and 4 categories of rateable land:

- *Farmland*
- *Residential*
- *Mining*
- *Business*

(2) These categories may, at a council’s discretion, be divided into sub-categories in accordance with section 529.

5. Determination of Sub-Categories

Relevant parts of Section 529 state:-

- (1) Before making an ordinary rate, a council may determine a sub-category or sub-categories for one or more categories of rateable land in its area.
- (2) A sub-category may be determined:
- (aa) for any category – according to the size of the parcel of land; or
 - (a) For the category “farmland” – according to the intensity of land use, the irrigability of the land or economic factors affecting the land, or
 - (b) For the category “residential” – according to whether the land is rural residential land or within a centre of population, or
 - (c) For the category “mining” – according to the kind of mining involved, or
 - (d) For the category “business” – according to a centre of activity or the kind of business.

6. Land which is exempt from rates

Part 6 of the Act addresses land which is exempt from rates such as land owned by the Crown and land within an historic site.

7. Concessions

Part 8 of the Act addresses concessions such as:-

- Concessions for pensioners of 50% - Section 575.
- Concessions for hardship – Section 577.

8. Annual Statement of Council’s Revenue Policy

The Operational Plan, to be adopted by 1 October 2016, must include [Section 201(1)(a) of the Local Government (General) Regulations 2005] “a statement with respect to each ordinary rate and each special rate proposed to be levied,”

9. Declaration of council as non-functioning

Section 257 (1) states in part:-

“An Administrator may be appointed for an area by the Governor without the necessity for a public enquiry if the Governor declares the council to be non-functioning because: The requirements of this Act as to the making and levying of an ordinary rate have not been followed,....”

RELEVANCE TO COMMUNITY STRATEGIC PLAN AND RESOURCING STRATEGY

In point 5.3 of the NIRC Second Draft Community Strategic Plan 2016-2026 it is stated:- *“The second round of consultation resulted in ongoing emphasis on the most important issue identified in round one consultation (financial sustainability)...”*.

The Long Term Financial Plan, within the Resourcing Strategy, will include:-

- the Revenue of \$500,000 in year 1 and \$1,000,000 in subsequent years, and
- the costs associated with developing and operating the rating system.

DISCUSSION

Reference Material

A considerable body of work was completed by the Administration of Norfolk Island in 2014/15; the Implementation Strategy and Levy model are available as a reference document at:- <http://www.norfolkisland.gov.nf/reports/Municipal%20Rates/>.

It should be noted that the above reference documents were prepared in the framework of Norfolk Island legislation, this report and the proposed model references the Local Government Act 1993.

Proposed Rating Model

The proposed ordinary rating model is summarised in Attachment A.

The model:-

1. Is for an ordinary rate for 2016/17; and 2017/18.
2. Is a non-value based system to be used for a period of up to two years.
3. Raises a minimum of \$500,000 in 2016/17 and \$1,000,000 in 2017/18.
4. Has 4 categories of an ordinary rate and 4 categories of rateable land (noting that only farmland, residential and business are active categories).
5. Has sub-categories according to the size of the parcel of land; or the kind of business.
6. Accommodates exemptions such a land owned by the Crown and land within an historic site.
7. Includes concessions for pensioners and for hardship.

The proposal raises an estimated \$543,000, prior to pensioner concessions which are estimated at \$42,000.

GOVERNANCE/POLICY IMPLICATIONS: Nil.

LEGAL IMPLICATIONS: Nil.

ENVIRONMENTAL IMPLICATIONS: Nil.

SOCIAL IMPLICATIONS: Nil.

FINANCIAL IMPLICATIONS

Revenue from rating of \$500,000 for year 1, and \$1,000,000 for subsequent years has been included in budget projections.

The cost of developing a rating module is included in the budget for the roll-out of the Civica Enterprise Management System. Should rate notices be required prior to Civica installation, the interim process will be funded from the budgets of the Finance and Registry functions.

In addition, \$250,000 has been included in the 2016/17 budget to progress the valuation of land. Early approval of this process may allow for a value-based system to be introduced in 2017/18, rather than being delayed until 2018/19.

CONCLUSION

The proposed ordinary rating model, which addresses the requirements of Chapter 15 Parts 1 to 9 inclusive of the Local Government Act 1993, be adopted.

RECOMMENDATION

That Council make an ordinary rate, as required under section 494 of the *Local Government Act 1993* using the model as proposed and place the recommended model on public exhibition for 28 days, and if no submissions are received, the model becomes the rating structure for Norfolk Island Regional Council 2016/17.

Attachment 9: Rating model

(ITEM GS 02/16) OPERATIONAL PLAN BUDGET 2016/17

REPORT BY: Bruce Taylor, Group Manager Services

SUMMARY

The purpose of this report is to provide an Operational Plan Budget 2016/17 for adoption by the Norfolk Island Regional Council to be placed on public exhibition for 28 days.

BACKGROUND

The Operational Plan Budget for 2016/17 is set out in attachment 10. It is based on the Organisation Structure and the current functions of Council.

RELEVANCE TO COMMUNITY STRATEGIC PLAN AND RESOURCING STRATEGY

In point 5.3 of the NIRC Second Draft Community Strategic Plan 2016-2026 it is stated:- *“The second round of consultation resulted in ongoing emphasis on the most important issue identified in round one consultation (financial sustainability)...”*.

The Operational Plan Budget 2016/17 is a first step towards the goal of financial sustainability, to be further addressed in the Long Term Financial Plan within the Resourcing Strategy. Every attempt will be made to make savings and apply for grants to reduce the deficit.

DISCUSSION

The Budget 2016/17 projects a net operating deficit of \$4.276 million; after depreciation expense of \$5.826 million.

1. Major revenue sources are:-

- \$1.9 million - Commonwealth Financial Assistance Grant (FAG) funding
- \$1.9 million – Service Delivery Agreement to provide state-type services
- \$0.5 million – Ordinary Rates
- \$4.4 million – Liquor Bond revenue
- \$4.1 million – Electricity revenue
- \$2.7 million – Telecom Revenue
- \$1.8 million – Airport fees and charges
- \$0.6 million – Lighterage services
- \$0.5 million – Waste Management Levy
- \$0.5 million – Water Assurance Scheme
- \$0.4 million – Ball Bay fuel terminal fee
- \$0.3 million – Roads levy on fuel
- \$0.5 million – Tobacco (substitute) levy
- \$0.1 million – Tattersalls Commission
- no allowance has been made for Gaming revenue

2. Major areas of expenditure are:-

- \$6.9 million - Salaries and Wages
- \$5.8 million – Depreciation

- \$7.5 million – purchase of stock for resale, fuel for electricity generation and telecom services
- \$1.1 million – support of the tourism function
- \$0.3 million – continued export of waste and recyclables
- \$0.1 million – road maintenance (in addition to the \$1.0 million road capital works)

3. Capital budget

- \$5.1 million is provided in 2016/17.

4. Cash Position

The cash position is projected to fall by \$2.4 million from \$8.4 million to \$6.0 million in 2016/17 due to:-

- \$3.9 million - cash provided from operation activities; offset by
- \$5.1 million – capital purchases, and
- \$1.2 million – airport runway loan repayments

Commentary on the attached budget (Attachment 10):

The airport has the largest deficit of \$1.5 million and the need for resurfacing in 2020 and potentially increasing the tarmac area and facilities in the short to mid-term will be challenging. This is in addition to having to pay back the Commonwealth \$11.4 million loan for the last upgrade. Council will need to encourage more operations to fly to Norfolk Island and look at other ways of addressing the deficit.

Currently the electricity function does not cover its own costs. Council will have to consider the commercial operations of electricity and communications and the need to invest in upgrading the infrastructure and look at alternative models.

The issue of waste will need to be urgently looked at and at this stage no additional funds have been factored in for this. Grants, partnerships and loans will all have to be considered to ensure that we meet our obligations of no dumping of waste into the sea within 18 months. Community and business and education is vital for waste minimization to be successful and achievable.

The Commonwealth Financial Assistance Grant provided to Councils across Australia, seems to be below what was expected (\$1.9 million). This will be investigated for next year. Further, there is no allocation for Roads for Recovery for the Norfolk Island Regional Council, a grant that Councils are provided to assist with the upgrading of roads infrastructure. Council should also be able to access the Roads to Recovery funding from 2017/18 onwards.

It is anticipated that in subsequent years, following this first financial year 2016/17, Council will receive the Financial Assistance grant according to the formula used - which is in essence part of tax revenue collected by the Commonwealth and distributed to Local Government through the States and Territories. The formula is based on the principles of horizontal fiscal equalisation:

“If all sub-national governments in a country faced the same circumstances - that is, if they all had the same ability to raise revenue and faced the same service costs - then HFE would not be necessary. However, different sub-national governments typically have different costs

and capacities to raise revenue for reasons that are beyond their control. The process to address these differences is known as Horizontal Fiscal Equalisation(or HFE)”. Commonwealth Grants Commission, Report on GST Revenue Sharing Relativities, 2010 Review, Vol 1, page 34

GOVERNANCE/POLICY IMPLICATIONS - Nil.

LEGAL - Nil.

ENVIRONMENTAL IMPLICATIONS - Nil.

SOCIAL IMPLICATIONS - Nil.

FINANCIAL IMPLICATIONS

Council’s budget indicates a deficit and the aim is to reduce this deficit over time in the development of the Long Term Financial Plan. Council Officers will endeavour to obtain grants to assist with the activities to be undertaken. Revised budgets will be presented at each quarterly review with the aim to make savings.

CONCLUSION

The Operational Plan Budget 2016/17 be adopted.

RECOMMENDATION

That Council adopts the Operational Plan Budget 2016/17, and place it on public exhibition for 28 days, and if no submissions are received, the budget becomes the adopted budget for the Norfolk Island Regional Council in 2016/17.

Attachment 10: Budget 2016/17 –Operating Revenue and Expenditure, Financial Reports and Capital Budget.