



6 JUNE 2014

LATE ITEMS

**Ordinary Meeting of Council Meeting No. 9/14
TUESDAY, 10 JUNE 2014**

**Council Chambers, Level 6, Civic Centre,
1 Devlin Street, Ryde - 7.30pm**

English

If you do not understand this letter, please come to the Ryde Civic Centre, Devlin Street, Ryde, to discuss it with Council staff who will arrange an interpreter service. Or you may ring the Translating & Interpreting Service on 131 450 to ask an interpreter to contact Council for you. Council's phone number is 9952 8222. Council office hours are 8.30am to 4.30pm, Monday to Friday.

Arabic

إذا كنت لا تفهم محتويات هذه الرسالة، فالرجاء الاتصال بمركز مجلس بلدية رايد Ryde Civic Centre، وعنوانه: Ryde، Devlin Street، لمناقشتها مع العاملين في المجلس عن طريق مترجم، يستعين به العاملون لمساعدتك. أو يمكنك، بدلاً من ذلك، أن تتصل بمكتب خدمات الترجمة TIS على الرقم 131 450 وأن تطلب من أحد المترجمين أن يتصل بالمجلس نيابة عنك. رقم تليفون المجلس هو 9952 8222، وساعات العمل هناك هي من الساعة 8.30 صباحاً إلى 4.30 بعد الظهر من يوم الاثنين إلى يوم الجمعة.

Armenian

Եթէ այս նամակը չէք հասկնար, խնդրեմ եկէք՝ *Բայր Սիվիք Սենթրը, Տելվին փողոց, Բայր, խոսակցելու* Բաղաքապետարանի պաշտօնետաներուն հետ, որոնք թարգմանիչ մը կրնան կարգադրել: Կամ, կրնաք հեռաձայնել Թարգմանութեան Ապասարկութեան՝ 131 450, եւ խնդրել որ թարգմանիչ մը Բաղաքապետարանին հետ կապ հաստատել ձեզի համար: Բաղաքապետարի հեռաձայնի թիւն է՝ 9952 8222: Բաղաքապետարանի գրասենեակի ժամերն են՝ կ.ա. ժամը 8.30 - կ.ե. ժամը 4.30, Երկուշաբթիէն Ուրբաթ:

Chinese

如果您看不懂這封信，請到位于 Devlin Street, Ryde 的禮特區市府禮堂 (Ryde Civic Centre) 與區政廳工作人員討論，他們將會給您安排傳譯員服務。或者您自己打電話給“翻譯及傳譯服務”，電話：131 450，請他們替您與區政廳聯係。區政廳的電話號碼是：9952 8222。區政廳工作時間是：週一至週五，上午 8.30 到下午 4.30。

Farsi

اگر این نامه را نمی فهمید لطفاً به مرکز شهرداری رايد در Devlin Street مراجعه کنید. کارمندان شهرداری ترتیب استفاده از يك مترجم را براي شما خواهند داد. یا میتوانید به سرویس ترجمه کتبی و شفاهی شماره 131 450 تلفن بزنیید و بخواهید که يك مترجم از جانب شما با شهرداری تماس بگیرد. شماره تلفن شهرداری 9952 8222 و ساعات کار از 8.30 صبح تا 4.30 بعد از ظهر می باشد.

Italian

Le persone che hanno difficoltà a capire la presente lettera, sono pregate di presentarsi al Ryde Civic Centre in Devlin Street, Ryde, e parlarne con gli impiegati municipali che provvederanno a richiedere l'intervento di un interprete. Oppure possono chiamare il Translating & Interpreting Service al 131 450 e chiedere ad uno dei loro interpreti di mettersi in contatto con il comune di Ryde. Il numero del comune è 9952 8222. Gli uffici comunali sono aperti dalle 8.30 alle 16.30, dal lunedì al venerdì.

Korean

이 편지를 이해할 수 없으시면 Ryde의 Devlin Street에 있는 Ryde Civic Centre로 오셔서 카운슬 직원과 상담하여 주십시오. 저희 직원이 통역 서비스를 연결해 드릴 것입니다. 아니면 131 450번으로 통번역 서비스(TIS)에 전화하셔서 통역사에게 대신 카운슬에 연락해 주도록 부탁하셔도 됩니다. 카운슬 전화 번호는 9952 8222번입니다. 카운슬의 업무 시간은 오전 8:30부터 오후 4:30, 월요일에서 금요일까지입니다.

Meeting Date: Tuesday 10 June 2014
Location: Council Chambers, Level 6, Civic Centre, 1 Devlin Street, Ryde
Time: 7.30pm

Council Meetings will be recorded on audio tape for minute-taking purposes as authorised by the Local Government Act 1993. Council Meetings will also be webcast.

NOTICE OF BUSINESS

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LATE ITEMS

9 CROWN LANDS WHITE PAPER

Report prepared by: Section Manager - Properties
File No.: BPU/08/5/3/13 - BP14/694

REPORT SUMMARY

Councillors were notified via a Councillor Information Bulletin on 29 May 2014 that this matter would be the subject of a late report to the 10 June 2014 Council meeting.

The Crown Lands White Paper and a recent Local Government Information Seminar (LGIS) outlined major changes to NSW Crown Lands. The stated objectives are to provide the simplest framework to manage Crown Lands, simplify legislation, more effective management to help grow the economy, and to cement local communities in Crown Land management. The objectives raise major, unanswered issues, requiring far greater clarification, before a commitment and partnership with the Crown can occur.

The Crown Lands Commission ('Crown') becomes a Public Trading Enterprise with more commercially based requirements and focus. The State Government ('State') is reviewing all Crown land, to categorise it, according to State needs ('the Strategic Assessment'). This may see Council lose existing Crown Land and with more stringent Crown management requirements, with Councils exposed to dealing with any impacts at the community level. Land management may be more challenging under the changes.

Council does benefit in some areas, receiving freehold title to Crown land designated 'local or community'. Crown describes this as giving 'unfettered' control to Councils.

Challenges for Council include ensuring commercially valuable land is not taken by the State to the community's detriment, protecting Crown land revenue it now receives, and securing mutually agreed management outcomes. Council should monitor the impending pilot process and outcomes, before finalising its position.

Based on the Crown's draft information and its inability to clarify major issues to date, greater ongoing work and input for Crown land may be required from Council's Legal, Property, Planning and Community Open Space Sections, as outlined below.

At this stage it appears likely that Council will need to negotiate a commercially acceptable outcome, whilst also protecting community facilities, before committing to any agreement with the Crown. Integral to beginning this process is the receipt of the State's Strategic Assessment, to be completed for all the City of Ryde's Crown Land.

ITEM 9 (continued)

Submissions on the Crown Lands White Paper are due by 20 June 2014. Given the limited clarity available, any submission can only address high level issues at this stage which are detailed in this report. Further issues for Council will likely arise, as more details emerge from the Crown over time, and the draft legislation is issued. Further updates will be provided as these occur.

Therefore, this report recommends Council endorse the lodgement of a submission as detailed in this report.

RECOMMENDATION:

- (a) That Council lodge a submission on the Crown Lands White Paper by 20 June 2014, encompassing its concerns in respect of the following areas:
- The Strategic Review process and Council's requirement to be included in the process, as the key local stakeholder. If this Review has been completed, Council requires this information immediately.
 - The need for greater clarity around the high level concepts provided to date
 - Subject to further clarification, Council expects negotiated outcomes and formalised frameworks with the Crown, for all key Crown land parcels in the City of Ryde.
 - Any other matter that Council Officers subsequently consider necessary.
- (b) That Council closely monitors the 'Pilot Process' and reviews the outcomes achieved.
- (c) That Council liaises with NSROC on initiatives and actions taken on this matter, including providing NSROC with a copy of Council's submission.
- (d) That this matter be further reported to Council once Council has evaluated the Strategic Assessment of the City of Ryde's Crown Land.

ATTACHMENTS

There are no attachments for this report.

Report Prepared By:

Chris Redman
Section Manager - Properties

ITEM 9 (continued)

Report Approved By:

Joe So
Service Unit Manager - Business Infrastructure

George Dedes
Group Manager - Public Works

ITEM 9 (continued)

Overview

The Crown Lands White Paper and the Local Government Information Seminar (LGIS) session summarised the proposed concepts to change the way Crown land is owned, managed, and administered. Delivery mechanisms to deliver the changes are detailed, however many key issues and their likely impacts on Councils are not explored.

Objective details on the impact of the changes on Councils do not yet exist. Detailed questioning at the LGIS could not be clearly answered by Crown representatives. With continuing uncertainty around detail, the recommendations here are based on the following initiatives advised by Crown personnel, or included in the Paper.

- All Crown land will be categorised according to its expected future function, or its significance to the State. It will then be allocated accordingly.
- The Crown's Land Division becomes a Public Trading Enterprise, focussing heavily on asset recycling, accountability and stronger financial management.
- Selected Crown land will vest in Councils on a freehold basis, except where the Crown considers Council should only manage it. Management may be the Crown's preference where it has longer term plans for sites, which could see them lost to Council in the longer term.
- No transactions will be forced on Councils.
- Future consultation forums will exist for stakeholders, before changes occur.

Proposed Process & Related Issues

The Crown advises there will be a four (4) stage process to deliver the Paper's objectives.

- The Crown conducts a strategic assessment of the State's needs. This determines which land is required for core service delivery, or has State or Regional value.
- A pilot program with 4 Councils to review the objectives. To be completed by December 2014. A State Government report on the pilot process is due in March 2015.
- Crown then devolves land of 'local interest' to Councils, to meet local needs. (estimated timeframe to complete is 5-10 years, on a Council by Council basis).

ITEM 9 (continued)

- Crown devolves other essential or significant land to the relevant State agency best placed to manage the values and risks of each parcel.

Key issues within this process are examined below.

The Strategic Assessment

The assessment is well advanced and allocates Crown land parcels into the following areas:

1. Essential Crown Purposes – to remain in Crown ownership
2. State or Regional value – very likely to remain in Crown ownership
3. Local or Community Land – typically to vest in Councils
4. Land for specialised purpose – likely to go to other Government Agencies

Land for essential purposes is assessed consistently with the recent Property Asset Utilisation Taskforce ('PAUT') Report which states *"NSW Government should own property only to support core service delivery, with the rest relinquished or released"*. Land not supporting core service delivery will be allocated to the other categories.

Land with state or regional value is a key issue, with draft criteria tabled at the LGIS. Definitions included *"land within 10kms of a CBD, certain beachfront and similar land, land with scarce or unique characteristics, and infrastructure"*. These criteria typically encompass land of significant value if sold, or able to generate far greater rental income, if used for purposes other than traditional community activities.

Council's concern is that existing land may be deemed 'of State or Regional value', with major community impacts, if sold or used for commercial purposes. Reinforcing this concern is Crown's advice that the existing Crown Lands Commission becomes a 'Public Trading Enterprise' charged with numerous responsibilities including:

- asset re-cycling
- accountability
- stronger financial management systems

Reflecting on these objectives Council may be required to manage some parcels to maximise utility and revenue, and also manage expected community impacts, if they differ from previous agendas. Allocation of rent income between manager and owner remains unclear, but arrangements like those for telecommunication facilities, (where Councils manage and Crown takes the rent) were not ruled out at the LGIS.

ITEM 9 (continued)

Special purpose land ('Category 4') may impact Council, but allocating this land to appropriate entities is probably more justifiable, as long as the special use is clear.

Local or community land ('Category 3') reverts to Councils by one of two processes:

- To vest in (or be granted to) Councils on a freehold basis, at nil consideration
- Managed by Council, if Crown considers its ongoing ownership is preferable

Freehold ownership is advised as allowing 'unfettered' Council dealings, with Crown no longer involved. This removes many complications currently impacting Crown land. Crown representatives could not provide answers on the allocation of land transfer costs, or due diligence costs logically incurred before accepting new land.

Some Crown management processes will be simplified for Council's benefit. Conversely Council management may become more problematic, for numerous reasons, including the heavier emphasis on market based rents and outcomes.

The Strategic Assessment for Ryde's Crown Land is critical – to assess proposed changes, likely problems and benefits, to prepare a cost benefit study of anticipated outcomes, and for Council to strategize accordingly. Council should seek involvement in this process, or if completed, receive the Strategic Assessment immediately.

A Crown pilot program will test and refine the state and local land criteria, to assist creating an implementation plan to transfer local land. Four diverse LGAs are targeted and Councils may volunteer to participate. Council will observe this process and then be able to confirm its position in respect of these changes.

Some land in Councils portfolio is viewed as Crown Land but is owned by what may best be termed 'related entities'. For example Cudal Reserve is owned by Sydney Water. The property of other government agencies and similar entities is outside the scope of the Crown Lands Review.

The Devolvement process

The key points advised to Councils, and considered in respect of this process are:

- The Crown advises no land will be forced on any Council.
- The Crown speculates there will be some parcels 'no one wants to manage'.
- Freehold ownership for Council will be far less problematic than management.

ITEM 9 (continued)

- LGIS attendees continually referred to a 'cost shifting exercise'. Whilst committed to managing much Crown land for community objectives, Council will need sufficient revenues or other benefits to offset any costs identified.

The devolvement process may need to be treated by Council as a combination of community and commercial negotiation. This would include appropriate due diligence on any new parcels received and agreement as to who meets these costs.

Other impacts on Council

A key area is the likely costs or savings to Council, if it partakes in what the Crown currently describes as a 'non-compulsory' targeted handover process.

Likely Council costs will be driven by any increased or reduced workloads as a result of new Crown land devolved to Council, and any land lost. Areas of possible cost increase or lost revenue for Council include:

1. **Property, Planning, Legal & Community personnel** - for ownership and management. In some areas management requirements are higher under Local Government legislation than Crown legislation. Planners will be required to assess Crown land when developing Local Plans, to assist in strategic decisions. Managed Crown land may be subject to greater pressures, objections and influence from the Crown as the owner.
2. **Legal and external consulting costs** – Crown leases will require a market based approach to rent - discounted for hardship & public benefit.

Market rent typically requires independent external assessment. The Crown envisages more specific leases (with commercial terms) for individual parcels. Market rent and discounts, plus some lease terms, may need Crown approval.
3. **Lost revenues** if some are forfeited to the Crown, or some parcels are lost, in addition to the impacts of managing 'uneconomic parcels' of Crown Land.
4. **Any positive impacts of other objectives of the legislation** – such as simplifying Crown Reserve Trusts etc. These may offset some of the costs in 1-3 above, however there appear to be limited economic savings in this area.
5. **Implementation costs** – Legal, survey, due diligence and other costs for any land devolving to Council and possibly also including new land to be managed.

The high level detail provided and the Crown's uncertainty under questioning, has provided minimal clarity on costs, management expectations and revenues to date.

ITEM 9 (continued)

Overview and Strategy

There are clear advantages if Council assumes freehold land ownership without Crown input. But significant key Crown Land may never devolve as freehold land.

The Crown becomes a more cost focussed, commercial entity ensuring Crown land management may be more onerous, time consuming and less community focussed, given the objectives of the Public Trading Enterprise. Following the initial legislation, future changes could become more onerous for Council over time.

Council should probably seek to minimise management of Crown land, and maximise receipt of freehold tenure. The Paper is silent on existing management arrangements, but logically a management framework should be negotiated for each existing and new managed parcel, binding Crown and Council to fixed objectives for a period of 10 years, and revisited thereafter.

This framework should be part of a bigger negotiated agreement with the Crown, to give Council:

- Satisfactory overall community outcomes.
- At least a neutral financial outcome from any changes. This may see an 'agreed package' of sites devolve freehold to Council, with secure revenue.
- An agreed framework for each managed property, delivering long term asset objectives and parameters, for community and financial outcomes.

This cannot commence until Council receives the Crown land Strategic Assessment. Once received and the pilot process observed, Council should target early actions to resolve this matter, as ongoing or transitional arrangements may cause problems.

Financial Implications

There are no immediate financial impacts, but this is expected to change as the process evolves.

Consultation with relevant external bodies

Ongoing discussions will continue with NSROC in respect of current and future submissions, as the overall process evolves.

The current process encourages feedback via submissions to the Crown by 20 June 2014. It is recommended Council provides a submission covering:

- Commitment from the Crown for future consultation and feedback sessions.

ITEM 9 (continued)

- Delivery to Council of the Strategic Assessment (when available) for all Crown land in Ryde, or inclusion of Ryde Council as the key stakeholder.
- Significant asset specific or similar issues, of which Council is currently aware.
- Council's in principle support for simplifying Crown land. But an inability for this to occur without greater detail and transparency and an agreed strategic framework between Council and Crown.

Options

The options for Council are:

Do Nothing – The process is in the early stages, but some initial feedback is needed.

Provide a brief submission detailing high level areas of concern – This is the recommended process for the reasons outlined here.

Provide a detailed submission – This is not recommended at present. The process is in the early stages, subject to a pilot scheme, needing clarity over current high level concepts, and future consultation. More details will become available over time.

10 JOINT LIBRARY AGREEMENT

Report prepared by: Manager - Library Services
File No.: GRP/09/4/10 - BP14/678

REPORT SUMMARY

This is a Late Report because the matter presented for Council's consideration relates to the Joint Library Agreement with Hunters Hill Council which expires 30 June 2014.

The Joint Library Agreement between the City of Ryde and Hunter's Hill Council to provide a library service at Gladesville commenced in 1957. Since this time City of Ryde has been providing a library service to the residents of Hunters Hill Municipality. The most recent agreement was signed in 2007. In June 2013 City of Ryde gave notice of termination of the current agreement, allowing for the negotiation of a new agreement based on revised cost schedules.

This report provides information about the negotiations that have taken place between officers of both councils regarding the establishment of a new agreement. The negotiation has included detailed examination of the current contribution paid by Hunters Hill Council, and the establishment of a framework that provides an increased financial contribution for the new agreement.

The report outlines the financial arrangements for a proposed three year Joint Library Agreement between the two councils that will ensure the ongoing operation of a library facility at Gladesville that provides library services to the residents of both Hunters Hill Municipality and City of Ryde.

Hunters Hill Council's contribution in 2013-14 was \$569,900 and following the negotiations for the new Agreement, they have agreed to an increase of \$105,000; payable over three years.

This report seeks Council's endorsement for the proposed three year Agreement based on the terms outlined in the body of the report including the increased financial contribution by Hunters Hill Council.

RECOMMENDATION:

- (a) That Council endorse the establishment of a new three year Joint Library Agreement with Hunters Hill Council, based upon the principles of this report.
- (b) That the Acting General Manager be granted delegated authority to sign the Joint Library Agreement with Hunters Hill Council.

ITEM 10 (continued)

ATTACHMENTS

There are no attachments for this report.

Report Prepared By:

Jill Webb
Manager - Library Services

Report Approved By:

Baharak Sahebekhtiari
Acting Group Manager - Community Life

ITEM 10 (continued)**History**

The Joint Library Agreement between the City of Ryde and Hunters Hill Council to provide a library service at Gladesville commenced in 1957. Since this time City of Ryde has been providing a library service to residents of the Hunters Hill Municipality. The most recent agreement is a five year agreement signed in 2007, with one year extensions being agreed to in June 2012 and June 2013. In June 2013 City of Ryde gave notice of termination of the current agreement, allowing for the negotiation of a new agreement based on revised cost schedules.

The Joint Library Agreement is specific about the library service to be provided, including the identity of Gladesville Library, the service levels to be provided at Gladesville Library, management and advisory roles, financial contributions and ownership of assets.

The agreement of 2007 provided for a Hunters Hill contribution of \$469,456 in the 2007/8 financial year and allowed for an annual increase based on the preceding year's contribution indexed by the General Rate increase issued by the Minister for Local Government. By 2013/14 the contribution had increased to \$569,900.

Discussion

Negotiation to reach a mutually acceptable position for the future Joint Library Agreement has been ongoing between staff of City of Ryde and Hunters Hill Council since January 2014.

Council staff initiated discussions with Hunters Hill Council by articulating the following position, that City of Ryde:

- a) provides an enhanced level of service to Hunters Hill residents at a price less than the Baseline level standard.
- b) would like to continue joint provision of services with Hunters Hill Council, however it is not in a position to continue the current level of subsidization.
- c) recognises Hunters Hill Council's capacity- to-pay challenges and is committed to a collaborative process to reach an agreement on equitable terms where future arrangements lead to a closing of the price equity gap.
- d) prefers to utilise the State Library's established industry framework to calculate Hunters Hill Council's amount of contribution .

Both parties agreed to the following principles as the basis for the negotiations:

- Transparency and disclosure of full costs associated with the Library Service
- Use of the State Library of NSW standards

ITEM 10 (continued)

- Recognition of Hunters Hill Council's capacity to pay
- Provision of reasonable options that would enable both Councils to work together in reaching an agreement .

The negotiation led to a proposed new agreement providing for an increased contribution from Hunters Hill Council as outlined below.

Financial contribution and the proposed Joint Library Agreement

1. The financial contribution of Hunter's Hill Council will be based on a baseline standard rate (as published by State Library) of \$47.98 per capita, resulting in a total contribution increase of \$108,389.22.
2. The proposed increase will be rounded down to \$105,000 which is payable over three years of instalments, with no increase required in the first year (2014/15).
3. The agreement will be for three years, indexed annually by the rate pegging percentage.
4. The terms of the agreement will be based on the principles agreed by both Councils in the 2007 Joint Library Agreement (apart from the financial basis of that agreement).

The proposal was subject of a report to Hunters Hill Council on 26 May that sought acceptance of a financial arrangement for a new three year Joint Library Agreement. Hunters Hill Council have agreed to the recommendations of the report and now wish to formalise a new Joint Library Agreement with City of Ryde.

The proposed agreement as outlined in this report is a positive outcome for both councils representing a mutually acceptable way forward to preserve the long standing joint library agreement to the benefit of both communities.

Key aspects of the proposed agreement which are significant from the City of Ryde perspective are; an acknowledgement by Hunters Hill Council of the excellent level and extent of services, the utilisation of industry per-capita standards to calculate the amount of contribution and achieving a \$105,000 increase.

Overview of negotiation

Extensive discussion took place between staff of the two councils regarding the levels of service provided by City of Ryde and the contribution that should be paid by Hunters Hill Council for the provision of library services to its residents.

ITEM 10 (continued)

The key features of the discussion were:

- Analysis of the level of service provided, including the changing nature of library services. The analysis revealed services that extend beyond the provision of a library facility at Gladesville. Library services include extensive collections, toys, a growing collection of eBooks, inter library loans, a reservation system, access to technology and WiFi, library programs and events, home library services, local studies, community information and the support of management and specialist library staff.
- Analysis of the current contribution. The current contribution was assessed against per capita benchmarks provided by the State Library of New South Wales and with per capita benchmarks provided by the Department of Local Government.
- Exploration of potential funding models. A number of funding models were proposed, including per capita models and models based on the cost of Gladesville Library inclusive of overheads. The most suitable of these was found to be a model that links to the baseline per capita cost of library services provided by the State Library of New South Wales. The current baseline is \$47.98 per capita.
- Length of the agreement. There was discussion regarding the most suitable length of the new agreement. It was felt that five years was potentially too long in the current environment of possible change to local government. It was agreed that three years will provide some immediate certainty for both councils. Three years will also provide opportunity for both councils to explore potential development opportunities that may change the nature of any future agreement.

Financial Implications

Should Council resolve to continue this agreement it will result in a positive financial impact.

The proposed contribution is as follows:

Year	2013/14	2014/15	2015/16	2016/17
Hunters Hill contribution	\$569,900	\$583,110	\$643,580	\$706,407
	Current contribution	Includes rate pegging 2.3%	Includes rate pegging (estimated 2.3%) plus 50% of the increased contribution	Includes rate pegging (estimated plus remaining 50% increase

ITEM 10 (continued)**Options**

Council could choose not to continue a Joint Library Agreement with Hunters Hill Council. This option is not recommended because of the impact it would have on a shared service arrangement with a proven track record of success, and the subsequent impact on the community.

CONFIDENTIAL ITEMS**11 WASTE COLLECTION SERVICES BIN OWNERSHIP - Variation of Contract PWS/03/05**

Confidential

This item is classified CONFIDENTIAL under Section 10A(2) of the Local Government Act, 1993, which permits the meeting to be closed to the public for business relating to the following: (d) (i) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it; AND (d) (ii) information that would, if disclosed, confer a commercial advantage on a competitor of the council.

Report prepared by: Section Manager - Waste

File No.: COR2014/562 - BP14/711

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