



ORDINARY MEETING OF
COUNCIL FOLLOWING POLICY
COMMITTEE

28 July 2010

His Worship the Mayor & Councillors

I have to advise that an Ordinary Meeting of **Bathurst Regional Council** will be held in the Council Chambers on Wednesday, 4 August 2010 commencing at approximately 6.15 pm (or immediately following the conclusion of the Policy Committee).

A handwritten signature in black ink, appearing to read "D J Sherley".

D J Sherley
GENERAL MANAGER

BUSINESS AGENDA

ORDINARY MEETING OF COUNCIL FOLLOWING POLICY COMMITTEE

TO BE HELD ON WEDNESDAY, 4 AUGUST 2010

1. MEETING COMMENCES

2. APOLOGIES

3. DECLARATION OF INTEREST

To assist the Councillors and committee members in their correct consideration of business before them at the meeting, please give consideration to Section 451 of the Local Government Act, in relation to Declaration of Interest at meetings.

4. RECEIVE AND DEAL WITH DIRECTORS' REPORTS

* Director Cultural & Community Services' Report

5. RESOLVE INTO CONFIDENTIAL COMMITTEE OF THE WHOLE TO DEAL WITH CONFIDENTIAL REPORTS

Recommendation: That:

- (a) Council resolve into closed Council to consider business identified, together with any late reports tabled at the meeting.
- (b) Pursuant to section 10A(1)-(3) of the Local Government Act 1993, the media and public be excluded from the meeting on the basis that the business to be considered is classified confidential under the provisions of section 10A(2) as outlined above.
- (c) Correspondence and reports relevant to the subject business be withheld from access.

In accordance with the Local Government Act 1993 and the Local Government (General) Regulation 2005,:

- 1. In the opinion of the General Manager, the following business is of a kind as referred to in section 10A(2) of the Act, and should be dealt with in a part of the meeting closed to the media and public
- 2. In accordance with Section 10A(4) members of the public are invited to make representations to the Council as to whether the matters should or should not be dealt with in Confidential Committee.

*** Director Corporate Services & Finance's Report**

ITEM	SUBJECT	REASON FOR CONFIDENTIALITY
1	MOUNT PANORAMA SUMMER CYCLING	10A (2) (d) (i) – contains commercial information of a

	FESTIVAL	confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it. Discussion of the matter in open council would, on balance, be contrary to the public interest as it would prejudice the commercial position of the person who supplied it.
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*** Director Engineering Services' Report**

ITEM	SUBJECT	REASON FOR CONFIDENTIALITY
1	TENDER FOR CONSTRUCTION OF CIVIL WORKS, AVONLEA ESTATE STAGE 6 - RESIDENTIAL SUBDIVISION	10A (2) (d) (i) – contains commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it. Discussion of the matter in open council would, on balance, be contrary to the public interest as it would prejudice the commercial position of the person who supplied it.
2	TENDER FOR DESIGN & CONSTRUCTION OF ELECTRICAL & TELECOMMUNICATIONS RETICULATION, AVONLEA STAGE 6 - RESIDENTIAL SUBDIVISION	10A (2) (d) (i) – contains commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it. Discussion of the matter in open council would, on balance, be contrary to the public interest as it would prejudice the commercial position of the person who supplied it.

6. RESOLVE INTO OPEN COUNCIL
7. ADOPT REPORT OF THE COMMITTEE OF THE WHOLE
8. MEETING CLOSE

MINUTE

1 6.45 pm MEETING COMMENCES

Present: Councillors Toole (Chair), Bourke, Carpenter, Hanger, North, Thompson, Westman.

to the Council Meeting 04/08/2010

GENERAL MANAGER

MAYOR
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MINUTE

2 APOLOGIES

MOVED: G Hanger SECONDED: T Carpenter

RESOLVED: That the apologies from Crs Aubin & Morse be accepted and leave of absence granted.

MINUTE

3 DECLARATION OF INTEREST

MOVED: I North SECONDED: G Westman

RESOLVED: That the following Declaration of Interest be noted.

Cr Westman

Item 1 of the Director of Corporate Services & Finance's Confidential report

to the Council Meeting 04/08/2010

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ORDINARY MEETING OF COUNCIL FOLLOWING POLICY COMMITTEE

DIRECTOR CULTURAL & COMMUNITY SERVICES' REPORT

4 AUGUST 2010

**DIRECTOR CULTURAL & COMMUNITY SERVICES' REPORT TO THE ORDINARY
MEETING OF COUNCIL FOLLOWING POLICY COMMITTEE MEETING HELD ON 4
AUGUST 2010**

General Manager
Bathurst Regional Council

**1 ECONOMIC AND SOCIAL CONTRIBUTION OF CULTURAL FACILITIES AND
ACTIVITIES IN THE CENTRAL WEST - VALUE ADDED (18.00165)**

Recommendation: That the information be noted.

Report: In 2009 Museums & Galleries NSW (M&G NSW), in partnership with Bathurst Regional Council, Orange City Council and Dubbo Regional Council, commissioned the Western Research Institute (WRI) to examine the economic value and social contribution of the cultural facilities in their local government areas. These facilities include performing arts centres and venues, public art galleries, museums and heritage sites.

The research took place in two stages. The first stage examined the effect of direct and indirect spending on the local economy and employment. The second examined the social capital that the facilities and their related activities generate as well as a per household "willingness to pay" to maintain the current facilities and access.

The facilities included in the study were:

Type of Facility	Orange	Bathurst	Dubbo
Theatre/Performance Venue	Orange Civic Theatre	Bathurst Memorial Entertainment Centre	War Memorial Civic Centre
Art Gallery	Orange Regional Gallery	Bathurst Regional Gallery	Western Plains Cultural Centre
Museum		National Motor Racing Museum	Western Plains Cultural Centre
		Australian Fossil and Mineral Museum	Old Dubbo Gaol
		Chifley Home	
Other (Inc Community use)	Orange Cultural Centre	Hill End Residents Programs	Western Plains Cultural Centre
	Orange Conservatorium		

The study details the following:

The Findings

Economic Value

Income and expenditure data on the 12 cultural facilities from the year 2007/08 was provided by each of the councils. This information was then analysed and cross checked to minimise the possibility of double counting.

The following assumptions were made regarding the income and expenditure resulting from the operations of the selected cultural facilities.

- Income included grants, admission fees and charges.
- Payments made from locations within each of the Local Government Areas (LGAs) were classified as local income.
- Expenditure made to suppliers located within the facilities LGA was deemed as local expenditure.

Induced Visitor expenditure was derived from Tourism Research Australia sources. Only visitor expenditure which was the direct result of attendance (induced expenditure) at one or more of the listed cultural facilities was included. To reduce the likelihood of double counting, where complementary facilities were found in a LGA, the facility with the lower visitor numbers was removed from the impact calculations of visitor expenditure.

Economic Impact

The economic impact of the cultural facilities was analysed in terms of:

- output i.e. the value of goods and services that are available for use both by the facility and outside the facility or turnover.
- Value added i.e. the profit or the gross output minus the costs of creating the goods or services. This is the equivalent to the facility's contribution the local equivalent of gross domestic product; the gross regional product.
- Household income i.e. the benefit received by regional households.
- Employment - fulltime equivalent (FTE) staff resources used.

The direct "output" for the region was found to be \$13.6 million per annum. This generated a flow-on value of \$22.4 million meaning for every \$1 spent, another \$1.64 worth of goods and services was created.

Induced Visitor Spending was found to have a value of \$3.2 million dollars per annum, generating a flow on effect of \$5 million i.e. an additional \$156 worth of goods and services were created for each \$1 spent.

The facilities were found to contribute \$14.8 million per annum to the gross regional product which is approximately 0.3% of GRP (07/08). This compares favourably with the findings of Northern Ireland study which identified Public Libraries, Museums, Arts and Sport as contributing 0.1%.

The direct benefit received by regional households from the facilities' operations and induced visitor expenditure was found to be \$4.65 million per annum. This had a flow on effect of an additional \$4.25 million dollars meaning for every one dollar received directly by households for the operations of the facilities, an additional \$0.91 is generated.

At the time of the study it was found that 98 full time equivalent (FTE) paid positions existed in cultural facilities across the region. These positions in turn **created an additional 83 full time equivalent positions.** The breakdown for each LGA is shown in Table 4 below. This is the equivalent of **an additional 8.5 jobs** outside the cultural sector across the region for each 10 full time positions within the cultural sector.

Table 4: Existing full time equivalent jobs and flow on jobs created

LGA	Existing FTE	Flow on FTE	Total FTE
Bathurst	39	23	61
Orange	30	35	65

Dubbo	29	25	54
Regional totals	98	83	180

It was also found that 11,900 hours of work was performed by volunteers within the included facilities in the 2007-08 year. This equates to 6.5 full time positions. These **volunteers contribute a significant economic benefit** to the facilities as well as providing visitor services that would not be able to be provided within existing budgetary constraints. Assuming the volunteers have the same productivity as the existing employed staff is can be calculated that their impact is as shown below in Table 5.

Table 5: Potential economic impact of volunteer workforce across the region

Output	Value Added	Household income	Employment (FTE)
\$1,900,000	\$1,300,000	\$700,000	14

Willingness to Pay

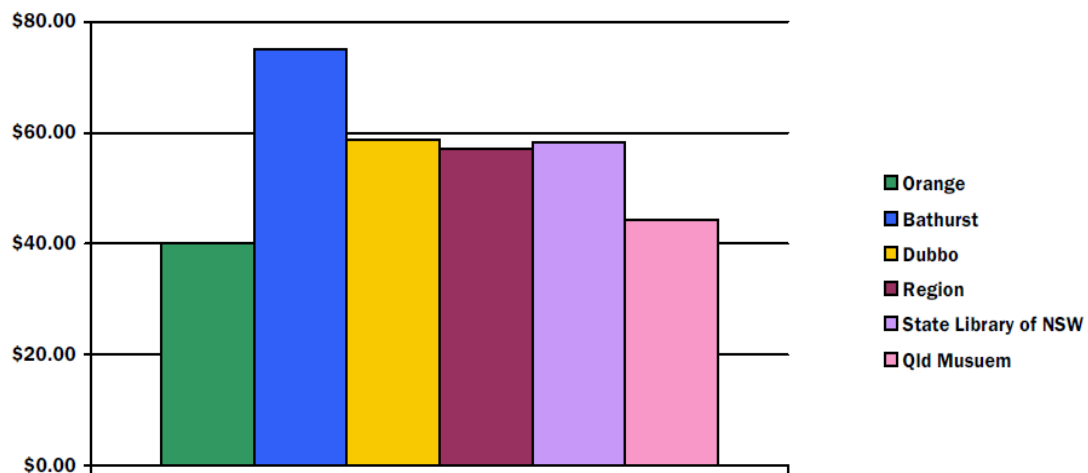
Willingness to pay identifies the maximum amount which a person is willing to pay to have a particular good or service. The willingness to pay (WTP) to maintain the current level of access and service to the existing facilities was identified in the research undertaken by Professor Morrison.

A total of 610 self completed questionnaires were distributed across the region with the aim to collect a minimum of 100 responses for each LGA. "Drop off and pick-up" delivery was used to obtain a representative sample and to reduce the possibility of social desirability bias. The final sample was 374 with a total of 346 useable responses. Compared to the general population, the sample was found to have a higher proportion of female respondents who own or are paying off their home and a higher level of education.

Pre-testing of the survey instrument was carried out using in-depth interviews with separate questionnaires developed for each LGA. During this process \$150 per household was identified as the maximum any one would be willing to pay to maintain current services and levels of access.

The average WTP figure across the region was found to be \$57.00 per household. **This equates to a regional aggregated WTP figure of over \$1.1 million per annum.** It also compares favourably with comparable studies such as the State Library of NSW (\$58.20) and Queensland Museum (\$44.27 - aggregated to a per household amount). these are shown in Figure 7.

Figure 7: Willingness To Pay (WTP) per household



Social Capital

With the aim to estimate the wider economic benefits of cultural facilities and activities, the research by Professor Morrison also assessed social capital. It evaluated visitation and awareness of the cultural facilities and measured *place dependence* and *place identity* or attachment. *Place dependence* is seen to reflect the importance of "place" in achieving life goals where as *place identity* reflects more of an emotional attachment and the ability of place to give meaning and purpose to life. Both of these elements can illuminate the respondent's belonging and commitment to their local area and community.

Over 75% of all respondents had previously visited the performing arts facilities in their LGA with over 60% of all respondents reporting that they had visited their local art gallery.

Of the respondents who had used the cultural facilities in their LGA, they ranked their last visit as "satisfied" or "very satisfied".

Awareness and recent use of the facilities for each LGA are shown in Figures 4-6

Figure 4: Awareness and Use of Facilities - Orange

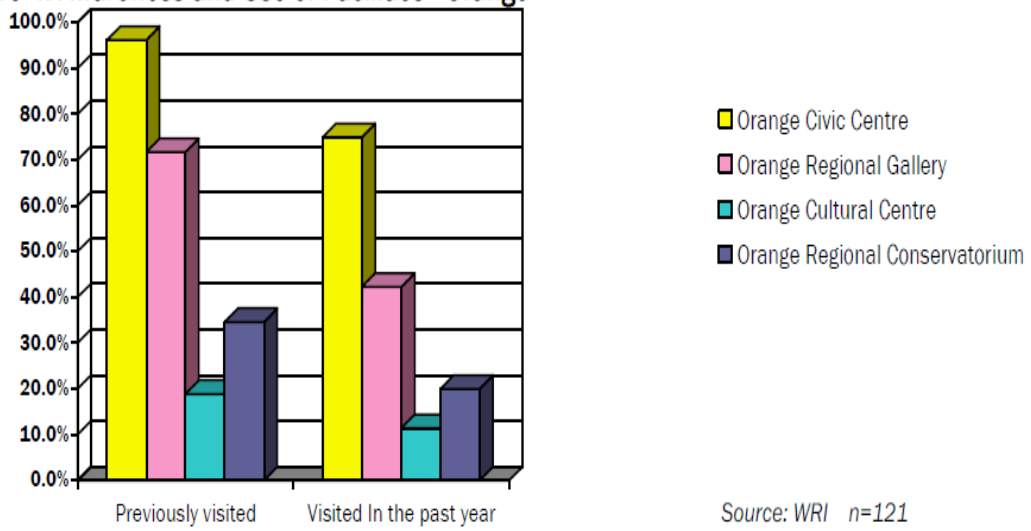


Figure 5: Awareness and Use of Facilities - Bathurst

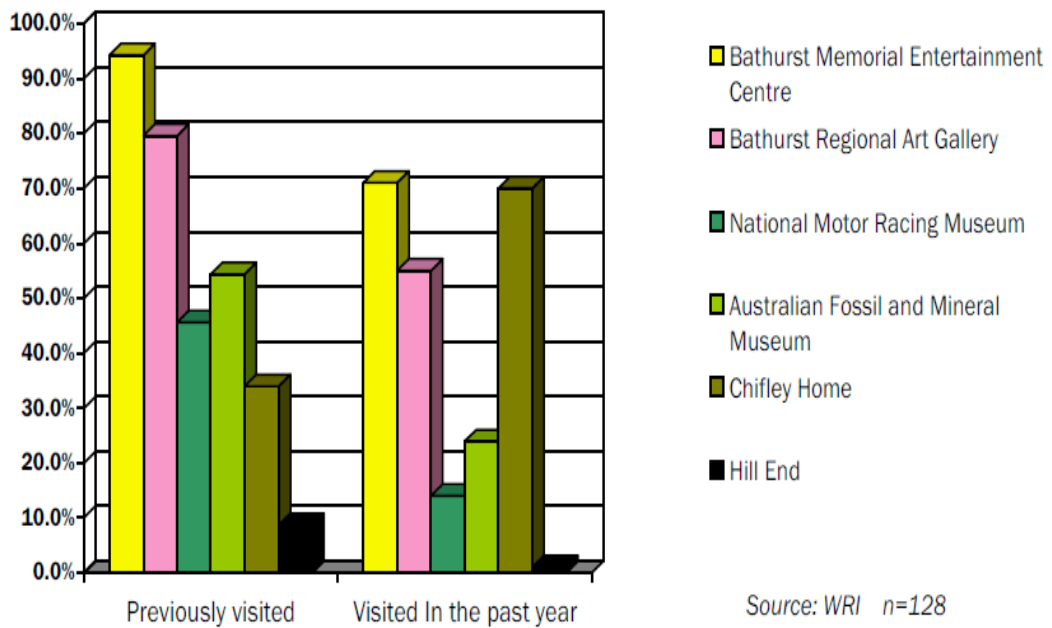
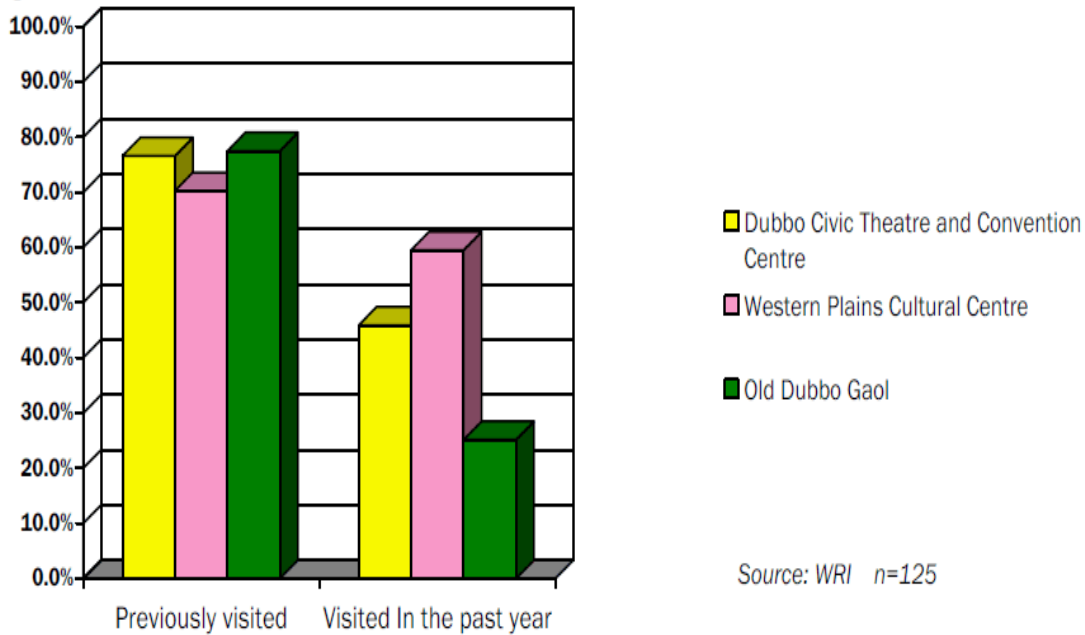


Figure 6: Awareness and Use of Facilities - Dubbo



The questionnaire sought to identify the extent to which cultural facilities contribute to social capital by using a 5 point scale where "1" is strongly disagree and "5" is strongly agree. The higher the mean number, the stronger the agreement. Table 6 shows examples of the questions and their responses.

The level of agreement with these statements suggest that **the facilities help people think differently about their world, enhance connection to and with their communities and help develop a sense of place.** The results for both these elements were highest in Bathurst followed by Orange and then Dubbo; however the mean differences are not large. Across the region it was shown that there is a clear relationship between place identity and the number of facilities visited and between how often the cultural facilities have been visited over the past five years and place identity. This is important as a strong sense of place can lead to increased retention of the skilled and educated population.

Table 6: Effects of Cultural Facilities on Social Capital

	Orange	Bathurst	Dubbo	Mean
Cultural facilities help me to better understand local history and heritage	3.42	3.86	3.82	3.69
Cultural facilities in my town are safe places	3.50	3.85	3.67	3.67
Help make my community feel like home	3.43	3.72	3.57	3.57
Cultural facilities help me understand different cultures	3.51	3.34	3.68	3.51

I take friends and relative visiting to see cultural facilities	3.14	3.64	3.61	3.46
Cultural facilities help me to think differently about life	3.19	3.58	3.50	3.42
Cultural facilities encourage me to participate in creative activities	3.20	3.23	3.27	3.23

n= all valid responses

Conclusion

The cultural facilities and the activities they engender are clearly very important to the economy and the community of these local government areas and the broader Central region of NSW.

- They attract visitors, both locally and beyond the boundaries of the LGAs and region, who in-turn **contribute over \$8 million** to the region as a whole.
- They provide a local employment opportunity for those who wish to work within the cultural sector of the creative industries and also create additional jobs outside of the cultural sector. It has been found that **an additional 8.5 jobs** outside the cultural sector across the region for each 10 full time positions within these facilities.
- They provide a **significant return on investment** for the councils both economically and socially.
- They **add over \$14 million to the regional economy per annum** and also generate almost \$9 million in household income.
- **They contribute to social capital and community wellbeing** in a way that can be quantified and identified.
- They demonstrate the value of volunteering both economically and socially to the regions. **500 volunteers provide almost 12,000 hours of work** and add approximately \$1.3 million into the regional economy.
- By assisting in creating a strong sense of place they help lead to increased retention of a skilled and educated population.
- They are valued by the community with a highly favourable average willingness to pay (WTP) of \$57.00 per household which equates to a **regional aggregated WTP figure of over \$1.1 million per annum.**

The document will prove to be of benefit to Council when seeking grant funding for Council's cultural facilities.

Financial Implications: Nil, at this stage.

MINUTE

4 Item 1 ECONOMIC AND SOCIAL CONTRIBUTION OF CULTURAL FACILITIES AND ACTIVITIES IN THE CENTRAL WEST - VALUE ADDED

MOVED: B Bourke SECONDED: T Carpenter

RESOLVED:That the information be noted.

Yours faithfully



Annabell Miller
DIRECTOR
CULTURAL & COMMUNITY SERVICES

MINUTE

5 RESOLVE INTO CONFIDENTIAL COMMITTEE OF THE WHOLE TO DEAL WITH CONFIDENTIAL REPORTS

MOVED: B Bourke SECONDED: I North

The Mayor invited members of the public to make submissions on whether the matter should or should not be dealt with in confidential Committee.

There were no representations from the public.

RESOLVED: That:

- (a) Council resolve into closed Council to consider business identified, together with any late reports tabled at the meeting.
- (b) Pursuant to section 10A(1)-(3) of the Local Government Act 1993, the media and public be excluded from the meeting on the basis that the business to be considered is classified confidential under the provisions of section 10A(2) as outlined above.
- (c) Correspondence and reports relevant to the subject business be withheld from access.

*** Director Corporate Services & Finance's Report**

ITEM	SUBJECT	REASON FOR CONFIDENTIALITY
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*** Director Engineering Services' Report**

ITEM	SUBJECT	REASON FOR CONFIDENTIALITY
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	SUBDIVISION	commercial position of the person who supplied it. Discussion of the matter in open council would, on balance, be contrary to the public interest as it would prejudice the commercial position of the person who supplied it.
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ORDINARY MEETING OF COUNCIL FOLLOWING POLICY COMMITTEE
DIRECTOR CORPORATE SERVICES & FINANCE'S REPORT
4 AUGUST 2010

MINUTE

a **Item 1 MOUNT PANORAMA SUMMER CYCLING FESTIVAL**

MOVED: R Thompson SECONDED: G Hanger

Cr Westman declared a pecuniary interest in this item, left the Chamber and took no part in discussion or voting.

Reason: owns and runs Bicycle shop in Bathurst.

That Council host a two day cycling event at the Mount Panorama precinct on a suitable weekend with a view to it becoming an annual event.

Yours faithfully



R Roach
DIRECTOR
CORPORATE SERVICES & FINANCE

ORDINARY MEETING OF COUNCIL FOLLOWING POLICY COMMITTEE

DIRECTOR ENGINEERING SERVICES' REPORT

4 AUGUST 2010

MINUTE

**b Item 1 TENDER FOR CONSTRUCTION OF CIVIL WORKS, AVONLEA ESTATE
STAGE 6 - RESIDENTIAL SUBDIVISION**

MOVED: B Bourke SECONDED: I North

That Council accepts the tender of Hynash Constructions Pty Ltd for the construction of the residential estate known as Avonlea Estate - Stage 6, in the amount of \$1,046,905.00 (inc GST), subject to adjustments and provisional items.

MINUTE

c Item 2 TENDER FOR DESIGN & CONSTRUCTION OF ELECTRICAL & TELECOMMUNICATIONS RETICULATION, AVONLEA STAGE 6 - RESIDENTIAL SUBDIVISION

MOVED: R Thompson SECONDED: I North

That Council accepts the tender of Active Energy for the design and construction of the electrical reticulation at Avonlea Stage 6 residential subdivision, in the amount of \$121,803.00, subject to adjustments and provisional items.

Yours faithfully



Doug Patterson
**DIRECTOR
ENGINEERING SERVICES**

MINUTE

6 RESOLVE INTO OPEN COUNCIL

MOVED: R Thompson SECONDED: G Westman

RESOLVED: That Council resume Open Council.

to the Council Meeting 04/08/2010

GENERAL MANAGER

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7 ADOPT REPORT OF THE COMMITTEE OF THE WHOLE

MOVED: G Hanger SECONDED: I North

RESOLVED: That the Report of the Committee of the Whole, Items (a) to (c) be adopted.

to the Council Meeting 04/08/2010

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8 MEETING CLOSE

The Meeting closed at 7.03 pm.

CHAIRMAN: _____

Date: _____ **(18 August 2010)**

to the Council Meeting 04/08/2010

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