

5.10. RIVER IMPROVEMENT TRUST

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DEPARTMENT: Infrastructure Services

RECOMMENDATION

That Council resolves to:

Finalise discussions with Cairns Regional Council to remove the Douglas Shire area from the Cairns River Improvement Trust and make a joint application to the Minister for Natural Resources and Mines to reduce the Cairns RIT.

EXECUTIVE SUMMARY

A River Improvement Trust (RIT) is established to protect and improve rivers. It is responsible for:

- Repairing and preventing damage to rivers; and
- Preventing or mitigating riverine flooding of land.

The previous Douglas RIT was established in 1982, before merging with the Cairns RIT in 2008. There is a long history of the RIT completing successful restoration works following flooding and severe cyclone and monsoonal rainfall events. During this time, the Trust has developed a proven reputation for getting the job done for the benefit of all stakeholders. Terrain, Cairns RIT & Douglas Shire Council have had strong partnerships in the past, providing access to funding through programs such as Reef Rescue. This funding has been used in priority areas throughout the Douglas Shire where the landholder has been unable or not willing to contribute.

Over 100 examples of previously completed RIT projects are evident throughout the Douglas Shire Council area. These works have provided successful outcomes and benefits for the local farmers, the environment and the community as a whole.

Douglas Shire Council is currently constituted under the Cairns RIT. The de-amalgamation of Cairns and Douglas Councils means that Douglas Shire Council should now be removed from the Cairns RIT. The River Improvement Trust Act 1940 contains the provision for the constitution of a river improvement area comprising of two or more local government areas, however it is preferable that Douglas Shire Council be removed from the Cairns RIT and in the future, review the advantages and disadvantages of developing a Douglas RIT.

BACKGROUND

At the Ordinary Meeting of Council on 16 June 2015, Council resolved that:

1. Council's Manager of Infrastructure enter into discussions with Cairns Regional Council and the Cairns River Improvement Trust (RIT) to determine a mutually agreed position on the future of the current Cairns RIT;
2. The Manager of Infrastructure bring a report back after March 2016 for the new Council to make a decision on a future River Improvement Trust in the Douglas Shire; and

3. Council note that 2014/2015 Operational Plan initiative I4 will not be met in full for the reasons expressed in the report.

River Improvement Trusts (RIT) are established under the provisions of the River Improvement Act 1940. Each trust is responsible for the planning, design, construction and financing of stream improvement works for the benefit of the community within its improvement area. At present there are 11 river improvements trusts in Queensland, including:

- Burdekin Shire RIT;
- Cairns RIT;
- Cassowary Coast RIT;
- Don RIT;
- Herbert RIT;
- Ipswich RIT;
- Scenic Rim RIT;
- Stanthorpe RIT;
- Wambo Shire RIT;
- Warwick Shire RIT; and
- Whitsunday RIT.

These trusts are statutory bodies constituted under the River Improvement Trust Act 1940. The Act provides a trust with the powers to undertake its functions, including the ability to raise funds, enter land, occupy land, enter contracts and carry out works. For a river improvement trust and its associated area to be constituted by regulation, a local government may make an application to the Minister for Natural Resources and Mines.

As a statutory body, river improvement trusts are obliged to provide an annual report and audited financial statements. A trust is required to prepare an annual program of works and submit it to the department for approval by the chief executive (Director-General). Planning for works may include:

- assessing the amount of funding required to carry out the works;
- investigation and design work; and
- Identifying required approvals.

A trust must provide the department with detailed plans of all projects for technical assessment and obtain all relevant permits or approvals before undertaking any of the works.

Before the Minister can make a decision about whether to grant a new Douglas RIT, the Minister must be aware of the Cairns Regional Council views on reducing the present Cairns RIT river improvement area.

It is within the provisions of the Act to allow a RIT over two (2) local government areas. Membership of a trust, over two (2) local government areas, needs to consist of two (2) Councillors from each constituent local government and up to three persons appointed by the Minister. The trust elects its chairperson from those members whose appointment was made by the Minister.

All members, other than local government appointees, hold office for the term, of no more than four years, decided by the Minister; while Councillors are appointed for the term, of no more than four years, decided by the local government. Each trust is required by the RIT Act to appoint one of its members, other than the chairperson, to be deputy chairperson. The trust members manage the operations of the trust.

Under the Act, each trust must have a secretary and may employ other officers if it is deemed necessary. In most cases, the secretary is the chief executive officer or an employee of the relevant local government. Generally, the only other operational support is an engineer who, in most cases, is also the regional or shire engineer of the relevant local government.

COMMENT

For a river improvement trust and its associated areas to be constituted by regulation, a local government may make an application to the Minister for Natural Resources and Mines. Before the Minister can make a decision about whether to grant a new Douglas RIT, they must be aware of the Cairns Regional Council views on reducing the present Cairns RIT. For this to progress, Douglas and Cairns will need to put a joint submission to the Minister outlining our preferred arrangements.

PROPOSAL

That Council resolves to:

Finalise discussions with Cairns Regional Council to remove the Douglas Shire area from the Cairns River Improvement Trust and make a joint application to the Minister for Natural Resources and Mines to reduce the Cairns RIT.

FINANCIAL/RESOURCE IMPLICATIONS

Under the Act, local government is required to contribute an annual precept (contribution) to the RIT. Generally, these funds are utilised by the RIT to cover items such as audits, consulting fees for the engineering designs and construction costs.

As an example, the following precept was distributed by local government to the relevant RIT in the 2013 – 2014 financial year:

- Cairns Regional Council \$200,000;
- Cassowary Coast Regional Council \$100,000; and
- Burdekin Shire Council \$230,000.

It is reasonable to expect that if Douglas Shire was to constitute its own RIT it may be required to contribute in the order of \$100,000 per annum in precept. Additional funding may be distributed from the state government to RIT's from time to time in the form of one-off grants. Additional project funding is generally obtained through partnering with land owners who will benefit from the RIT project. For example, if the RIT was to undertake erosion control in a stormwater drain traversing a cane farm, then the RIT might seek a contribution from the land owner of up to 50% of the project costs.

Chairpersons and members of a trust, who meet the eligibility requirements for remuneration, are entitled to be paid the fees and allowances approved under the River Improvement Trust Regulation 1998. Additionally, RITs are responsible for maintaining appropriate levels of Public Liability Insurance and Professional Indemnity Insurance.

It is anticipated that the administration costs to manage a Douglas RIT is up to \$50,000 per annum.

The Council contribution is not anticipated to be required until the 2017/2018 financial year. If Council resolves to constitute a Douglas River Improvement Trust, the next 12 months will be used to develop the legal framework, choose the chairperson and members.

If Council does not decide to constitute a Douglas RIT in the future, it has the option of funding river improvement projects through capital works programs, source external grants from state and federal government or partner with private land owners. The options and flexibility to deliver projects is still available to Council in the future.

RISK MANAGEMENT IMPLICATIONS

Without a local Douglas Shire Council River Improvement Trust, our local area may miss out on funding opportunities such as State Government subsidies and Australian Government grants such as the Caring for our Country Program (CFOC) administered through Terrain.

Provision of Professional Engineering and Environmental Services can be procured on a project by project basis using Council's pre-qualified supplier arrangements.

Past studies have highlighted the poor condition of many of our riparian areas within streams and rivers throughout the shire. Previous work undertaken on Whyanbeel, Stewart Creek and more recently at Cassowary Creek have demonstrated the role RITs provide in stabilising riverbanks and developing a buffer strip of vegetation to improve water quality which will eventually be discharged into the Great Barrier Reef Marine Park (GBRMP).

There are a number of other project funding models available to Council to deliver river improvement projects. Council lead grant submissions, partnering with property owners and using Council funds are considered more contemporary approaches. These approaches allow Council to be adaptable and does not lock Council into the RIT model.

SUSTAINABILITY IMPLICATIONS

Economic: Tourism and Agriculture are significant industries in the Douglas Shire and the improvement of river banks and rural drainage channels can be beneficial to both industries.

Environmental: Reducing sediment run off and stabilising river banks will improve environmental outcomes across the shire and the region. In particular works that reduce the runoff of sediment laden water into the fringing reef systems and the GBRMP can have a large impact on ensuring the reef systems in close to the Douglas Shire remain healthy. Successful improvement programs can increase biodiversity along our river systems, provide areas for the establishing riparian vegetation and improving habitat, including fish habitat and nursery areas.

Social: Providing a dedicated program within Council to facilitate drainage and river works will benefit the wider community by maintaining and improving recreational areas.

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2014-2019 Initiatives:

Theme 5 - Governance

5.1.1 - Establish and develop long term financial, resource and infrastructure planning to ensure ongoing capacity to fund operations and capital works programs.

5.2.1 - Provide Councillors and community with accurate, unbiased and factual reporting to enable accountable and transparent decision-making.

Operational Plan 2015-2016 Actions:

In the Operational Plan 2014-2015, Infrastructure Services was tasked with the following initiative:

I4 – Implementation of DNRM River Improvement Trust to address damage to rivers and the flooding of land.

This initiative was extended into the 2015-2016 Operational Plan.

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

Asset-Owner	Meeting the responsibilities associated with owning or being the custodian of assets such as infrastructure.
Facilitator	Bringing people together to develop solutions to problems

CONSULTATION

Internal: Nil

External: Manager Water Governance & Projects at Department of Natural Resources & Mines – who advised Council on the process required to initiate the constitution of a RIT;

Relevant council staff and Terrain - Reef Water Quality Program Systems Repair, who advised that Terrain would like to be considered as a future member if a new RIT is formed to bring NRM advice into discussions around prioritisation. Terrain also advised that there has been a lot of interest from local landholders regarding the formation of a Douglas RIT, in particular from the sugar cane sector.