

Extra Ordinary Meeting

Meeting Date: Tuesday, 17 October, 2017
Location: Council Chambers, City Administrative Building, Bridge Road, Nowra
Time: At the conclusion of the Strategy & Assets Committee

Membership (Quorum - 7)
All Councillors

Please note: Council's Code of Meeting Practice permits the electronic recording and broadcast of the proceedings of meetings of the Council which are open to the public. Your attendance at this meeting is taken as consent to the possibility that your image and/or voice may be recorded and broadcast to the public.

Agenda

1. **Apologies / Leave of Absence**
2. **Confirmation of Minutes**
 - Ordinary Meeting – 26 September 2017 (reconvened 3 October 2017)
 - Extra Ordinary Meeting – 9 October 2017
3. **Declarations of Interest**
4. **Notices of Motion / Questions on Notice**

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5. **Reports**

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CL17.278 Rescission Motion - CL17.275 - Development of a Motor Sports Complex at Yerriyong

HPERM Ref: D17/335911

Submitted by: Clr Mitchell Pakes
Clr Greg Watson
Clr Bob Proudfoot

Purpose / Summary

The following Rescission Motion, of which due notice has been given, is submitted for Council's consideration.

Recommendation

That Council rescind the Motion relating to Item CL17.275 of the Council Meeting held on 9 October 2017.

Background

The following resolution (MIN17.890) was adopted at the Extra Ordinary Meeting held 9 October 2017.

That:

- 1. Shoalhaven City Council acknowledges the economic, social and recreational benefits that could flow to the region as a result of the development of a Motorsports complex.*
- 2. Prior to any commitment of on behalf of Shoalhaven ratepayers, the General Manager is to provide a 'desktop' audit - including EPBC and state biodiversity legislation, to Council outlining the pathway for a Development Application approval through the Joint Regional Planning Panel.*
- 3. The General Manager provide an assessment of the resources available to Council to support the lodgment of a new Development Application and provide documentary evidence that such resources exist and that Council has rights to use them were Council to be the proponent.*
- 4. The General Manager report to Council the status of the crown land acquisition and any changes to costs, including whether the land owner is required to provide further support for any new Development Application of the land and whether the commercial leasing of the site or sale of the site is permissible.*
- 5. The General Manager provide Council with an independent review of the Business Plan, selectively tabled, at the last meeting, assessing any gaps that have emerged since the plan was current.*
- 6. Based on the results of the abovementioned reports, the General Manager provide to Council a cost estimate in stages for Council to become the proponent for a new DA to the point of offering for sale or commercial least subject to section 4.*
- 7. The General Manager be authorized to negotiate and draft appropriate documentation for Council to review concerning co-operative agreements between Council, Shoalhaven Motor Sport Inc, and any other entity whereby cooperative funding*

arrangements might be considered according to the current community sporting grants funding policy.

8. *The General Manager report on other options for locations, should any exist, where environmental and loss of amenity challenges are reduced. Given the proposed commercial viability of such a facility, the purchase of privately owned land might be considered in such a report.*
9. *Recoupment of all costs be factored into negotiation of any future lease arrangements*

Note by the General Manager

Advice received from the Legal Services Manager in respect to dealing with this rescission motion is that it is valid pursuant to the *Local Government Act 1993* ("the LGA") and is required to be referred to the next available Extra Ordinary or Ordinary meeting of Council.

The 3 month time constraint provided in section does not apply as the requirements of the section have not been met, namely:

1. A motion to rescind a resolution has not been negated; and/or
2. A motion of the same effect has not been negated on 2 previous occasions.

CL17.279 Notice of Motion - Development of a Motor Sports Complex at Yerriyong

HPERM Ref: D17/335969

Submitted by: Clr Mitchell Pakes
Clr Greg Watson

Purpose / Summary

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

Recommendation

That Council move CL17.227 of Council meeting 26 September 2017 (being Amendment 1) moved by Clr Proudfoot & Clr Pakes.

Background

Amendment 1 for CL17.227 is as follows:

That

- 1. In recognition of the strategic importance and economic value of developing a motor sports complex in our area, that Council, after reviewing the previous development application (DA) by Motorcycling NSW, prepares and submits a DA as proponent for this project.*
- 2. Council establish a project working group to oversee the process, comprising relevant Council staff and representatives of the South Coast Motor Sports Club Inc.*
- 3. Council continue to explore and where applicable apply to both Federal and State Government programs to facilitate funding for the project and private partnership.*
- 4. That initial costs associated with the review and DA submission be funded through the economic development budget*
- 5. Recoupment of all costs be factored into any future lease arrangements*

Note by the General Manager

This Notice of Motion will be dealt with if the preceding Rescission Motion is carried.

Advice received from the Legal Services Manager in respect to dealing with this motion is that the 3 month time constraint provided in section 372(5) of the Local Government Act 1993 ("the LGA") does not apply as the requirements of the section have not been met, namely:

1. A motion to rescind a resolution has not been negated; and/or
2. A motion of the same effect has not been negated on 2 previous occasions.

CL17.280 Pathways to financial sustainability - Special Rate Variation

HPERM Ref: D17/333168

Group: General Manager's Group
Section: Executive Strategy

Attachments: 1. Chapter 2 - Introduction (under separate cover) [⇒](#)
2. Chapter 3 - Financials (under separate cover) [⇒](#)
3. Chapter 5 - Budget & Capital Works (under separate cover) [⇒](#)
4. Chapter 6 - Resourcing Strategy (under separate cover) [⇒](#)
5. Chapter 7 - Special Rate Variation (under separate cover) [⇒](#)

Purpose / Summary

This report highlights the need for and changes to, the Integrated Strategic Plan (ISP) to inform and engage with the Shoalhaven community and achieve IPART requirements for a Special Rate Variation application.

Recommendation

That Council:

1. Adopt the proposed changes to the Integrated Strategic Plan (inclusive of the changes made to the Community Strategic Plan, Delivery Program, and Long Term Financial Plan) for exhibition purposes;
2. Publish the updated document and proceed with community engagement on the proposed document changes and its impact on the community.

Options

1. Adopt the amended Integrated Strategic Plan (ISP) as attached and exhibit as part of the community engagement undertaken for the proposed Special Rate Variation (SRV).

Implications: Council will be in a better position to achieve it's Fit for the Future targets, retain existing services and provide the community with necessary maintenance of existing assets to meet community needs.

2. Not adopt the amended ISP

Implications: Council will need to reduce spending and in-turn reduced service provision to the community to enable council to meet Fit for the Future targets.

Background

On the 3rd October 2017 Council adopted that:

“Option 1 of the report to retain the 13.2% special variation approved as a one-off increase in 2017/18 as a permanent increase and for additional special variations (inclusive of a rate peg of 2.5% pa) of 5% in 2018/19, 5% in 2019/20 and 5% in 2020/21 which will retain existing services, allow modest “new” asset spend and move towards meeting all FFTF benchmarks.”

As part of any SRV application to IPART there is a requirement for the Integrated Planning and Reporting documentation of Council to clearly reflect the proposed SRV. For this to occur the ISP has been amended to reflect any proposed changes that would arise from a proposed SRV.

In its 2017/18 determination, IPART commented “Overall, we consider on balance the community was adequately consulted, despite the IP&R documentation not discussing the full extent of the rate rise.”

Before applying to IPART for a special variation to general income, councils must adopt their Community Strategic Plan, Delivery Program, Long Term Financial Plan and where applicable, Asset Management Plan. Councils may only apply to IPART for a special variation to general income based on those adopted IP&R documents. However, councils do not have to adopt their Operational Plan for the coming year before applying to IPART for a special rate variation.

In accordance with the Integrated Planning and Reporting Manual for local government in NSW Council’s Integrated Strategic Plan (ISP) including: Community Strategic Plan (unchanged); Delivery Program and Operational Plan; and Resourcing Strategy, has now been amended as follows (refer Attachments 1 to 5 with specific changes highlighted):

- A new Chapter 7 has been added to the ISP document to provide a specific chapter which outlines the SRV proposal and its impact on Shoalhaven property owners
- Amendments to Chapter 5 (Resourcing Strategy) specifically the Long Term Financial Plan
- Amendments to Chapter 3 (Operational Plan Financials) to reflect updated tables and other information relevant to the SRV proposal
- Changes to the introduction of Chapter 2 (Delivery Program and Operation Plan Actions) to include information on the SRV

Community Engagement

To ensure the SRV application process and IPART requirements are fully covered a community engagement strategy will be implemented. The updated document including the additional ISP Chapter 7 will be placed on public exhibition for 28 days. In addition, the document will be added to Council’s ‘Get Involved’ web site. During the exhibition period three public meetings will be held to explain the implications of the proposed SRV. All submissions received will be reported to Council at the end of the public exhibition process for formal adoption and consideration before a final decision and formal notification to IPART.

Financial Implications

All costs involved in the SRV process including the engagement strategy will be covered using operational budgets

Risk Implications

Further delaying the SRV application process may jepodise Council’s ability to adequately engage with the community and meet IPART deadlines.

LOCAL GOVERNMENT AMENDMENT (GOVERNANCE & PLANNING) ACT 2016

Chapter 3, Section 8A Guiding principles for councils

(1) Exercise of functions generally

The following general principles apply to the exercise of functions by councils:

- (a) Councils should provide strong and effective representation, leadership, planning and decision-making.
- (b) Councils should carry out functions in a way that provides the best possible value for residents and ratepayers.
- (c) Councils should plan strategically, using the integrated planning and reporting framework, for the provision of effective and efficient services and regulation to meet the diverse needs of the local community.
- (d) Councils should apply the integrated planning and reporting framework in carrying out their functions so as to achieve desired outcomes and continuous improvements.
- (e) Councils should work co-operatively with other councils and the State government to achieve desired outcomes for the local community.
- (f) Councils should manage lands and other assets so that current and future local community needs can be met in an affordable way.
- (g) Councils should work with others to secure appropriate services for local community needs.
- (h) Councils should act fairly, ethically and without bias in the interests of the local community.
- (i) Councils should be responsible employers and provide a consultative and supportive working environment for staff.

(2) Decision-making

The following principles apply to decision-making by councils (subject to any other applicable law):

- (a) Councils should recognise diverse local community needs and interests.
- (b) Councils should consider social justice principles.
- (c) Councils should consider the long term and cumulative effects of actions on future generations.
- (d) Councils should consider the principles of ecologically sustainable development.
- (e) Council decision-making should be transparent and decision-makers are to be accountable for decisions and omissions.

(3) Community participation

Councils should actively engage with their local communities, through the use of the integrated planning and reporting framework and other measures.

Chapter 3, Section 8B Principles of sound financial management

The following principles of sound financial management apply to councils:

- (a) Council spending should be responsible and sustainable, aligning general revenue and expenses.
- (b) Councils should invest in responsible and sustainable infrastructure for the benefit of the local community.
- (c) Councils should have effective financial and asset management, including sound policies and processes for the following:
 - (i) performance management and reporting,
 - (ii) asset maintenance and enhancement,
 - (iii) funding decisions,
 - (iv) risk management practices.
- (d) Councils should have regard to achieving intergenerational equity, including ensuring the following:
 - (i) policy decisions are made after considering their financial effects on future generations,
 - (ii) the current generation funds the cost of its services

Chapter 3, 8C Integrated planning and reporting principles that apply to councils

The following principles for strategic planning apply to the development of the integrated planning and reporting framework by councils:

- (a) Councils should identify and prioritise key local community needs and aspirations and consider regional priorities.
- (b) Councils should identify strategic goals to meet those needs and aspirations.
- (c) Councils should develop activities, and prioritise actions, to work towards the strategic goals.
- (d) Councils should ensure that the strategic goals and activities to work towards them may be achieved within council resources.
- (e) Councils should regularly review and evaluate progress towards achieving strategic goals.
- (f) Councils should maintain an integrated approach to planning, delivering, monitoring and reporting on strategic goals.
- (g) Councils should collaborate with others to maximise achievement of strategic goals.
- (h) Councils should manage risks to the local community or area or to the council effectively and proactively.
- (i) Councils should make appropriate evidence-based adaptations to meet changing needs and circumstances.