

## Ordinary Meeting

**Meeting Date:** Tuesday, 24 October, 2017  
**Location:** Council Chambers, City Administrative Building, Bridge Road, Nowra  
**Time:** 5.00pm

**Membership** (Quorum - 7)  
All Councillors

## Addendum Agenda

### Committee Reports

<u>CL17.293</u>	<u>Report of the Childrens Services Reference Group - 16 October 2017</u>	<u>..... 1</u>
CS17.13	Revised Terms of Reference	

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## **CL17.293 Report of the Childrens Services Reference Group - 16 October 2017**

**HPERM Ref:** D17/346452

**Attachments:** 1. Draft Terms of Reference [↓](#)

**CS17.13 Revised Terms of Reference**

**HPERM Ref:**  
**D17/253148**

### **Recommendation**

That:

1. The Children's Services Reference Group adopt the Terms of Reference with the proposed amendments; and
2. Insert a note to read as follows: Community representatives that do not attend three (3) meeting without an apology will be sent a reminder/courtesy letter advising that their membership will lapse unless they confirm their membership in writing.

**CL17.293**



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For more information contact the Finance Corporate & Community Services Group

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## Children's Services Reference Group - Terms of Reference

**Policy Number:** POL17/84 • **Adopted:** 28/02/2017 • **Minute Number:** MIN17.150 • **File:** 46176E • **Produced By:** Finance Corporate & Community Services Group • **Review Date:** 1/12/2020

### 1. PURPOSE

The Children's Services Reference Group (Group) advises Council on issues relating to the education and care of children aged 0 – 12 years. It acts as a channel to advise Council on new issues and developments affecting these children. The Group also shares information on issues affecting children, families and their communities, advocates for inclusive environments and practices for all children and families in the Shoalhaven. The Group develops and implements a collaborative child friendly cities plan for the Shoalhaven.

### 2. STATEMENT

Council recognises the value of investing in programs and is committed to projects that support children and families and embraces a strategic direction that plans for facilities and services to meet the growth and development of children and families in the Shoalhaven.

### 3. TERMS OF REFERENCE

#### 3.1 Relationship to Council

The Group is a Section 355 & 377 Committee of Council (Local Government Act 1993). It is a strategic advisory committee to advocate for and inform Council's decision making process related to children and families in the Shoalhaven.

#### 3.2 Membership

Membership of the Group is open to all members of the community with an interest in advocating on behalf of and protecting the rights of children, and families and/or sharing information and advice to promote the development of children in the Shoalhaven. Every attempt will be made to ensure that there are representatives from the Aboriginal and Torres Strait Islander Community and the CALD community in the group.

Any individual, representatives of an organisation, service or agency, who agree to work within the purpose of the Group may become a member. Only one representative from any one organisation may vote.

Membership is by application to the Group.

*Shoalhaven City Council – Children's Services Reference Group – Terms of Reference*

The Group to have a membership consisting of the following:

- A maximum of 20 community members
- All Councillors

**3.3 Quorum**

The quorum to be 5 (five) members

**3.4 Meetings**

- Meetings will be held four (4) times each year – one (1) meeting per school term and one (1) of which is to be a planning day.
- The planning day be held in July each year.
- Agendas and Minutes from previous meetings will be circulated to members at least - seven (7) days prior to the meeting.
- The Chairperson will be elected annually by the Group at the planning day and is open to all members of the Group.

**3.5 Voting**

- Voting and Recommendations are made by consensus and all decisions must be stated precisely for the inclusion of the minutes.
- Where a consensus cannot be reached then the majority of 60% of those present can adopt a motion.
- Alternative views are to be minuted.

**3.6 Code of Conduct**

All members of the Group are to abide by Council's Code of Conduct.

**3.7 Communication**

- All issues must be clearly communicated including priorities, limitations and benefits to the community.
- Members of the Group are not permitted to speak to the media as representatives of the Group unless approved by the chairperson.
- Where approval has been given by the Chairperson, views and opinions expressed are those of the Group and not of Shoalhaven City Council.
- The Chairperson is the point of contact for communication between Group members and Council staff.
- Where endorsement is required from Shoalhaven City Council, approval must be sought through the formal processes.

**3.8 Council Staff Attendance**

Shoalhaven City Council will provide administrative staff who are normally required to attend the meetings of the Group to carry out the following tasks:

- Collate and distribute Business Papers.
- Organise meetings.

*Shoalhaven City Council – Children’s Services Reference Group – Terms of Reference*

- Minute taking, storage and distribution of minutes and associated documents.
- Providing administrative support to the relevant Council staff to distribute information between the Group and the Community Development Team.
- Other staff at the relevant Group Directors’ discretion or at the Group’s request can attend meetings as required. Staff, with the exception of the nominated supervisor of Shoalhaven Family Day Care Services, have no voting privileges.

**3.9 Expectation of Children’s Reference Group Members**

Pecuniary Interest Returns may be required on appointment and annually as required by the Office of Local Government and Council.

**3.10 Responsibility of Council**

Council at its discretion may review and change the Terms of Reference, role and structure of the Group.

**4. REVIEW**

After every Council election.

## CL17.294 Grant Programs

HPERM Ref: D17/341236

Group: General Manager's Group

Attachments: 1. Stewart Place Business Case (under separate cover) ⇨

### Purpose / Summary

“As part of the NSW Government’s \$1.3 billion Regional Growth Fund, funding will be made available through the Growing Local Economies fund over four years to turbocharge new regional economic opportunities and enliven local economies.” This report sets out the processes involved and project guidelines.

### Recommendation

That Council note the report and councillors participate in the workshop on 22nd November before deciding what projects it will pursue under this grant program

### Options

1. That Council note the report and councillors participate in the workshop on 22nd November before deciding what projects it will pursue under this grant program;

Implications: this allows further consideration of the program, project options and discussion with the community/business members and local MPs before a decision is made to select projects for application.

2. That Council select one or more projects for immediate consideration and preparation to submit as an application pending further discussion at the workshop and consultation with local MPs.

*Implications:* consultation with local MPs can still occur but work on preparation for one or more projects could commence at an early stage. If Council did select Stewart Place as a project then a budget allocation as highlighted in this report would also be necessary.

3. That Council make further decisions.

### Background

The *Growing Local Economies fund* is one package of the Regional Growth Fund.

Details are available at <https://www.nsw.gov.au/improving-nsw/regional-nsw/regional-growth-fund/growing-local-economies/>.

Some of the key points are:

- Supports projects of economic significance. This could include road works, natural gas mains and pipelines, water supply, sewerage connections and telecommunications (including data networks);

- *Wherever possible, projects should support local procurement, job creation and skills development;*
- *Open to projects that:*
  - *have the capacity to deliver jobs and economic growth*
  - *help regional communities capitalise on their strengths or broaden and reposition their industry base*
  - *demonstrate benefits beyond one organisation*
  - *have a minimum project size of \$1 million*
  - *align with state and regional priorities and achieve Benefit to Cost Ratio greater than 1.0.*
- *Eligible projects will be assessed against four program criteria:*
  - *Criteria 1: Strategic assessment*
  - *Criteria 2: Economic assessment*
  - *Criteria 3: Affordability*
  - *Criteria 4: Deliverability*

In considering any possible projects Council has been advised that it needs to engage with the Department of Premier & Cabinet (DPC) and local State Members of Parliament to discuss proposals.

Projects must also be consistent with the Regional Economic Development Strategy (REDS) which is currently being compiled by consultants engaged by the DPC. Council's Economic Development Manager has been liaising with the consultants providing input into the REDS with suggested infrastructure projects. It is proposed that a draft REDS will be considered at the next meeting of the Business & Employment Development committee (22 November - all councillors invited) with the Strategy completed by year end.

Council may commence work on Project applications now if it wishes. One project that has been suggested is the redevelopment of Stewart Place. If this was supported by Council extensive preparation work will be necessary to:

- Develop a Concept
- Council/Community/Business Chamber to agree to scope
- Feasibility analysis
- Business case development
- Financing plan
- Geotech & other site investigations
- Quantity Survey & Estimates
- DA process - Project Plan

The cost to undertake this work is significant (possibly \$250k or thereabouts).

An application for "Stewart Place Activation Strategy" was previously submitted under the Commonwealth Building Better Regions program and was unsuccessful. This project scope involved site investigations to make the property more "marketable" for possible

redevelopment as commercial, retail and housing uses with carparking a less dominant use. The “Business Plan” is in attachments for reference.

At the recent Councillor Briefing on Thursday 19 October Megan Cleary, Business Development Manager, Office of Regional Development, Department of Premier and Cabinet advised that the consultant will facilitate a workshop session on 22 November as part of the consultation to finalise the REDS.

A copy of the General Manager’s presentation from this councillor briefing is also on the Hub.

### **Community Engagement**

Community engagement relating to the finalisation of the REDS will be via the membership of the Business & Employment Development committee. It is suggested that some members of other key committees be invited to participate. No further specific engagement is proposed in relation to Council selecting its preferred project(s) for submission as applications.

### **Policy Implications**

Projects selected for submission will need to demonstrate relevance to the REDS, other Regional Strategies and Council’s Integrated Strategic Plan. There is a clear focus on “infrastructure” that facilitates strong economic & job outcomes.

### **Financial Implications**

It is understood that the funding available is significant for this region. The total funding under the program state wide is \$500M. Projects above \$1M are required and it is feasible that projects with a cost of \$15M to \$20M may be eligible. Council needs to ensure that any project delivered can be financially supported (maintenance, operating costs) in future budgets if necessary. This will be an important part of the Business Case.

### **Risk Implications**

To avoid risk of “failure” Council needs to ensure that any project has a strong Business Case and meets the criteria to a high level. It will also need political support (local MPs), and business support (various Business Chambers and the Business & Employment Development committee).



## CL17.295 Pathway to Financial Sustainability - Special Rates Variation

**HPERM Ref:** D17/343730

**Group:** Finance Corporate & Community Services Group

**Attachments:**

1. Chapter 1 - CSP (under separate cover) [⇒](#)
2. Chapter 2 - DPOP (under separate cover) [⇒](#)
3. Chapter 3 - Financials (under separate cover) [⇒](#)
4. Chapter 5 - Budget and Capital Works (under separate cover) [⇒](#)
5. Chapter 6 - Resourcing Strategy (under separate cover) [⇒](#)
6. Chapter 7 (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 Delivery Program, Operational Plan and Long Term Financial Plan (LTFP), 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 its 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, reduce service provision to the community to enable council to meet Fit for the Future targets.

### Background

At the Extraordinary Council meeting on 17 October 2017, Council considered the report CL 17.280 Pathways to Sustainability – Special Rate Variation. At this meeting, Council resolved the following:

**RESOLVED** (Clr Findey/Cheyne)

MIN17.895

That:

1. Council 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, in addition to the following;
  - a. For the 2017/18 and next financial year 2018/19 the \$10,000 from the Aerial Beach Patrol be used for beach safety signage
  - b. The funding of \$4.5million for the Vincentia Library be deferred to a subsequent year pending a workshop
2. The Long Term financial plan be fully updated prior to exhibition to reflect the changes outlined above as well as changes to potential loan borrowings resulting from consideration of the impacts of the North Nowra Link Road and Collector Roads and the update be distributed to Councillors prior to exhibition
3. Council include from the rate increase \$500,000pa to the upgrade of our sporting fields (Refer to Report SA17.270)
4. A report be submitted to the Ordinary meeting of 24 October 2017 outlining the above.

**CARRIED**

In relation to the above points the following is provided:

- The \$10,000 donation for the aerial patrol has been removed from the Donations list. The funding will remain in the Swim and Fitness Centre budget and has been allocated to beach safety signage. This change does not affect the LTFP indicators.
- The \$4.5M for the Vincentia Community Centre Library has been deferred by a further 12 months. This should allow Council sufficient time to complete the workshop and set a direction. This project is now scheduled for 2019/20 and is shown as funded from borrowings of \$1.1M in 2019/20, with the balance from S94, S94 recoupment and S94 matching funds. The impact on LTFP indicators is shown from 2019/20 onwards, namely, reduction in cash, inclusion of interest payments, addition of assets and associated depreciation and additional maintenance.
- There was loan funding allocated in 2018/19 of \$5,016,677 and 2019/20 of \$9,000,000 and North Nowra Link Road reserve funding of \$283K. This was set against Nowra Strategic Roads. Council has made no decisions in relation to this matter, so the funding has been removed. The impact of this on the LTFP indicators is by way of a reduction in liabilities, reduction in interest payments, reduction in assets and associated depreciation and reduction in maintenance in the outer years. Council has previously adopted the “Nowra Key Roads Projects” strategy and it is suggested that the loan funding be reinstated to deliver the highest priority projects of East Nowra Sub-Arterial, improvements to the Yalwal / Albatross Road intersection and design phase of Yalwal Road to Hillcrest Avenue link road over the period 2018/19 to 2020/21. The funding requirements for these projects will be confirmed as the designs are advanced, with the provisional allowance included in the budget.
- \$500,000pa for upgrades to sporting fields has been included as asset additions as part of how the proposed Special Rate Variation will be spent over the planning horizon. This has no impact on the KPI’s.

**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

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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 jeopardise Council's ability to adequately engage with the community and meet IPART deadlines.

## **CL17.296 Draft End of Year Financial Statements**

**HPERM Ref:** D17/347661

**Group:** Finance Corporate & Community Services Group

**Attachments:**

1. Draft End of Year Financial Statements (councillors information folder) ➡
2. Commentary on Draft EOY Financial Statements (councillors information folder) ➡
3. Position paper Recognition of Rural Fire Service assets (councillors information folder) ➡

### **Purpose / Summary**

Under Sections 413 and 418 of the Local Government Act 1993, Council is required to refer the draft financial statements to audit, sign statements on the preparation of the statements and set the date for the presentation of the audited financial statements to the public.

### **Recommendation**

1. That the Mayor, Deputy Mayor, the General Manager and the Responsible Accounting Officer sign statements on the preparation of the Financial Statements for the year ended 30 June 2017 in accordance with Section 413(2)(c) of the Local Government Act 1993 and requirements under the Local Government Code of Accounting Practice and Financial Reporting Update No. 25.
2. The draft Financial Statements for the year ended 30 June 2017 be referred to Council's external auditor, Audit Office of New South Wales, in accordance with Section 413 of the Local Government Act 1993
3. Council present its audited Financial Statements and Audit Report to the public at the Ordinary Meeting of Council to be held on Tuesday 28 November 2017 and, in accordance with section 418 of the Local Government Act 1993, public notice of this date be placed in local newspapers on Wednesday 8 November 2017.

### **Options**

1. Adopt the recommendation

Implications: Council will proceed in submitting the Draft End of Year Financial Statements in line with the requirements of the Local Government Act.

2. Adopt part of the recommendation and make an alternative resolution

Implications: Council may not meet the required timeframes for the submission of the Draft End of year Financial Statements

### **Background**

Council's Financial Statements for the year ended 30 June 2017 have been prepared and are ready to be audited.

In accordance with Section 413 of the Local Government Act 1993, Council must refer these statements for audit. Prior to the completion of the audit, Council is required to give its opinion on the Financial Statements.

Section 413(2)(c) of the Local Government Act 1993 and the Local Government Code of Accounting Practice and Financial Reporting requires the Mayor, one other Councillor, the General Manager and Responsible Accounting Officer to certify the following:

1. The General Purpose Financial Statements have been prepared in accordance with:
  - Local Government Act 1993 (as amended) and Regulations made thereunder
  - The Australian Accounting Standards and professional pronouncements
  - Local Government Code of Accounting Practice and Financial Reporting

And that to the best of Council's knowledge and belief that the statements:

- Present fairly the Council's operating result and financial position for the year; and
- Accord with Council's accounting and other records.

2. The Special Purpose Financial Statements have been prepared in accordance with:
  - NSW Government Policy Statement "Application of National Competition policy to Local Government".
  - Office of Local Government Guidelines "Pricing & Costing for Council Businesses: A Guide to Competitive Neutrality".
  - The Local Government Code of Accounting Practice and Financial Reporting.
  - The NSW Office of Water "Best-Practice Management of Water Supply and Sewerage Guidelines".

And that to the best of Council's knowledge and belief, the reports:

- Present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- Accord with Council's accounting and other records.

The General Purpose Financial Statements and Special Purpose Financial Statements have been prepared in accordance with the Local Government Code of Accounting Practice and Financial Reporting and applicable Accounting Standards (draft copies are included in Councillors' Information Folder).

The General Purpose Financial Statements are prepared on a consolidated basis. The information presented reflects all of Council's activities including the General Fund, Water Fund, Sewer Fund and any other entities controlled by Council. It should be noted that all internal transactions are eliminated, including expenses relating to Council rates, water usage charges, waste management charges, etc. levied on Council activities.

The Special Purpose Financial Statements relate to activities of Council that are classified as a business under the National Competition Guidelines. Classified activities are further classified as either a Category 1 or Category 2 business depending on whether the annual turnover is above or below \$2 million.

In preparing the Special Purpose Financial Statements certain taxes and charges that Council is not normally liable to pay must be calculated. These include company income tax, land tax and payroll tax. These amounts are included in the Special Purpose Financial Statements but only as notional amounts. The Special Purpose Financial Statements also include calculations with regard to Water and Sewer Best Practice pricing guidelines and dividend payments. These statements must be audited and submitted to the NSW Office of Water prior to the payment of a dividend from Water or Sewer funds.

**Community Engagement**

When the audit is finalised, the audited Financial Statements and Audit Report are to be presented to the public at a meeting of Council in accordance with Section 418 of the Local Government Act 1993. It is proposed that the Financial Statements and Audit Report be presented to the public at the Ordinary Meeting of Council to be held on Tuesday 28 November 2017. Public notice of this meeting will be made on Wednesday 8 November 2017 with the Financial Statements and Audit Report being available for inspection at Council's offices and website from Wednesday 8 November 2017 to Wednesday 29 November 2017.

The process that Council must follow in the preparation, audit and presentation of the Financial Statements is prescribed in detail by the Local Government Act 1993. The following timetable will allow these processes to be satisfied.

24 October 2017	Ordinary Meeting of Council – 2016/17 draft Financial Statements presented to Council seeking Council to resolve to refer them for audit and make statements on the preparation as required by Section 413 of the Local Government Act 1993 and the Local Governmet Code of Accounting Practice and Financial Reporting
Prior to 31 October 2017	Auditors report received by Council and the Financial Statements and Audit Report submitted to the Office of Local Government
8 November 2017	Public advertisement notifying that the Financial Statements and Audit Report are available for inspection at Council offices and Libraries until 29 November 2017. The advertisement also advises that the Financial Statements and Audit Report will be presented to the public at a Council meeting on 28 November 2017
28 November 2017	Ordinary Meeting of Council – Financial Statements and Audit Report presented to the public at a meeting of Council
6 December 2017	Closing date for public submissions on the Financial Statements. Any submissions received must be referred to Council's auditor for consideration (Section 420)

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