

Extra Ordinary Meeting

Meeting Date: Tuesday, 16 October, 2018
Location: Council Chambers, City Administrative Building, Bridge Road, Nowra
Time: At the conclusion of Strategy at Assets Committee (which commences as 5.00pm)

Membership (Quorum - 7)
All Councillors

Please note: The proceedings of this meeting (including presentations, deputations and debate) will be webcast and may be recorded and broadcast under the provisions of the Code of Meeting Practice. 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. Declarations of Interest

3. Notices of Motion / Questions on Notice

Notices of Motion / Questions on Notice

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CL18.277 Rescission Motion - Community Consultation & Committee System

HPERM Ref: D18/339888

Submitted by: Clr Kaye Gartner
Clr Nina Cheyne
Clr John Levett

Purpose / Summary

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

Recommendation

That Council rescind the following resolutions of the Council Meeting held on Tuesday 25 September 2018 with respect to the Item CL18.229 Community Consultation System:

1. Part 2 of MIN18.755 relating to the disbanding of the Children's Services Reference Group; Shoalhaven Natural Resources and Floodplain Management Committee and the Sustainable Futures Committee.
2. MIN18.768 relating to the disbanding of the Shoalhaven Heads Estuary Taskforce

Background

The following resolutions were adopted at the Council Meeting held Tuesday 25 September 2018.

1. (MIN18.755)

That:

1. *Council continue the operation of the following committees, boards & reference groups pursuant to Section 355 & Section 377 of the Local Government Act and that the purpose, delegation & sitting fee (if applicable), membership and quorum for the period to 30 September 2019 as outlined in the individual additional items. (refer MIN18.756 to MIN18.771)*
 - a. *Risk and Audit Committee (39763E) and authorize the Committee to carry out the roles and responsibilities in accordance with the Audit Committee guidelines published by the Office of Local Government and Councils Audit Committee charter.*
 - b. *Regional Development Committee (39964E).*
 - c. *Senior Staff Contractual Matters Committee (5001E).*
 - d. *Aboriginal Advisory Committee (1209E)*
 - e. *Business and Employment Development Committee (38821E)*
 - f. *Council Bushcare Representative Group (42643E)*
 - g. *Homelessness Taskforce Shoalhaven (55584E)*
 - h. *Inclusion and Access Advisory Group (1228E)*
 - i. *Nowra CBD Revitalisation Strategy (50242E)*

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- j. Rural Fire Service Strategic Planning Committee (1227E)*
 - k. Shoalhaven Arts Board (2123E)*
 - l. Shoalhaven City Mayor's Relief Fund (3926E)*
 - m. Shoalhaven Heads Estuary Taskforce (45866E)*
 - n. Shoalhaven Sports Board (12623E)*
 - o. Shoalhaven Tourism Advisory Group (1490E)*
 - p. Youth Advisory Committee (1506E)*
2. *Council disband the following committees:*
- a. Children's Services Reference Group (46176E)*
 - b. Shoalhaven Natural Resources & Floodplain Management Committee (53021E) and its functions be absorbed into the Strategy & Assets Committee. The Strategy & Assets committee be given the power to form Sub-Committees and the sub Committees be given the authority to co-opt community members when the committee is undertaking specific tasks where community input is required*
 - c. Sustainable Futures Committee (37211E)*

Note: The Shoalhaven Heads Estuary Taskforce was disbanded during discussion and resolution of the membership of the individual committees.

2. (MIN18.768)

That the Shoalhaven Heads Estuary Taskforce be disbanded.

Note by the General Manager

If the rescission motion is LOST staff will continue to report all matters that are consistent with Council's adopted Integrated Strategic Plan (Delivery Program/Operational Plan) to the most appropriate Core Committee or direct to Council. As matters are reported, staff will also suggest ways to engage appropriately with the community, including whether a sub-committee should be established.

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CL18.278 Notice of Motion - Community Consultation & Committee System

HPERM Ref: D18/340102

Submitted by: Clr Kaye Gartner
 Clr Nina Cheyne
 Clr John Levett

Purpose / Summary

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

Recommendation

That Council reinstate the following committees pursuant to Section 355 – Local Government Act and pursuant to Section 377 with purpose, delegation (if applicable), membership and quorum as outlined in the report:

1. Children’s Services Reference Group
2. Shoalhaven Natural Resources & Floodplain Management Committee
3. Sustainable Futures Committee
4. Shoalhaven Heads Estuary Taskforce

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Note by the General Manager

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

Listed below is the purpose, delegation (if applicable), membership and quorum for the above committees as attached to the report to the Council Meeting 25 September 2018. **Please note that Council is listed as appointing the respective Chairs to the Sustainable Futures Committee and also the SHET.**

1. Children’s Services Reference Group

<u>Meetings per year</u> – Four (4) (1 being an Annual Planning Day) Commencement time: 4pm	Quorum – Five (5) Terms of Reference: POL17/84 Amended: 24 October 2017
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.	
Delegation – NIL	
Chairperson – Appointed by the Committee at the annual planning day	
2017-2018 Councillor/Staff Membership Clr Gartner (Chairperson) Clr Cheyne (alternate Chairperson) All Councillors	2018-2019 Councillor/Staff Membership All Councillors

Community Representatives

Col Waller (Noah’s Shoalhaven); Leisa King (Mundamia Early Learning Centre – Noah’s Shoalhaven); Family Day Care rep – Cathy Ryman; Melissa Wicks (Illawarra Area Child Care/The Basin Preschool); Carmen Carter (Culburra Preschool); Kimberlie Johnson (Pelican Point Preschool); Kim Stouse-Lee (Shoalhaven Community Preschool); Belinda Hibbert (Lyrebird Preschool); Tara Leslie (Cullunghutti Aboriginal Child & Family Centre); Pam Arnold (Nowra Family Services); Michelle Woszatka (Anglicare); Ian Patrick (South Coast Medical Services Aboriginal Corporation); Clarita Ferreira (Kids Korner); Amelia Harrison (Waminda); Julie Parkinson (Nowra Community Health Centre – Health Promotion Officer); Linda Windley, Loretta Walton & Christina Barrett (Community Representatives)

2. Shoalhaven Natural Resources & Floodplain Management Committee

Meetings per year – At least two (2) Commencement time – 4.00pm	Quorum – Three (3) – One (1) Clr & two (2) Community members Terms of Reference: POL17/6 Adopted: 13 December 2016
Objective: To foster and promote sustainable management of Shoalhaven’s natural resources including floodplains, coast and estuaries.	
The Role of Committee <ol style="list-style-type: none"> 1. Provide overall guidance for the management of natural resource management including floodplain, estuary and coastal zone management in accordance with Federal, State and Local Government Policy and Legislative instruments; 2. Advise Council on natural resource management including floodplain, estuary and coastal zone management matters; 3. Formulate agreed vision, goals, objectives, and targets sought from the Natural Resource Management Plans; 4. Facilitate the preparation and implementation of Natural Resources Management Plans; 5. Provides input into the identification and selection of management options for Natural Resources Management Plans; 6. Facilitate community consultation; 7. Monitor State and Federal Government natural resource management direction and advises Council on appropriate response; 8. Monitor advances in knowledge and science of natural resource management issues (such as sea level rise and climate change) and integrate this knowledge in new Natural Resource Management Plans as well as in the review of existing Plans; and 9. Make recommendations for Council consideration. 	
Delegation – NIL	
Chairperson – Appointed by the Committee	
2017-2018 Councillor/Staff Membership Clr Findley (Chairperson) All Councillors General Manager or Nominee	2018-2019 Councillor/Staff Membership All Councillors General Manager or Nominee
Community Representatives Duncan Marshall; David Reynolds; Chris Grounds; Mike Clear; Paul Beckett; Brett Stevenson; Dr Michael Brungs; Dirk Treloar, Annie Boutland; Helen Moody; Kaye Milsom; Robyn Flack, Peter Hanson Matt Carr (Jervis Bay Marine Park); Jillian Reynolds (Department Primary Industries); Mike Hammond, Brad Dudley (Roads and Maritime Services); Jason Carson (Local Land Services); Mark Edwards (Crown Lands); Alex Deura, Libby Shields (National Parks and Wildlife Service); John Murtagh, John Bucinskas, Danny Wiecek (Office of Environment & Heritage); David Zerafa (NSW Office of Water); Glenn Wran, Bill McInnes (State Emergency Services); Ulladulla Local Aboriginal Land Council (Vacant); Jerrinja Local Aboriginal Land Council (Vacant)	

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3. Sustainable Futures Committee

Meetings per year – Six(6) – Bi-monthly Commencement time – 4.00pm	Quorum – Six (6) voting members Terms of Reference: POL17/49 Adopted: 26 April 2017
<p>Purpose: Make recommendations to Council with respect to the following:</p> <ul style="list-style-type: none"> • Setting emission targets for the Shoalhaven. • Focusing on energy, including energy efficiency, energy security and renewable energy generation as well as other climate change issues • Creating and building community capacity for environmentally sustainable living and business. • Addressing, adapting and building resilience to climate change. • Appropriate ways to protect, connect and integrate ecological values within our urban and regional context. • Supporting and promote Waste reduction and resource recovery. • Building organisational and community capacity to meet the challenges of climate change. • Engage with and learn from our community business and industry leaders on innovative solutions. • Establish and/or support renewable energy generation projects in the community. • Ensure the currency of related strategy, policy and other key Council documents related to the purpose of the Committee. 	
<p>Delegation: To expend funds allocated to the Sustainable Futures Committee by Council within the approved budget.</p>	
<p>Chairperson – Appointed by the Council</p>	
<p>2017-2018 Councillor/Staff Membership Clr Gartner (Chairperson) Clr White (Alternate Chairperson) All Councillors General Manager or Nominee (non voting)</p>	<p>2018-2019 Councillor/Staff Membership All Councillors General Manager or Nominee (non voting)</p>
<p>Community Representatives – Five (5) Community Members David Brawn, Oisin Sweeney, Robert Hayward, Peter McVay, Lorraine Larri</p>	

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4. Shoalhaven Heads Estuary Taskforce

Meetings per year – One (1) & others as required Commencement time – 4.00pm	Quorum – Three (3) – One (1) Councillor and Two (2) Community Members Terms of Reference: Nil
<p>Purpose</p> <ul style="list-style-type: none"> • Examine options for pursuing a partial or complete opening of Shoalhaven Heads • Review Councils current Entrance and Estuary Management Plans for Shoalhaven Heads • Report directly to Council 	
<p>Delegation – NIL</p>	
<p>Chairperson – Appointed by the Council</p>	
<p>2017-2018 Councillor/Staff Membership All Ward 1 Councillors Clr Pakes (Chairperson)</p>	<p>2018-2019 Councillor/Staff Membership All Ward 1 Councillors</p>
<p>Community Representatives State Member – Gareth Ward MP or Nominee; Jessica Zealand, Mike James; Phil Guy; David Lamb; Craig Peters; Gerald Groom; Stephen Short; Carole Cassidy; Rob Russell</p> <p>Organisational Representatives Bob Williamson & Barry/Brian Allen (Greenwell Point CCB); Robyn Flack (Shoalhaven Heads Community Forum)</p>	

CL18.279 Draft End of Year Financial Statements

HPERM Ref: D18/343080

Group: Finance Corporate & Community Services Group
Section: Finance

Attachments:

1. Draft Financial Statements 30 June 2018 (councillors information folder) [⇒](#)
2. Commentary on 2017 / 2018 Financial Statements (councillors information folder) [⇒](#)
3. Position Paper RFS 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

That

1. 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 2018 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. 26.
2. The draft Financial Statements for the year ended 30 June 2018 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 (**insert date**) November 2018 and, in accordance with section 418 of the Local Government Act 1993, public notice of this date be placed in local newspapers on Wednesday 31 October 2018.

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 2018 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 20 or 27 November 2018. Public notice of this meeting will be made on Wednesday 31 October 2018 with the Financial Statements and Audit Report being available for inspection at Council's offices and website from Wednesday 31 October 2018 to Wednesday 21 November 2018.

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.

16 October 2018	Extra Ordinary Meeting of Council – 2017/18 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 Governmnet Code of Accounting Practice and Financial Reporting
Prior to 31 October 2018	Auditor's report received by Council and the Financial Statements and Audit Report submitted to the Office of Local Government
31 October 2018	Public advertisement notifying that the Financial Statements and Audit Report are available for inspection at Council offices and Libraries until 21 November 2018. The advertisement also advises that the Financial Statements and Audit Report will be presented to the public at a Council meeting on 20 or 27 November 2018
20 November 2018 (assuming a change in date)	Ordinary Meeting of Council – Financial Statements and Audit Report presented to the public at a meeting of Council
28 November 2018	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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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.