

Council Meeting Minutes

18 January 2021

Our Vision

*A City which values its heritage, cultural diversity,
sense of place and natural environment.*

*A progressive City which is prosperous, sustainable
and socially cohesive, with a strong community spirit.*

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City of
Norwood
Payneham
& St Peters

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VENUE Council Chambers, Norwood Town Hall

HOUR 7.00pm

PRESENT

Council Members Mayor Robert Bria
Cr Kester Moorhouse
Cr Evonne Moore
Cr Garry Knoblauch
Cr John Minney
Cr Carlo Dottore (entered the meeting at 7.04pm)
Cr Kevin Duke
Cr Connie Granozio (entered the meeting at 7.05pm)
Cr Mike Stock
Cr Scott Sims
Cr Fay Patterson
Cr Sue Whittington
Cr John Callisto
Cr Christel Mex

Staff Mario Barone (Chief Executive Officer)
Peter Perilli (General Manager, Urban Services)
Carlos Buzzetti (General Manager, Urban Planning & Environment)
Lisa Mara (General Manager, Governance & Community Affairs)
Sharon Perkins (General Manager, Corporate Services)
Isabella Dunning (Manager, Governance, Legal & Property)
Paul Mercorella (Acting Manager, City Assets)
Scott Dearman (Project Manager, Assets)
Josef Casilla (Project Officer, Assets)
Tina Zullo (Administration Officer, Governance & Community Affairs)

APOLOGIES Nil

ABSENT Nil

1. KAURNA ACKNOWLEDGEMENT

2. OPENING PRAYER

The Opening Prayer was read by Cr Scott Sims.

3. CONFIRMATION OF THE MINUTES OF THE COUNCIL MEETING HELD ON 7 DECEMBER 2020

Cr Sims moved that the minutes of the Council meeting held on 7 December 2020 be taken as read and confirmed. Seconded by Cr Knoblauch and carried unanimously.

4. MAYOR'S COMMUNICATION

Monday, 7 December	<ul style="list-style-type: none"> Presided over a Council meeting, Council Chamber, Norwood Town Hall.
Saturday, 12 December	<ul style="list-style-type: none"> Attended the Adelaide Blue Eagles Soccer Club Trophy Presentation, Marden Sports Complex, Marden.
Saturday, 12 December	<ul style="list-style-type: none"> Attended the 'Christmas Film on the Oval' event, Norwood Oval.
Monday, 14 December	<ul style="list-style-type: none"> Presided over the Chief Executive Officer's Performance Review Committee meeting, Mayor's Office, Norwood Town Hall.
Monday, 14 December	<ul style="list-style-type: none"> Information Session: City-Wide Traffic and Safety Overview, Mayor's Parlour, Norwood Town Hall.
Monday, 14 December	<ul style="list-style-type: none"> Workshop: Carbon Emissions Reduction Plan, Mayor's Parlour, Norwood Town Hall.
Tuesday, 15 December	<ul style="list-style-type: none"> Attended a meeting with the Manager, Economic Development & Strategic Projects, Economic Development Officer and Ms Kelly Coyner and Ms Rhiannon Klar (NewsCorp), Keith Murdoch House, Adelaide.
Wednesday, 16 December	<ul style="list-style-type: none"> Attended a meeting of the Regional Capital Projects Committee, Mayor's Parlour, Norwood Town Hall.
Thursday, 17 December	<ul style="list-style-type: none"> Dinner with the Chief Executive Officer and Mr Theo Maras AM, Martini's Restaurant, Norwood.
Friday, 18 December	<ul style="list-style-type: none"> Eastern Region Alliance (ERA) Mayors' Christmas Dinner, 'Anchovy Bandit', Prospect.
Tuesday, 12 January	<ul style="list-style-type: none"> Attended an on-site meeting with Cr Kevin Duke and resident, Payneham.
Monday, 18 January	<ul style="list-style-type: none"> Attended a meeting with the Chief Executive Officer, General Manager, Urban Services, City Arborist, Cr Kevin Duke and Cr Carlo Dottore, Mayor's Office, Norwood Town Hall.

5. DELEGATES COMMUNICATION

Nil

6. QUESTIONS WITHOUT NOTICE

Nil

Cr Dottore entered the meeting at 7.04pm.

7. QUESTIONS WITH NOTICE

Nil

8. DEPUTATIONS

Nil

9. PETITIONS
Nil

10. WRITTEN NOTICES OF MOTION
Nil

11. STAFF REPORTS

Section 1 – Strategy & Policy

Reports

[No Items listed under this Section]

Section 2 – Corporate & Finance

Reports

11.1 MONTHLY FINANCIAL REPORT – NOVEMBER 2020

REPORT AUTHOR: Financial Services Manager
GENERAL MANAGER: General Manager, Corporate Services
CONTACT NUMBER: 8366 4585
FILE REFERENCE: qA64633/A110359
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to provide the Council with information regarding its financial performance for the period ended November 2020.

BACKGROUND

Section 59 of the *Local Government Act 1999* (the Act), requires the Council to keep its resource allocation, expenditure and activities and the efficiency and effectiveness of its service delivery, under review. To assist the Council in complying with these legislative requirements and the principles of good corporate financial governance, the Council is provided with monthly financial reports detailing its financial performance compared to its Budget.

RELEVANT STRATEGIC DIRECTIONS AND POLICIES

Nil

FINANCIAL AND BUDGET IMPLICATIONS

Financial sustainability is as an ongoing high priority for the Council. Given the COVID-19 pandemic, the Council adopted a Budget which included measures to minimise the impact on ratepayers and support local business. As a result, the Council adopted a Budget which forecasts an Operating Deficit of \$798,455 for the 2020-2021 Financial Year. The First Budget update increased the Operating Deficit by \$225,755 to \$1,024,210 for the 2020-2021 Financial Year.

For the period ended November 2020, the Council's Operating Surplus is \$2,203,000 against a budgeted Operating Surplus of \$1,378,000, resulting in a favourable variance of \$824,000.

EXTERNAL ECONOMIC IMPLICATIONS

Not Applicable.

SOCIAL ISSUES

Not Applicable.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

Not Applicable.

RISK MANAGEMENT

Not Applicable.

COVID-19 IMPLICATIONS

As Elected Members are aware, the development of the 2020-2021 Budget, was undertaken during an unprecedented time where the on-going health, social and economic impacts of the COVID-19 Pandemic were relatively unknown and the future impacts of the physical distancing measures introduced to address the health impacts remained uncertain and were changing rapidly.

For the period ended November 2020, the Council has spent \$160,000 on its response to the COVID-19 pandemic. This covers additional cleaning services across all Council facilities and purchases of materials to ensure that appropriate physical distance and other protection measures are in place to assure both staff and customers of Council Service.

Staff are continuing to monitor the financial impacts of the COVID-19 pandemic, and will incorporate any proposed budget adjustments in the Mid-Year Budget Review.

CONSULTATION

- **Elected Members**
Not Applicable.
- **Community**
Not Applicable.
- **Staff**
Responsible Officers and General Managers.
- **Other Agencies**
Not Applicable.

DISCUSSION

For the period ended November 2020, the Council's Operating Surplus is \$2,203,000 against a budgeted Operating Surplus of \$1,378,000, resulting in a favourable variance of \$824,000.

Employee Expenses are \$248,000 favourable to budget with the primary drivers being:

- Depot staff vacancies are being filled on a temporary basis with the use of contractors to maintain staffing levels to ensure that services delivery are not reduced during the recruitment of permanent staff. The arrangements with the contractor employment agency are such that absences, (ie medical and personnel days), are not charged to the Council. This engagement arrangement has subsequently resulted in fewer worked hours compared to the in the Adopted Budget expectation. The reduced paid hours accounts for a favourable variance of \$76,000;
- There are some vacancies which are unfilled over the reporting period which were not being covered through the use of temporary staffing arrangements which has resulted in an \$86,000 favourable variance; and
- During the COVID-19 pandemic staff in roles which were directly impacted by the State and Federal Government imposed restrictions were redeployed into vacancies where the organisation would have had to otherwise engage contractors. This has resulted in a saving of \$10,000.

User Charges are \$247,500 favourable compared to the Budget. This is the result of allowances in the budget that were made for the COVID-19 Pandemic which accounted for the Swimming Centres (\$59,000) and the Norwood Concert Hall (\$44,700) being unable to be operational until 2021. Due to the relaxation of restrictions occurring early than anticipated, these facilities were re-established and opened earlier than anticipated which has also resulted in the additional income being offset by an increase in running costs.

In addition, as Elected Members may recall, both the State and Federal Governments extended support packages to the Child Care sector, which was unknown at the time of drafting the adopted budget. This additional support combined with the maintenance of strong level of enrolments. This has resulted in a favourable variance of \$39,000.

Finance costs are favourable to the Adopted Budget by \$70,000. The Budget made allowance for short term borrowings in the first half of the year, however, with careful cash flow management and stronger collection of quarterly rate payments then anticipated these borrowings were not drawdown.

Legal expenses are unfavourable to the budget by \$60,000. The primary driver behind the increased cost is related to advices with respect to the George Street Scramble Crossing. This matter will be reviewed as part of the Mid-Year Budget Review and a budget adjustment proposed.

The Monthly Financial report is contained in **Attachment A**.

OPTIONS

Nil

CONCLUSION

Nil

COMMENTS

Nil

RECOMMENDATION

That the November 2020 Monthly Financial Report be received and noted.

Cr Granozio entered the meeting at 7.05pm.
Cr Sims left the meeting at 7.06pm.
Cr Sims returned to the meeting at 7.07pm.

Cr Minney moved:

That the November 2020 Monthly Financial Report be received and noted.

Seconded by Cr Whittington and carried unanimously.

11.2 2021-2022 ANNUAL BUSINESS PLAN AND BUDGET OBJECTIVES & PARAMETERS

REPORT AUTHOR: General Manager, Corporate Services
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4585
FILE REFERENCE: qA67879/A104787
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to seek endorsement of the objectives and parameters which will apply in the development of the draft 2021-2022 Annual Business Plan and Annual Budget.

BACKGROUND

Legislative Requirements

Pursuant to Section 123 of the *Local Government Act 1999* (the Act), each financial year the Council is required to prepare an Annual Business Plan and Annual Budget. The Annual Business Plan and Annual Budget are to be adopted by the Council after 31 May for the ensuing financial year and except in a case involving extraordinary administrative difficulty, before 31 August for the financial year.

Pursuant to Section 123(2) of the Act and in Regulation 6 of the *Local Government (Financial Management) Regulations 2011* (the Regulations), each Annual Business Plan of a Council must—

- (a) include a summary of the Council's long term objectives (as set out in its strategic management plans); and
- (b) include an outline of—
 - (i) the Council's objectives for the financial year; and
 - (ii) the activities that the Council intends to undertake to achieve those objectives; and
 - (iii) the measures (financial and non-financial) that the Council intends to use to assess the performance of the Council against its objectives over the financial year; and
- (c) assess the financial requirements of the Council for the financial year and, taking those requirements into account, set out a summary of its proposed operating expenditure, capital expenditure and sources of revenue; and
- (d) set out the rates structure and policies for the financial year; and
- (e) assess the impact of the rates structure and policies on the community based on modelling that has been undertaken or obtained by the Council; and
- (f) take into account the Council's Long Term Financial Plan and relevant issues relating to the management and development of infrastructure and major assets by the Council; and
- (g) address or include any other matter prescribed by the Regulations.

Pursuant to Section 123 (3) of the Act, prior to the adoption of the Annual Business Plan, the Council must undertake public consultation for a minimum period of twenty-one (21) days. At the conclusion of the public consultation period, a public meeting is to be held where members of the community can ask questions and make submissions regarding the draft Annual Business Plan. During the public consultation period, the Council must make available copies of the draft Annual Business Plan at its Principle place of business.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

The Council's Strategic Management Plan, *CityPlan 2030: Shaping Our Future*, the Long Term Financial Plan and Whole-of-Life Asset and Infrastructure Management Plans, provide the basis and framework upon which the Council's Annual Business Plan and Budget is based.

FINANCIAL AND BUDGET IMPLICATIONS

The Council's Long Term Financial Plan (LTFP), sets out the Councils' financial goal as, "A City which delivers on our Strategic Outcomes by managing our financial resources in a sustainable and equitable manner", in short to be financially sustainable.

The Local Government Association of South Australia defines financial sustainability as:

- "A Council's long term financial performance and position is sustainable where planned long term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services."
- The key elements to the definition are
 - ensuring the maintenance of a Council's high priority expenditure programs, both operating and capital;
 - ensuring a reasonable degree of stability and predictability in the overall rate burden; and,
 - promoting a fair sharing in the distribution of Council resources and the attendant taxation between current and future ratepayers.

In simple terms, financial sustainability means positioning the Council so that it can continue to provide quality services, programs and facilities and maintain the Council's infrastructure to a defined service standard, with stable rate increases (removal of sudden increases) and ensuring inter-generational equity.

The Council will need to ensure that its Annual Business Plan and Budget, contains objectives and financial parameters which will deliver a responsible budget and meet the reasonable needs of the community on an equitable and "value for money" basis. For the 2021-2022 Financial year, the draft LTFP (which at the time of writing this report is on community consultation) projects an Operating Surplus of \$393,000, based on a Rate Revenue increase of 4.6%. The target Rate Revenue increase set in the draft LTFP is based on a:

- rate revenue indexation of 2.6% which is equivalent to the ten (10) year average of the Local Government Price Index (as a 30 June 2019);
- 0.5% revenue increase derived from new assessments; and
- factor (1.5%) for the financial impacts of new and upgraded infrastructure investment.

Since the development of the draft LTFP, the Local Government Price Index for the year ended 30 June 2020 has been published, with the ten (10) year average reducing to 2.35%. The ten (10) year average in growth from new assessments is 0.9%. Adopting the principle of rate revenue increases comprising of the elements set out above, the base rate revenue increase for the 2021-2022 financial year would be between 4.4% and 4.75%, depending on the extent of the financial impact of revenue growth from new development is passed on to existing ratepayers. As such, the target Operating Surplus for the 2021-2022 Budget, should be set between \$351,000 and \$470,000.

It should be noted that the target Operating Surplus includes Grant Income of \$362,000 which is expected to be received in the 2021-2022 Financial Year under the Roads-to-Recovery Program and is included in the Capital Projects budget to be spent on a Capital Road Project(s).

EXTERNAL ECONOMIC IMPLICATIONS

The Annual Business Plan and Budget will have an economic impact on property owners and suppliers of goods and services to the Council, the level of which will be dependent on the final decisions taken in respect to the level of income, and subsequently the Rate increase required to meet proposed expenditure.

SOCIAL ISSUES

Nil.

CULTURAL ISSUES

Nil.

ENVIRONMENTAL ISSUES

Nil.

RESOURCE ISSUES

Nil.

RISK MANAGEMENT

Financial Management and Annual Business Plan preparation processes are governed by the *Local Government Act 1999* and Regulation 6 of the *Local Government (Financial Management) Regulations 2011*. All budget documentation will need to be prepared in accordance with the relevant statutory requirements.

CONSULTATION

- **Elected Members**
Not Applicable.
- **Community**
Not Applicable.
- **Staff**
Not Applicable.
- **Other Agencies**
Not applicable.

DISCUSSION

2021-2022 Annual Business Plan

The Annual Business Plan is the Council's statement of the intended services, programs, facilities and objectives set by the Council for a given financial year. It is based upon the objectives and strategies set out in the Council's Strategic Plan *CityPlan 2030: Shaping Our Future*, the Long Term Financial Plan and the Whole-of-Life Infrastructure and Asset Management Plans.

The Council's Strategic Management Plan, *CityPlan 2030: Shaping Our Future*, sets out the Council's Outcomes in respect to Social Equity, Cultural Vitality, Economic Prosperity and Environmental Sustainability, together with objectives and strategies for each Outcome.

Pursuant to Section 123(2) (b) (i), the Annual Business Plan must contain a series of objectives for the financial year. To be effective the annual objectives should be in line with the outcomes contained in the *City Plan 2030: Shaping Our Future* and assist the Council in delivering on the financial outcomes set out in the LTFP.

The following objectives are proposed to be incorporated into the 2021-2022 Annual Business Plan.

Social Equity

A connected, accessible and pedestrian-friendly community

- Our services are relevant, citizen focussed and cost effective.
- Our infrastructure assets are maintained and renewed in line with Council's Whole of Life Infrastructure framework.
- Deliver programs and activities which result in an engaged and participating community.
- Engage disabled, aged, youth and varied cultures in the life of the City through a variety of events and programs.
- Rates are fair and equitable for our residents and ratepayers.

Cultural Vitality

A culturally rich and diverse City, with a strong identity, history and ‘sense of place’.

- Promote our cultural diversity through the use of public art and events that complement the City’s cultural heritage.
- Provide opportunities for the community to contribute to the social and creative life of the City through events, activities, arts and cultural initiatives

Economic Prosperity

A dynamic and thriving centre for business and services.

- Support the development of a prosperous local economy.

Environmental Sustainability

A leader in environmental sustainability.

- Ensure urban development undertaken enhances the environmental, social and cultural character of our City.
- Maximise the use of the City’s open space by providing a range of active and passive open space recreation opportunities.
- Promote recycling and environmental sustainable practices throughout the City.
- Consider innovative infrastructure solutions which minimise the impact on the environment.

Organisational Excellence

- Ensure best use of Council resources by innovative, efficient and effective service provision.
- Demonstrate Business Excellence Principles.

The assessment of new projects, services, programs and activities will be assessed against both the Annual Business Plan objectives and *City Plan 2030* Strategies.

The 2021-2022 Annual Budget

To ensure that the Council delivers its financial objectives, the draft 2021-2022 Annual Budget should be developed with reference to and within the framework of the LTFP, which, based on the components of the rate revenue increase set out in the Budget and Financial Implications above, sets out a target Operating Surplus between \$351,000 and \$470,000.

To ensure the Councils financial targets are achieved, the Annual Budget must be set with reference to similar key influences and assumptions. The influences and assumptions relating to external economic conditions and internal policy decisions are set out below.

Key Influences

- Maintenance and renewal program for existing infrastructure assets, including roads, footpaths, Council owned properties and open spaces are consistent with the Whole-of Life Infrastructure and Asset Management Plans.
- Commitment to major projects which span more than one (1) financial year.
- Initiatives and major projects which are undertaken need to contribute to the Vision, strategic direction and the wellbeing of our City as set out in the *CityPlan 2030: Shaping Our Future*.
- Previously recognised ongoing operational savings are to be maintained.
- To continue to implement the principles and practices of the Business Excellence Framework (i.e. Continuous Improvement).
- Prudent Financial Management to ensure ongoing financial sustainability.

Key Assumptions

The Annual Budget incorporates three (3) components of the Council Operations, these being:

- Recurrent Income and Expenditure (Recurrent Budget);
- Operating Projects (Operating Projects Budget); and
- Capital Projects (Capital Budget).

As in previous years, the preparation of the Annual Budget will be broken down into two (2) stages. The first stage will be the preparation on the Recurrent Budget, which incorporates the revenues and expenditure required to provide the “Business as Usual” services. The second stage will focus on the Capital and Operating Project budget.

Rate revenue increases

As in previous years, for the initial review of the draft Recurrent Budget, no increase in rate revenue will be taken into account in the analysis. Notwithstanding this, it should be noted that the draft Long Term Financial Plan has been based on a Rate Revenue increase on 4.57%, which is based on:

- rate revenue indexation of 2.6% which is equivalent to the ten (10) year average of the Local Government Price Index (as a 30 June 2019);
- 0.5% revenue increase derived from new assessments; and
- factor (1.5%) for the financial impacts of new and upgraded infrastructure investment.

Maintaining existing services at current service standards

The draft Recurrent Budget is proposed to be based on a “business as usual” assumption, which means that the Council will continue to provide the existing services, programs and facilities at the current service levels, unless otherwise determined by the Council. This is not to say that the existing services, programs and facilities will be continued to be delivered in the same way. The various budget lines will be adjusted based on the 2020-2021 Budget and actual year to date performance. The 2021-2022 Recurrent Budget will be adjusted for known changes (for example increases in Solid Waste Levy and future operating cost adjustments resulting from projects completed during the 2020-2021 Financial year, (i.e. the installation of solar panels at the Norwood Town Hall) in the underlying services and programs.

The “business as usual” assumption does not take into account any change in direction or service levels in response to community expectations, legislative requirements, changing economic conditions or any changes which the Council may wish to make. Such changes will be accounted for in the Council’s Operating & Capital Projects Budget.

Cost Escalation

Materials, Contracts and Other Expenses

Uncertainty exists in respect to the timing, distribution and efficacy of a vaccine in controlling the spread of the COVID-19 virus. As such, the on-going economic impacts of the pandemic are also uncertain. Given the late delivery of the 2020-2021 State Budget, the State Government’s 2020-2010 Mid-Year Budget Review, at the time of writing this report, is yet to be delivered. However, the Federal Government has released its Mid-year Economic and Fiscal Outlook which is forecasting a Consumer Price Index (CPI) of 1.5% through to the 2021-2022 June Quarter. The Adelaide CPI for the June 2020 quarter and September 2020 Quarter was 1.8% and 1% respectively. Therefore given that the extent of the relaxation of the gathering and physical restrictions, the use of a CPI indexation of 1.5% is considered an appropriate cost escalation factor for the 2021-2022 Recurrent Budget. An alternative measure for cost escalation is the Local Government Price Index (LGPI). As the nature of the price movement associated with goods and services consumed by Local Government is different to the goods and services consumed by the ‘average household’, the LGPI is a reliable and independent measure of the inflationary effect on price changes in the South Australian Local Government sector. The LGPI is similar in nature to the CPI, however it represents the movements of prices associated with the goods and services used by Local Government in South Australia (to deliver services to its community) as opposed to the goods and services consumed by the ‘average metropolitan household’. The LGPI considers both recurrent and capital expenditure. The recurrent component of the LGPI for South Australia to June 2020 is 1.7% and as at September 2020, 1.0%.

After considering both the LGPI and the expectation of the community that prices should only move by the CPI forecast, it is recommended that the **maximum** expenditure increase for 2021-2022 across the Materials, Contracts and Other Expenses component of the budget be set at 1.5% which has been determined with reference to the current movements in the Adelaide CPI and the LGPI Index for recurrent expenditure and the CPI forecast for June 2022.

It should be noted that in some circumstances, there will be cost increases in excess of the 1.5% target (i.e. waste levy and fuel charges) and in other circumstances, there will be no or minimal cost increases, therefore the expectation is that across the organisation, the Materials, Contracts and Other Expenses components of the budget will be limited to a maximum increase of 1.5%.

Wages and Salaries

Wages and Salaries and other associated employee on-costs will be indexed in line with the current Enterprise Agreements, which is set at 2.0% for the *Municipal Officers Enterprise Agreement* (indoor staff). *The Local Government Workers Enterprise Agreement* (outdoor staff), at the time of writing this report, is currently being negotiated, therefore for the purposes of developing the Wages and Salaries budget, it is proposed that the indexation factor be set at 2.0%.

Fees and Charges

Fees and Charges which are not set by legislation, are proposed to be increased by 1.75% or market levels as determined by the review of the Fees and Charges which will be considered at the Council meeting scheduled for 1 March 2021. The proposed increase is the weighted average of the recommended increase in Material & Contracts and the Wages and Salaries Indexation.

Capital Expenditure

Capital Expenditure relates to the purchasing, building, upgrading and renewing the Council's assets. Capital Expenditure is funded from depreciation, borrowings and grant funding (where available). For asset renewals the main funding source is depreciation. For new assets and upgrades, the main funding source is borrowings and grant funding. The 1raft Annual Budget will assume that the Council will borrow to fund new assets and the upgrading of existing assets, with renewed assets being funded via depreciation.

Assuming that the Reserve Bank of Australia maintain cash rates at the current level of 0.10%, the interest rates on new borrowings are forecast to be between 1.5% per annum and 2.5% per annum, depending on the term of the borrowings. The interest rate on investment income is forecast at 0.30% per annum.

New Operating and Capital Projects

New projects, both Operating and Capital, which are put forward for consideration, will be assessed based on the objectives contained in *CityPlan 2030: Shaping Our Future*, the Councils LTFP and the Infrastructure and Asset Management Plans and the annual objectives set out above.

All new Projects proposed are to be considered and approved within the constraints of the LTFP. New services and "one-off" operating projects are funded through Rate Revenue increases, grant funding or by expenditure savings. New Capital Projects will be funded via Grant Funding, borrowings or cash reserves.

For the 2021-2022 Financial Year, the draft LTFP proposes the following strategic Projects to be undertaken:

- Commencement of the Payneham Memorial Swimming Centre redevelopment;
- Burchell Reserve Redevelopment;
- Borthwick Park Second Creek Improvements;
- Norwood Concert Hall Concept Plan;
- Complete Streets;
- Kent Town Streetscape Upgrades; and
- Private Laneways Conversion.

In addition, the Council has made Grant funding applications for the following projects:

- St Peters Street Streetscape Upgrade;
- Dunstan Adventure Playground;
- River Torrens Linear Park Shared Path Upgrade Stage 2;
- Cruickshank Reserve Change-room Facilities; and
- The Parade Masterplan Stage 1.

Carry Forward Projects

Where Operating Projects are not completed within budgeted timeframes, future deficits can eventuate, as the Rate Revenue is raised in the year the project is initially approved. As part of the draft Budget, the cost to complete the Operating Projects from prior financial years will be carried forward to the 2021-2022 Financial year, however the estimate of carried forward projects will be excluded for rate modelling purposes. Estimates will be based on the 2020-2021 Third Quarter Budget Update, with the associated operational impacts being built into the determination of the 2021-2022 Operating Result.

The draft Recurrent Budget (prior to any increase in Rate Revenue being determined) will be presented to the Elected Members at a workshop which is scheduled for 17 March 2021, with the Operating and Capital Projects being presented to the Elected Members at a workshop which is scheduled for 31 March 2021. The draft Recurrent Budget and the Capital and Operating Projects are proposed to be considered by the Council at a Special Budget Meeting which is scheduled for 14 April 2021.

Budget Management Principles

As in previous years, the Council needs to exercise “budget discipline” if it is to achieve its financial outcomes that are set out in the Annual Business Plan and Budget. To date, the approach which has been taken by this Council once the Annual Business Plan and Budget has been adopted, includes:

- no new recurrent operating expenditure or projects approved without being matched by an increase in operating revenue (i.e. Grants/ Fee for Service) or a reduction in expenditure, elsewhere within the Council’s operations;
- expenditure over-runs are offset by deferral of discretionary spend or expenditure savings elsewhere within the Council’s operations;
- income shortfalls to be matched by operating expenditure savings; and
- no new capital expenditure that requires additional borrowings.

Budget Timetable

Pursuant to Section 123 of the Act and in Regulation 6 of the Regulations, the Council is required to adopt the Annual Business Plan and Annual Budget after 31 May for the ensuing financial year and, except in a case involving extraordinary administrative difficulty, before 31 August for the financial year.

As set out in Table 1 below, a proposed budget timetable has been developed to ensure that the Council is in a position to adopt the 2021-2022 Annual Business Plan and Annual Budget at the Council meeting to be held on 5 July 2021.

TABLE 1 – KEY BUDGET PROCESS ACTIVITIES 2021-2022

Key Steps	Dates
Budget process, parameters and objectives adopted	Monday 18 January 2021 (Council Meeting)
Fees and charges adopted in principle by the Council	Monday 1 March 2021 (Council Meeting)
Budget Workshop with Elected Members	Wednesday 17 March 2021
Budget Workshop with Elected Members	Wednesday 31 March 2021
Budget Council Meeting <ul style="list-style-type: none"> • <i>Recurrent Budget considered</i> • <i>Operating and Capital Projects considered</i> 	Wednesday 14 April 2021 (Special Meeting)
Draft Annual Business Plan, rating model and projects carried forward and Infrastructure Whole of Life endorsed	Monday 3 May 2021 (Council Meeting)
Draft Annual Business Plan available for viewing by the public	Wednesday 12 May 2021
Meeting to receive Public submissions on the Annual Business Plan	Wednesday 2 June 2021
Consideration of public submissions	Wednesday 16 June 2021 (Special Council Meeting)
Adoption of Annual Business Plan and Budget	Monday 5 July 2021 (Council Meeting)

In respect to the community consultation on the Annual Business Plan, a Public Meeting is proposed to be held on Wednesday 2 June 2021 to allow members of the community to present their comments and feedback to the Council, on the content of the Annual Business Plan and Budget.

OPTIONS

The Council has the following options in respect to this issue:

1. adopt the Annual Business Plan objectives, Annual Budget parameters and assumptions as recommended; or
2. amend any or all of the recommended Annual Business Plan objectives, Annual Budget parameters and assumptions.

The Annual Business Plan objectives, Annual Budget parameters and assumptions set out in this report, are consistent with the Council's previous years approach to the development of the Annual Business Plan and Budget. In addition, the proposed approach and timetable presented will ensure that the Council meets its legislative requirements as set out in the *Local Government Act 1999* and Regulation 6 of the *Local Government (Financial Management) Regulations 2011* therefore Option 1 is recommended.

CONCLUSION

The development of the 2021-2022 Annual Business Plan and Budget should form the platform to position the Council to achieve future and ongoing Financial Sustainability. Financial Sustainability is not a number on the Income Statement, it is a strategy. Therefore, strategies need to be developed that integrate into the Councils planning and are supported by longer term planning, with any future decisions made being consistent with and supporting the strategy.

COMMENTS

If Elected Members have any questions or require clarification in relation to specific budget items, and/or any issues raised in this report, do not hesitate to contact the General Manager, Corporate Services, Sharon Perkins on 8366 4585 or email sperkins@npsp.sa.gov.au prior to the meeting.

RECOMMENDATION

1. That the Annual Business Plan objectives contained in Attachment A be adopted “in principle” for the purpose of preparing the draft 2021-2022 Annual Business Plan and Budget.
2. That the following budget parameters and assumptions be adopted in principle for the purpose of preparing the draft 2021-2022 Annual Business Plan and Budget:
 - the Recurrent Operating Budget be prepared on a “business as usual” basis;
 - the continuation of previously recognised ongoing operational savings;
 - maximum Material, Contracts and Other Expenses cost escalation be set at 1.5%;
 - wages and salaries increases be set in line with the Council’s Enterprise Bargaining Agreements;
 - maximum combined increase in overall budget be based on salary increase and 1.5% non-salary increase;
 - fees and charges not set by Legislation be increased by 1.75% at a minimum;
 - new Capital Projects to be considered and approved within the context of the Annual Business Plan objectives contained in Attachment A, *CityPlan 2030: Shaping Our Future*, I& and the LTFP;
 - new services and one off projects to be considered and approved within the context of the Annual Business Plan objectives contained in Attachment A, *CityPlan 2030: Shaping Our Future*, I& and the LTFP and be funded through Rate Revenue increases or by expenditure savings; and
 - new capital projects are funded via grant funding and or long term borrowings.

Cr Whittington moved:

1. *That the Annual Business Plan objectives contained in Attachment A be adopted “in principle” for the purpose of preparing the draft 2021-2022 Annual Business Plan and Budget.*
2. *That the following budget parameters and assumptions be adopted in principle for the purpose of preparing the draft 2021-2022 Annual Business Plan and Budget:*
 - *the Recurrent Operating Budget be prepared on a “business as usual” basis;*
 - *the continuation of previously recognised ongoing operational savings;*
 - *maximum Material, Contracts and Other Expenses cost escalation be set at 1.5%;*
 - *wages and salaries increases be set in line with the Council’s Enterprise Bargaining Agreements;*
 - *maximum combined increase in overall budget be based on salary increase and 1.5% non-salary increase;*
 - *fees and charges not set by Legislation be increased by 1.75% at a minimum;*
 - *new Capital Projects to be considered and approved within the context of the Annual Business Plan objectives contained in Attachment A, CityPlan 2030: Shaping Our Future, I& and the LTFP;*
 - *new services and one off projects to be considered and approved within the context of the Annual Business Plan objectives contained in Attachment A, CityPlan 2030: Shaping Our Future, I& and the LTFP and be funded through Rate Revenue increases or by expenditure savings; and*
 - *new capital projects are funded via grant funding and or long term borrowings.*

Seconded by Cr Knoblauch and carried unanimously.

11.3 DRAFT ASSET MANAGEMENT PLANS AND DRAFT LONG TERM FINANCIAL PLAN

REPORT AUTHOR: General Manager, Corporate Services
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4585
FILE REFERENCE: qA1825
ATTACHMENTS: A - E

PURPOSE OF REPORT

The purpose of this report is to present the draft Infrastructure and Asset Management Plans and the draft 2021-2031 Long Term Financial Plan to the Council for endorsement.

BACKGROUND

Pursuant to Section 122 (4) of the *Local Government Act 1999* (the Act), the Council must undertake a comprehensive review of its Strategic Management Plans (which incorporates the Infrastructure and Asset Management Plans and Long Term Financial Plan), within two (2) years after each Local Government General Election.

As Elected Members will recall the Council's Strategic Management Plan, *CityPlan 2030: Shaping the Future* has been reviewed and adopted by the Council at its meeting held on 7 December 2020.

Due to the COVID-19 pandemic, the Minister for Transport, Infrastructure and Local Government, issued a notice which provided Councils up to a three (3) month extension to the statutory deadline. Given the uncertainty created by the COVID-19 pandemic, the Council has elected to take advantage of the extension. Both the Infrastructure and Asset Management Plans (IAMP) and the Long Term Financial Plan (LTFP) must be adopted by the Council by February 2021.

Where a Council undertakes a review of its Strategic Management Plans, the Council must adopt a process or processes, to ensure that members of the public are given a reasonable opportunity to be involved in the development and review of its Strategic Management Plans. The Community was provided with the opportunity to provide comments on the Draft Asset Management Plans and Draft Long Term Financial Plans from 10 December 2020 through to 6 January 2021.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

The Council's Strategic Management Plan, *CityPlan 2030*, provides the framework upon which the Council's Strategic Management Plans are developed. The Council's suite of Strategic Management Plans currently incorporates the *CityPlan 2030*, the LTFP, the IAMP's and the Annual Business Plan and Budget.

FINANCIAL AND BUDGET IMPLICATIONS

The financial projections contained within the draft LTFP provide an indication of the Council's direction and financial capacity, rather than predicting the future financial performance and position of the Council. The LTFP should be viewed as a guide to future actions or opportunities which encourages the Council to consider the future impact of decisions which are made on the Council's long term financial sustainability.

The IAMP's allow for long term planning of the renewal and upgrade of the Council's infrastructure and assets, which in turn provides for the integration of projects from across the respective asset class. This approach leads to improved efficiency and more effective use of the Council's financial resources which results in better outcomes for the community.

To this end, reference should be made each year to the IAMP's and the LTFP when preparing the Annual Business Plan and Annual Budget, to ensure that the broad outcomes, both financial and operational, of the Council are continuing to be achieved.

EXTERNAL ECONOMIC IMPLICATIONS

The draft IAMP contains future estimates of the financial commitment required to renew and upgrade the Council's infrastructure and assets. These estimates together with the financial projections to deliver the Council's services and programs are set out in the draft LTFP. Based on the financial projections contained within the LTFP, there will be an economic impact on ratepayers and customers through increases in rates and user charges for user pays services.

SOCIAL ISSUES

The Infrastructure and Asset Management Plans set out how the Council intends to maintain, renew and upgrade its existing asset base. The IAMP's identify the service standards that are to be set and maintained with respect to the roads, footpaths, stormwater drainage, open space and buildings. If assets are not maintained and renewed in line with the timing and standards set out within the respective IAMPs, the community well-being may be impacted through a reduction in service through the removal of assets (i.e. playgrounds, public facilities) from service or be exposed to hazards resulting from inadequately maintained assets.

The financial projections are based on the set of assumptions and it is possible that the projected rate revenue increase may have social implications for some ratepayers and recipients of user pays services.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

Not Applicable.

RISK MANAGEMENT

Pursuant Section 122 (4) of the Act, the Council must undertake a comprehensive review of its Strategic Management Plans (which incorporates the Infrastructure and Asset Management Plans and Long Term Financial Plan), within two (2) years after each Local Government General Election.

Due to the COVID-19 pandemic, the Minister for Transport, Infrastructure and Local Government, issued a notice which provided Councils up to a three (3) month extension to the statutory deadline. Given the uncertainty created by the COVID-19 pandemic, the Council has elected to take advantage of the extension and as such the LTFP must be adopted by the Council by February 2021.

As previously mentioned, if assets are not maintained and renewed in line with the timing and standards set out within the respective IAMPs, the community's well-being may be impacted through a reduction in service through the removal of assets (i.e. playgrounds, public facilities) from service or be exposed to hazards resulting from inadequately maintained assets. To mitigate the potential hazards resulting from inadequately maintained assets, the timing of the capital projects set out in the draft LTFP, have been based on the Council's Infrastructure and Asset Management Plans (IAMP's).

The draft LTFP provides information on the financial projections of the Council based on the set of assumptions, which are set out in the draft LTFP contained in **Attachment E**. The intent of the draft LTFP is to provide an indication of the Council's direction and financial capacity, rather than predicting the future financial performance and position of the Council. However, to ensure that the Council delivers on the objectives set out in *CityPlan 2030*, the draft IAMP, the assumptions which underpin the financial projections set out in the draft LTFP will need to be regularly reviewed. At a minimum, to ensure that the broad asset management and financial outcomes of the Council are continuing to be achieved, reference should be made each year to the IAMP's and LTFP when preparing the Annual Business Plan and Annual Budget.

COVID-19 IMPLICATIONS

While South Australia, has to date, managed the health and economic impacts of the pandemic effectively, the future ongoing impacts of the pandemic are still unknown. Therefore in determining the basis of the assumptions which have been used in preparing the draft LTFP, reference has been made to the economic conditions over the past ten (10) years. Essentially, the assumption has been made that the Council will return to “normal” operations and services suspended during 2020-2021 due to the pandemic will be re-instated.

In response to the COVID-19 pandemic, the Council endorsed a Financial Support Package, which included a number of initiatives to support the City as it enters the recovery phase of the pandemic. The financial support package included:

- a zero (0%) rate revenue increase, which for wider community resulted in a zero rate increase;
- a rate cap of 1% to eligible residential and commercial ratepayers’;
- waiving of The Parade Development Separate Rate for businesses within the Norwood Parade Business Precinct;
- three (3) month rent relief for commercial and community tenants of Council owned buildings (subject to demonstrating financial hardship resulting from the COVID-19 pandemic);
- waiving of permit fees for community sporting groups which utilise the Council’s sporting grounds;
- rebates of Outdoor Dining Permit fees from 1 July 2020 until 31 December 2020; and
- additional promotion and marketing of the Council’s business precincts.

The financial forecast included in the draft LTFP has assumed that the Financial Support Package will apply to the 2020-2021 financial year only.

The long term financial impact of the zero percent (0%) rate increase, over the life of the LTFP (ie 10 years) is a loss of rate revenue in the order of \$7.8 million.

CONSULTATION

- **Elected Members**

Information Sessions for Elected Members were held on 22 July 2020 and 13 October 2020.

Elected Members considered the draft LTFP at a Special Council Meeting held on 11 November 2020.

Elected Members considered the draft IAMP’s and draft LTFP, prior to the release for consultation, at the Council Meeting held on 4 December 2020.

- **Community**

The Community was provided with the opportunity to comment on the draft IAMP and draft LTFP from 10 December 2020 through to 6 January 2021. The consultation was promoted via the following methods:

- Public Notices in the Advertiser and on the Council’s Website;
- an Article distributed via the Councils Electronic Direct Mail;
- posters displayed at the Council Buildings and display signs at strategic locations throughout the City;
- social media channels; and
- a News Item on the Council’s website at www.npsp.sa.gov.au.

In addition to being able to download the draft IAMP’s and draft LTFP from the Council’s website, the draft Plans were made available for viewing at the Reception Foyer of the Norwood Town Hall and at each of the Council’s Libraries.

The community had a number of options available to submit comments, namely:

- completing an on-line feedback form, which was available on the Council’s website;
- a printable version of the feedback form, which could have been downloaded from the website and emailed to the Council;
- completing a hard copy Feedback Form, which were made available at the Reception Foyer at the Norwood Town Hall and at each of the Council’s Customer Service Centres;
- write to the Council; or
- email: LTFPReview@npsp.sa.gov.au or townhall@npsp.sa.gov.au

At the conclusion of the consultation period, no submissions were received.

- **Staff**
 - Chief Executive Officer
 - General Manager, Corporate Services
 - General Manager, Urban Services
 - Financial Services Manager
 - Acting Manager, City Assets
 - Manager, Economic Development and Strategic Projects
 - Project Manager, Assets

- **Other Agencies**
 - Not Applicable

DISCUSSION

Asset management is the combination of management, financial, economic, engineering, and other practices, applied to physical assets with the objective of providing the required level of service in the most cost-effective manner. Infrastructure and asset management planning ensures delivery of services from infrastructure is provided in a financially sustainable manner.

The Infrastructure and Asset Management Plans form part of the Council's suite of Strategic plans which sets out the Council's approach to the management of the council owned assets over its lifecycle, which includes construction, maintenance, operations, renewal and replacement or upgrade.

The draft IAMPs are influenced by strategic documents, such as the Councils Strategic Management Plan *CityPlan 2030*, the City-Wide Cycling Plan, the Playground Strategy, the Open Space Strategy and the Economic Development Strategy, to identify future infrastructure requirements.

In developing the asset management strategy for each class of asset, service standards have been based on the following:

- safety and compliance with Australian Standards and codes for intended uses;
- capacity of infrastructure and functionality of assets to meet usage requirements;
- asset condition, which is regularly monitored to ensure serviceability maintained and timely maintenance or renewal undertaken; and
- capacity of infrastructure such as underground stormwater drainage network and overland flow paths to perform during target rainfall events.

In developing the draft IAMPs, renewal works are planned based on the condition data of existing assets, which is collected periodically and have been aligned with new and upgrade projects to ensure there is efficient use of resources and where possible, assets are not being replaced earlier than required. In addition, projects across asset classes, have where possible been integrated to provide improved efficiency and outcomes for the community.

The Long Term Financial Plan is based on the Councils Financial Goal of being “*a City which delivers on our Strategic Outcomes by managing our financial resources in a sustainable and equitable manner*” and the Financial Outcomes and financial targets have been established to support the Councils achievement of its Financial Goal.

The draft LTFP supports the Councils strategic planning process, with the draft LTFP outlining the Councils approach to delivering infrastructure, which is consistent with the Council's IAMPs and services which it provides to the community in a financially sustainable and affordable manner for the next ten (10) years.

The draft LTFP, based on a set of assumptions, provides financial projection for the continuing provision of Council's service, programs and activities for the next ten (10) years.

The draft LTFP, as contained in Attachment E, balances the funding needs of renewal and new infrastructure assets, with the timing of proposed upgrade or new infrastructure projects being linked to asset renewals to provide improved efficiency and outcomes for the community, existing services against rating expectations, reasonable fees, debt leverage and the use of accumulated funds held in reserve accounts.

Pursuant to Section 122 (6) of the Act, the Council must adopt a process or processes, to ensure that members of the public are given a reasonable opportunity to be involved in the development and review of its strategic management plans, which includes the LTFP.

In this respect, a Public Notice was placed in the Advertiser and information was also placed on the Council's website and social media platforms, advising citizens that the draft IAMP's and draft LTFP is available for viewing and written submissions could be provided from 10 December 2020 until 6 January 2021. No submissions were received.

OPTIONS

The Council has the following options in respect to the endorsement of the draft IAMP's and the draft LTFP:

1. endorse the draft Infrastructure Asset Management contained in **Attachments A-D** and the draft Long Term Financial Plan contained in **Attachment E**;
2. amend the draft Infrastructure Asset Management contained in **Attachments A-D** and the draft Long Term Financial Plan contained in **Attachment E**;
3. not endorse the draft Infrastructure Asset Management contained in **Attachments A-D** and the draft Long Term Financial Plan contained in **Attachment E**.

As advised, the Council is required to adopt the draft IAMPs and the draft LTFP by February 2021 and given that no feedback or comments have been received during the consultation period, in order to meet this deadline Option 1 is recommended.

CONCLUSION

Given the existing services, programs and activities, infrastructure and asset renewal program and the strategic projects which have been identified to be completed across the planning timeframe, the draft IAMP's and the draft LTFP as contained in Attachments A-E, represents the asset management and financial strategies to meeting the competing demands of services and facilities to the community. There are numerous ways in which the Council can achieve its objectives. The draft LTFP seeks to balance the funding needs of renewal and new infrastructure assets, with the timing of proposed upgrade or new infrastructure projects being linked to asset renewals, so that the , existing services against rating expectations, reasonable fees, debt leverage and the use of accumulated funds held in reserve accounts.

Based on the asset management requirements set out in the draft IAMPs and the underlying assumptions set out in the draft LTFP, the financial projection set out in the draft LTFP indicates that the Council is in a position to deliver on its Strategic Outcomes set out in its suite of Strategic Management Plans.

COMMENTS

If Members have any questions or require clarification in relation to specific items, and/or any issues raised in this report, do not hesitate to contact the General Manager, Corporate Services, Sharon Perkins, prior to the meeting.

RECOMMENDATION

1. That the draft Infrastructure and Asset Management Plans contained in Attachment A to Attachment D be adopted.
 2. That the draft Long Term Financial Plan contained in Attachment E be adopted.
 3. That the Chief Executive Officer be authorised to make editorial changes to the draft Infrastructure and Asset Management Plans contained in Attachment A to Attachment D and draft Long Term Financial Plan contained in Attachment E, prior to them being published on the Council's website.
-

The Council was advised that one (1) submission which was received from the Norwood Residents Association regarding the Council's Asset Management Plans, was not included as part of the Council Agenda. A copy of the submission was provided to all Elected Members at the meeting.

Cr Patterson declared a perceived conflict of interest as her husband is the President of the Norwood Residents Association. Cr Patterson advised that she would remain in the meeting and take part in the discussion regarding this matter.

Cr Minney moved:

1. *That the draft Infrastructure and Asset Management Plans contained in Attachment A to Attachment D be adopted.*
2. *That the draft Long Term Financial Plan contained in Attachment E be adopted.*
3. *That the Chief Executive Officer be authorised to make editorial changes to the draft Infrastructure and Asset Management Plans contained in Attachment A to Attachment D and draft Long Term Financial Plan contained in Attachment E, prior to them being published on the Council's website.*

Seconded by Cr Duke.

Amendment

Cr Patterson moved:

1. *That the draft Infrastructure and Asset Management Plans contained in Attachment A to Attachment D be adopted with the following amendment:*

Section 5.1.2 of the Civil Infrastructure Asset Management Plan (page 22) be amended to include details on how the non-compliance with the requirements of the Disability Discrimination Act 1992 (DDA) are being addressed through the Asset Management Planning and Annual Capital Works Programs.

2. *That the draft Long Term Financial Plan contained in Attachment E be adopted.*
3. *That the Chief Executive Officer be authorised to make editorial changes to the draft Infrastructure and Asset Management Plans contained in Attachment A to Attachment D and draft Long Term Financial Plan contained in Attachment E, prior to them being published on the Council's website.*

Seconded by Cr Moorhouse.

The amendment was put and carried unanimously and on becoming the motion was again put and carried unanimously.

11.4 ERA WATER LONG TERM FINANCIAL PLAN & 2020-2021 FIRST BUDGET REVIEW

REPORT AUTHOR: General Manager, Corporate Services
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4585
FILE REFERENCE: qA65694/A108086
ATTACHMENTS: A - B

PURPOSE OF REPORT

The purpose of this report is to present to the Council the ERA Water Long Term Financial Plan (the Plan) and 2020-2021 First Budget Review for endorsement.

BACKGROUND

ERA Water is a Regional Subsidiary established pursuant to Section 43 of the *Local Government Act 1999*, for the primary purpose of implementing and managing the Waterproofing Eastern Adelaide Project (the Scheme), which involves the establishment of wetland bio-filters, aquifer recharge and recovery, pipeline installations and water storage facilities. ERA Water manages the Scheme and provides recycled stormwater to the Constituent Councils (and other customers) for the irrigation of parks and reserves. The City of Norwood Payneham & St Peters, together with the City of Burnside and the Town of Walkerville make up the Constituent Councils of ERA Water.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

Pursuant to Clause 5.5.1 of the Charter, ERA Water must prepare and submit a Long Term Financial Plan, covering a period of at least three (3) years, to the Constituent Councils for approval.

Pursuant to Clause 5.1.6 of the Charter, ERA Water must reconsider its annual Budget in accordance with the Act at least (3) times at intervals of not less than three (3) months between 30 September and 31 May (inclusive) in the relevant Financial Year and may with the unanimous approval of the Constituent Councils amend its annual Budget for a Financial Year at any time before the year ends.

FINANCIAL AND BUDGET IMPLICATIONS

Long Term Financial Plan

There are no immediate financial impacts on the Council resulting from the adoption of the ERA Water Long Term Financial Plan.

As a Constituent Council of ERA Water, the Council is required to account for its share of ERA Water in the Council's Financial Statements. The Council has a one-third (equal share holding with the other Constituent Councils) ownership share of ERA Water.

Based on the assumptions set out in the Long Term Financial Plan, a copy of which is contained in **Attachment A**, it is forecast that ERA Water will breach its debt limit of \$15.3 million in either late 2021-2022 or the 2022-2023 financial year.

While the Plan outlines potential mitigation strategies to manage this situation, the strategies if implemented are likely only to defer the situation rather than prevent the existing debt cap from being exceeded. Therefore the Constituent Councils may be required to make a capital contribution to assist in funding the operations or approve an increase in the existing debt limit to \$16.2 million.

2020-2021 First Budget Review

As part of the 2020-2021 Annual Budget, the Council forecast a loss from the operations of ERA Water of \$196,000. As a result of the first Budget Review, ERA Water is now forecasting an operating loss of \$948,000. The Council's share of the loss is \$361,000, an increase of \$120,300, which will be reflected in the Council's Budget forecasts as part of its Mid-Year Budget Review.

A copy of the ERA Water First Budget Update is contained in **Attachment B**.

EXTERNAL ECONOMIC IMPLICATIONS

Not Applicable.

SOCIAL ISSUES

Not Applicable.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

ERA Water was established to deliver the Waterproofing Eastern Adelaide Project which involved the establishment of wetlands, aquifer recharge and recovery facilities, pipeline installations and water storage facilities. The intention of the Project is to allow for the capture, treatment, storage and delivery of stormwater for irrigation purposes to reduce the reliance on mains water for irrigation in the greater Adelaide region.

RESOURCE ISSUES

Not Applicable.

RISK MANAGEMENT

As with any forward estimates, the financial forecasts are based on a set of assumptions, which are made with reference to the information available at a point in time.

In preparing the Plan, ERA Water has taken into account a number of external and internal influences and risks which have the potential in limiting ERA Water's ability in achieving the financial outcomes set out in the Plan.

The risks and influences considered are set out in the Plan contained in **Attachment A**.

COVID-19 IMPLICATIONS

Not Applicable.

CONSULTATION

- **Elected Members**
Cr John Minney is a member of the ERA Water Board and currently the Acting Chairperson of the Board.
- **Community**
Not Applicable.
- **Staff**
Not Applicable.
- **Other Agencies**
Not Applicable.

DISCUSSION

Long Term Financial Plan

The 2020-2029 ERA Water Long Term Financial Plan was predicated on ERA Water being in a position to harvest and deliver water to both its Constituent Councils and third party customers, at a rate lower than the SA Water price by the 2021-2022 Financial Year and while the all planned reserves within Burnside, Norwood Payneham & St Peters and Walkerville plus the first external customer have been connected to the ERA Water network, a number of the key assumptions adopted in developing the financial forecasts have weakened in the 2021-2030 ERA Water Long Term Financial Plan.

The key impact on long term forecast has been the reduction in the SA Water price by 18.5% to \$2.78 per kL. It should be noted that ERA Water is not in a position to produce water at the price below the SA Water price over the life of the Plan.

As per previous Plans, water sales will be made to the Constituent Council based on the “take or pay” volume of 205 ML. However, it should be noted that the sale price, based on full operating cost recovery, is 2.0% higher than the SA Water Price. For this Council, the take or pay volume is set at 77 ML, which is based on the volumes that were provided to ERA Water, therefore the Council will incur additional water charges of \$4,900 per annum on average over the 10 year period for water purchased from ERA Water.

Third party sales have been estimated based on the predicted availability of water being available for sale. To date, ERA Water has secured water sales of 45 ML per annum.

A copy of the 2021-2030 Long Term Financial Plan is contained in **Attachment A**.

2020-2021 First Budget Review

Due to the combined impact of the reduction of the SA Water price to \$2.78 per kL and reduced volume of water sales, due to uncertainty in the reliability of water supply and delays in external parties committing to contracts, ERA Water is forecasting sales revenue of \$686,500, a reduction of \$275,000.

Operating Expenditure is forecast to increase to \$1.634 million, an increase of \$85,000. The increase predominately due to the appointment of a Principal Operator, who will undertake the operations and maintenance activities previously undertaken by external contractors. However, it is anticipated that the reduced reliance on external contractors will reduce the operations and maintenance costs by \$250,000 per annum.

The net impact of the proposed budget adjustments is an increase in the forecast Operating loss to \$948,000 and increase of \$361,000 on the Adopted Budget. This Councils share of the increased loss is \$120,300.

A copy of the 2020-2021 First Budget Review is contained in **Attachment B**.

OPTIONS

The Council can choose not to endorse the ERA Water Long Term Financial Plan or the 2020-2021 First Budget Review, however, there are no specific issues or activities which present a financial or risk management issue for this Council which warrant the Council taking this course of action.

CONCLUSION

As with any financial projections, the Long Term Financial Plan and the First Budget Review has been developed based on a number of assumptions, which have been determined with reference to available information and knowledge at the time of preparing the Plan or undertaking the review. Those assumptions have been reviewed and on the premise that those assumption hold true, the financial projections provide a fair and reasonable prediction of the future financial performance and capacity of ERA Water.

COMMENTS

Nil.

RECOMMENDATION

1. That ERA Water be advised that pursuant to Clause 5.5 of the Charter, the Council has considered and approves the 2021 - 2030 Long Term Financial Plan.
 2. That ERA Water be advised that pursuant to Clause 5.1 of the Charter, the Council has considered and approves the 2020-2021 First Budget Review.
-

Cr Patterson moved:

1. *That ERA Water be advised that pursuant to Clause 5.5 of the Charter, the Council has considered and approves the 2021-2030 Long Term Financial Plan.*
2. *That ERA Water be advised that pursuant to Clause 5.1 of the Charter, the Council has considered and approves the 2020-2021 First Budget Review.*

Seconded by Cr Whittington and carried unanimously.

Section 3 – Governance & General Reports

11.5 BUSINESS READINESS FOR THE PLANNING, DEVELOPMENT AND INFRASTRUCTURE ACT 2016

REPORT AUTHOR: Manager, Development Assessment
GENERAL MANAGER: General Manager, Urban Planning & Environment
CONTACT NUMBER: 8366 4567
FILE REFERENCE: S/00421
ATTACHMENTS: A - F

PURPOSE OF REPORT

The purpose of the report is to present to the Council for its consideration, a range of matters which require resolution prior to the introduction of the *Planning, Development and Infrastructure Act 2016*, including delegations, establishment of a new Building Fire Safety Committee, a policy relevant to Accredited Professionals and revoking of the Council's *Building Inspection Policy*.

BACKGROUND

As Elected Members are aware, the State Government has been implementing the new planning and development system across the state under the *Planning, Development and Infrastructure Act 2016* (PDI Act). The program has been staged with elements of the system being progressively 'turned on' since 2016. The final stage of the program, referred to as Phase 3, will be the introduction of the new *Planning and Design Code* with the associated development assessment pathways to metropolitan Adelaide. This phase has been delayed from the original implementation date of July 2020, to a date to be announced in 2021. It is understood that the designated ('go live') date for metropolitan Adelaide may be in the first quarter of 2021.

There are a number of decisions that the Council needs to make as Phase 3 is implemented. In addition, internal processes and procedures need to be changed and/or developed to facilitate a smooth transition. This report seeks the Council's consideration and determination on each of the following matters:

- Delegations under the *Planning, Development and Infrastructure Act 2016*;
- Policy of Notification – Accredited Professionals;
- Establishment of a new Building Fire Safety Committee
- Revoking of the Building Inspection Policy

RELEVANT POLICIES & STRATEGIC DIRECTIONS

Not Applicable.

FINANCIAL AND BUDGET IMPLICATIONS

Not Applicable.

EXTERNAL ECONOMIC IMPLICATIONS

Not Applicable.

SOCIAL ISSUES

Not Applicable.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

Not Applicable.

RISK MANAGEMENT

The adoption of an appropriate framework of delegations allows for decision making at appropriate levels within the organisation.

CONSULTATION

- **Elected Members**
Not Applicable.
- **Community**
Not Applicable.
- **Staff**
Consultation has taken place with relevant staff in relation to the formulation of the delegations under the *Planning, Development and Infrastructure Act 2016*.
- **Other Agencies**
Not Applicable.

DISCUSSION

Delegations

The Council has the ability to delegate many of its decision-making powers, functions and duties under the *Local Government Act 1999* and a number of other Acts. The primary purpose of delegating powers and functions, is to facilitate an efficient and effective organisation by allowing decisions to be made by the staff who carry out the day-to-day operations and to ensure that decisions are made at the appropriate level.

The Council has delegations in place under the following Acts (and associated Regulations):

- Community Titles Act 1996;
- Development Act 1993;
- Dog & Cat Management Act 1995;
- Expiation of Offences Act 1996;
- Fences Act 1975;
- Fire & Emergency Services Act 2005;
- Freedom of Information Act 1991;
- Housing Improvement Act 1940;
- Land & Business (Sale and Conveyancing) Act 1994;
- Liquor Licensing Act 1997;
- Local Government Act 1999;
- Local Nuisance and Litter Control Act 2016;
- Natural Resources Management Act 2004;
- Private Parking Act 1986;
- Real Property Act 1886;
- Roads (Opening & Closing) Act 1991;
- Road Traffic Act 1961 (SA; and
- Unclaimed Goods Act 1987.

The Council has also made delegations to the Eastern Health Authority under the following Acts (and associated Regulations):

- Environment Protection Act 1993;
- Expiation of Offences Act 1996;
- Housing Improvement Act 1940;
- Safe Drinking Water Act 2012;
- South Australian Public Health Act 2011; and
- Supported Residential Facilities Act 1992.

Delegations are the way in which Council enables other positions/bodies (usually Council Officers) to undertake duties or exercise powers on its behalf. Delegations enhance decision-making processes and allow nominated matters to be resolved efficiently and effectively without the need for elevated decision making. However, in order to do this, the Council must take formal steps to delegate to relevant positions and bodies the authority to make decisions, or undertake activities on its behalf. It is usual for the Council to make delegations to the Chief Executive Officer who is then empowered to make sub-delegations to the appropriate Council Officers.

The Council is assigned specific roles in the *PDI Act* and as a consequence must provide delegations via two separate instruments.

1. *Council as a Council, Designated Authority and Designated Entity*
Instrument of Delegation A – (contained in **Attachment A**)
2. *Council as a Relevant Authority (Final Approval & Building Rules)*
Instrument of Delegation B – (contained in **Attachment B**).

The Local Government Association of South Australia has prepared model delegations for Councils to use. Some of the delegations are made under the *Local Government Act 1999* and others are made under the *Planning, Development and Infrastructure Act 2016*.

Any Development Applications which have been lodged under the *Development Act 1993*, prior to the 'go live' date for the *PDI Act*, will continue to be assessed under that legislation (ie. the *Development Act 1993*). It is therefore necessary to continue the current delegations under that Act, for at least the next twelve (12) months, until all assessment processes for current Development Applications have been completed. A review of any outstanding Development Applications will be undertaken at the end of this period and the need or otherwise to continue these delegations will need to be determined at that time.

The delegations presented in this report will come into effect from the designated date, which will be when the Council's Development Plan is revoked by the Minister by notice in the Gazette pursuant to Clause 9(7) of Schedule 8 of the *PDI Act*. This will be the 'go live' date for development assessment under the *PDI Act* to commence in the City of Norwood Payneham & St Peters.

In order to ensure that Council Officers have the necessary powers to continue their day to day activities, the resolution is worded so that the new delegations under the *PDI Act* come into force from the actual date that the Council's Development Plan is revoked by the Minister by notice in the Gazette, pursuant to Clause 9(7) of Schedule 8 of the *PDI Act*.

Even though the Council may delegate its powers, functions and duties, this does not prevent the Council from acting in the same matters, where provided for under the *PDI Act*, at any time should the need arise.

The powers and functions for Council under the *PDI Act* differ to those under the *Development Act 1993*. The Council is assigned specific roles as either a:

- Designated Authority;
- Designated Entity;
- Council; or
- Relevant Authority.

The Council is identified as a **Designated Authority** for the purposes of establishing a Council Assessment Panel for its area, entering into a Land Management Agreements and undertaking enforcement action or applying to court for an Order in relation to development that is not completed in accordance with an approval.

The Council is identified as a **Designated Entity** for the purposes of amending a designated instrument (*Planning and Design Code*), undertaking infrastructure works, entering land or acquiring land, establishing an Off-set Scheme (car parking contribution) and seeking civil penalties from a party.

The *PDI Act* prescribes a **Council** a range of functions and roles, including:

- On the formation of instruments, including providing comments to the Minister on the establishment on Planning Regions and Sub-Regions.
- On prescribed land division matters, including consenting to the vesting of land, including open space, with Council and issuing a land division certificate to the Commission.
- On prescribed building matters, including undertaking inspections as prescribed by the Commission's Building & Swimming Pool Inspection Practice Directions, assigning building classifications and issuing certificates of occupancy; making an Emergency Order.
- On infrastructure matters, including providing comments to the Minister and making the financial contribution to an infrastructure scheme.

The Instrument of Delegation A, provides the delegated authority for Council as a Designated Authority, Designated Entity and a Council, under the *PDI Act*.

The PDI Act explicitly identifies relevant authorities in respect to planning assessment, which include the Minister for Planning, the State Planning Commission, Assessment Panels, Assessment Managers and Accredited Professionals.

The Council is not a **Relevant Authority** for the purpose of development assessment, except for the following instances:

- the administrative process of ensuring all relevant consents has been obtained and subsequently issuing final development approval; and
- undertaking the Building Rules assessment, where the Council Assessment Panel has referred the Building Rules assessment to Council. The Council Assessment Panel will consider a report on this matter at its meeting to be held on 10 February 2021. Given that the Council Assessment Panel has no expertise in Building Rules assessment, it is expected that it will refer such assessments to the Council.

The Instrument of Delegation B provides the delegated authority for these functions, and are intended to, as close as practicable, continue the current practices under the *Development Act 1993*.

Building Fire Safety Committee

The Building Fire Safety Committee (BFSC) is charged with the responsibility for all matters arising under Section 157 (17) of the *Planning Development and Infrastructure Act 2016* including associated regulations which are of a building fire safety nature.

The current membership of the Council's BFSC (established under the *Development Act 1993*), which is due to expire on 7 September 2023, includes:

- Mr Troy Olds as Presiding member of the Committee and a person with expertise in fire safety;
- Mr Demetrius Poupoulas as a member of the Committee;
- A primary person nominated by the Chief Officer (CO) of the SAMFS;
- An alternate person (proxy) nominated by the Chief Officer (CO) of SAMFS; and
- Mr Mario Hlavati as a person with qualifications in Building Surveying.

The PDI Act does not contain any specific transitional provisions that would result in an existing BFSC established under the *Development Act* (Old Committee) being taken to be a committee under the *PDI Act* (New Committee). Therefore, councils have been advised to formally re-establish a new Building Fire Safety Committee under Section 157(17) of the PDI Act.

The terms of the new Committee under the PDI Act are very similar, although not identical, to the terms under the *Development Act 1993*. The differences relate to appointment of members to a new Committee is no longer for a maximum three (3) year term. A fixed three (3) year term is however still recommended.

A new Committee may be established at any time and may be established in anticipation of the 'go live' date. The old Committee will cease to exist on repeal of *Development Act 1993* provisions.

The Terms of Reference of a new Committee may be the same as the old Committee. It is recommended that the new Committee's Terms of Reference state that the new Committee will not meet until after the 'go live' date.

The Council reviewed membership of the Building Fire Safety Committee at its meeting held on 7 September 2020 and as such, appointing the same members to the new Committee is recommended. This will also minimise confusion and practical difficulty with the transition process.

A copy of the proposed Building Fire Safety Committee Terms of Reference is contained in **Attachment C**.

Policy of Notification – Accredited Professionals

The Local Government Association of South Australia has created a model policy that applies to all employees and independent members of the Council Assessment Panel, who are required to hold accreditation for their roles. The Act requires that the Council must appoint and take the advice of accredited professionals under the Act and this policy helps to ensure that these accredited professional maintain their accreditation.

The policy sets out the responsibilities and obligations for these staff on maintaining their accreditation. The Policy has explicit requirements to notify Council of any changes to their accreditation. A copy of the policy is contained in **Attachment D**.

The policy is intended to commence on the day that the Code commences in operation for each Council (being the time accreditation will be required to make decisions under the *PDI Act*).

Revoking of the Council's Building Inspection Policy

Pursuant to Section 71A (1) of the *Development Act 1993*, each Council must prepare and adopt a building inspection policy which specifies a level or levels of audit inspections to be carried out by the council on an annual basis with respect to building work within its area involving classes of buildings prescribed by the regulations. The City of Norwood Payneham & St Peters *Building Inspection Policy* was last reviewed and adopted on 21 January 2019.

Under the PDI Act, instead of each Council having its own policy on the level of building inspections to be undertaken, it is a requirement that all Council's undertake building inspections in accordance with relevant Practice Directions. In this respect, the State Planning Commission has released *Practice Direction 9 - for Council Inspections 2020*, which sets minimum mandatory requirements for all councils for the inspection of buildings. In addition, *Practice Direction 8 - Swimming Pool Inspection Policy 2019*, has also been released, which sets minimum mandatory requirements for all councils for the inspection of swimming pools. Both Practice Directions will replace Council's Building Inspection Policy when they become operational.

Copies of Practice Directions 8 and 9 are contained in **Attachments E** and **Attachment F** respectively.

Key differences between the current inspection regime and the new inspection regime are:

- the new regime includes a requirement that 100% of all commercial and public buildings are inspected at least once, whereas there is no specific requirement for those buildings to be inspected under the current regime;
- the new regime removes any requirement for an inspection of minor domestic structures;
- the new regime provides for additional inspections to be prescribed by the relevant authority, including an independent building certifier, as part of building approval. This additional inspection may relate to a specific stage of the construction.
- a new requirement has been introduced for a Certificate of Occupancy to be issued for all new dwellings, prior to the occupation of the building. The Certificate of Occupancy can be issued by either a council or a building certifier and can only be issued if the building is suitable for occupancy, thus increasing the level of inspections at occupancy stage.

To facilitate the transition to the new inspection regime, it is appropriate that the Council revokes the current *Building Inspection Policy* on and from the day on which the Council's Development Plan is revoked by the Minister by notice in the Gazette pursuant to Clause 9(7) of Schedule 8 of the *Planning, Development and Infrastructure Act 2016*.

OPTIONS

In order to comply with the provisions of the *Planning, Development and Infrastructure Act 2016*, and to ensure that the requirements of the Act are dealt with on a day-to-day basis, it is recommended to the Council that the Council delegates certain powers to the Chief Executive Officer, in accordance with the Act.

CONCLUSION

Council endorsement of new delegations is sought under the *Planning, Development and Infrastructure Act 2016*, that will come into operation from the designated date ('go live') for metropolitan Adelaide, which is expected to be in the first quarter of 2021.

COMMENTS

As is currently the case with delegations which have been under the *Development Act 1993*, once the Council provides the Chief Executive Officer with delegations under the *PDI Act*, the Chief Executive Officer will in turn, provide sub-delegations to relevant planning staff. However, a key difference to note in the application of the *PDI Act* is that the Council will no longer be the relevant planning authority for determining which Development Applications are to be assessed by the Council's Assessment Panel and Council's Planning staff. The Act will prescribe which matters are to be determined by the Council's Assessment Manager, who will in turn confer sub-delegations to the Council's Development Assessment staff. Similarly, the Act will prescribe which matters are to be determined by the Council Assessment Panel, which can then delegate the assessment of certain Development Applications to the Assessment Manager.

In a practical sense, the main difference with how the current Development Assessment delegations operate is that only Development Applications which are subject to public notification will be determined by the Council Assessment Panel. Therefore, Development Applications for new dwellings affected by a Historic Overlay (the equivalent to dwellings within Historic (Conservation) Zones, as well as Land Divisions, will need to be determined by the Council's Assessment Manager, and not the Panel.

Whilst the default position is that the Panel is responsible for determining all Development Applications which are subject to public notification, it has the ability to delegate to the Assessment Manager. The Panel is meeting on 10 February 2021, to consider such delegations and may, for example, determine to delegate Development Applications which are subject to public notification but no representations have been received from persons opposed to the application.

RECOMMENDATION

1. In exercise of the power contained in Section 44 of the Local Government Act 1999 the powers and functions under the Planning, Development and Infrastructure Act 2016 and statutory instruments made thereunder contained in the proposed Instrument of Delegation (annexed to the Report considered by the Council at its meeting held on 18 January 2021 and entitled *Instrument of Delegation Under the Planning, Development and Infrastructure Act 2016, Regulations, Planning & Design Code and Practice Directions of Powers of a Council as a Council, a Designated Authority and a Designated Entity*) are hereby delegated this 18th of January 2021 to the person occupying or acting in the office of Chief Executive Officer of the Council, subject to the conditions and/or limitations, if any, specified herein or in the Schedule of Conditions in the proposed Instrument of Delegation.
2. Such powers and functions may be further delegated by the Chief Executive Officer in accordance with Sections 44 and 101 of the *Local Government Act 1999* as the Chief Executive Officer sees fit, unless otherwise indicated herein or in the Schedule of Conditions contained in the proposed Instrument of Delegation.

3. In exercise of the power contained in Section 100 of the Planning, Development and Infrastructure Act 2016 the powers and functions under the Planning, Development and Infrastructure Act 2016 and statutory instruments made thereunder contained in the proposed Instrument of Delegation (annexed to the Report considered by the Council at its meeting held on 18 January 2021 and entitled *Instrument of Delegation Under the Planning, Development and Infrastructure Act 2016, Regulations, Planning & Design Code and Practice Directions of Powers of a Council as a Relevant Authority*) are hereby delegated this 18th of January 2021 to the person occupying or acting in the office of Chief Executive Officer of the Council subject to the conditions and/or limitations, if any, specified herein or in the Schedule of Conditions in the proposed Instrument of Delegation.
4. Such powers and functions may be further delegated by the Chief Executive Officer in accordance with Section 100(2)(c) of the *Planning, Development and Infrastructure Act 2016* as the Chief Executive Officer sees fit, unless otherwise indicated herein or in the Schedule of Conditions contained in the proposed Instrument of Delegation.
5. That Council adopts the Accredited Professionals Notification Policy (annexed to the Report considered by the Council at its meeting held on 18 January 2021 and entitled *Policy of Notification – Accredited Professionals*) effective from the day on which the Council's Development Plan is revoked by the Minister by notice in the Gazette pursuant to Clause 9(7) of Schedule 8 of the *Planning, Development and Infrastructure Act 2016*.
6. That the City of Norwood Payneham & St Peters Building Fire Safety Committee be established pursuant to Section 157(17) of the *Planning, Development and Infrastructure Act 2016* effective from the day on which the Council's Development Plan is revoked by the Minister by notice in the Gazette pursuant to Clause 9(7) of Schedule 8 of the *Planning, Development and Infrastructure Act 2016*.
7. That the City of Norwood Payneham & St Peters Building Fire Safety Committee Terms of Reference as contained in Attachment C, be adopted.
8. That the following persons be appointed to the City of Norwood Payneham & St Peters Building Fire Safety Committee for a period of three (3) years, from the day on which the Council's Development Plan is revoked by the Minister by notice in the Gazette pursuant to Clause 9(7) of Schedule 8 of the Planning, Development and Infrastructure Act 2016:
 - Mr Troy Olds as a Presiding member of the Committee and a person with expertise in fire safety;
 - Mr Demetrius Poupoulas as a member of the Committee;
 - A primary person nominated by the Chief Officer (CO) of the SAMFS;
 - An alternate person (proxy) nominated by the Chief Officer (CO) of SAMFS; and
 - Mr Mario Hlavati as a person with qualifications in Building Surveying.
9. The Council notes that the *Building Inspection Policy* has been superseded by the State Planning Commission's *Practice Direction 8 - Council Swimming Pool Inspections 2019, and Practice Direction 9 - Council Inspections 2020* and that the *Building Inspection Policy* will be revoked on and from the day on which the Council's Development Plan is revoked by the Minister by notice in the Gazette pursuant to Clause 9(7) of Schedule 8 of the *Planning, Development and Infrastructure Act 2016*.

Cr Sims moved:

1. *In exercise of the power contained in Section 44 of the Local Government Act 1999 the powers and functions under the Planning, Development and Infrastructure Act 2016 and statutory instruments made thereunder contained in the proposed Instrument of Delegation (annexed to the Report considered by the Council at its meeting held on 18 January 2021 and entitled Instrument of Delegation Under the Planning, Development and Infrastructure Act 2016, Regulations, Planning & Design Code and Practice Directions of Powers of a Council as a Council, a Designated Authority and a Designated Entity) are hereby delegated this 18th of January 2021 to the person occupying or acting in the office of Chief Executive Officer of the Council, subject to the conditions and/or limitations, if any, specified herein or in the Schedule of Conditions in the proposed Instrument of Delegation.*

2. *Such powers and functions may be further delegated by the Chief Executive Officer in accordance with Sections 44 and 101 of the Local Government Act 1999 as the Chief Executive Officer sees fit, unless otherwise indicated herein or in the Schedule of Conditions contained in the proposed Instrument of Delegation.*
3. *In exercise of the power contained in Section 100 of the Planning, Development and Infrastructure Act 2016 the powers and functions under the Planning, Development and Infrastructure Act 2016 and statutory instruments made thereunder contained in the proposed Instrument of Delegation (annexed to the Report considered by the Council at its meeting held on 18 January 2021 and entitled Instrument of Delegation Under the Planning, Development and Infrastructure Act 2016, Regulations, Planning & Design Code and Practice Directions of Powers of a Council as a Relevant Authority) are hereby delegated this 18th of January 2021 to the person occupying or acting in the office of Chief Executive Officer of the Council subject to the conditions and/or limitations, if any, specified herein or in the Schedule of Conditions in the proposed Instrument of Delegation.*
4. *Such powers and functions may be further delegated by the Chief Executive Officer in accordance with Section 100(2)(c) of the Planning, Development and Infrastructure Act 2016 as the Chief Executive Officer sees fit, unless otherwise indicated herein or in the Schedule of Conditions contained in the proposed Instrument of Delegation.*
5. *That Council adopts the Accredited Professionals Notification Policy (annexed to the Report considered by the Council at its meeting held on 18 January 2021 and entitled Policy of Notification – Accredited Professionals) effective from the day on which the Council's Development Plan is revoked by the Minister by notice in the Gazette pursuant to Clause 9(7) of Schedule 8 of the Planning, Development and Infrastructure Act 2016.*
6. *That the City of Norwood Payneham & St Peters Building Fire Safety Committee be established pursuant to Section 157(17) of the Planning, Development and Infrastructure Act 2016 effective from the day on which the Council's Development Plan is revoked by the Minister by notice in the Gazette pursuant to Clause 9(7) of Schedule 8 of the Planning, Development and Infrastructure Act 2016.*
7. *That the City of Norwood Payneham & St Peters Building Fire Safety Committee Terms of Reference as contained in Attachment C, be adopted.*
8. *That the following persons be appointed to the City of Norwood Payneham & St Peters Building Fire Safety Committee for a period of three (3) years, from the day on which the Council's Development Plan is revoked by the Minister by notice in the Gazette pursuant to Clause 9(7) of Schedule 8 of the Planning, Development and Infrastructure Act 2016:*
 - *Mr Troy Olds as a Presiding member of the Committee and a person with expertise in fire safety;*
 - *Mr Demetrius Poupoulas as a member of the Committee;*
 - *A primary person nominated by the Chief Officer (CO) of the SAMFS;*
 - *An alternate person (proxy) nominated by the Chief Officer (CO) of SAMFS; and*
 - *Mr Mario Hlavati as a person with qualifications in Building Surveying.*
9. *The Council notes that the Building Inspection Policy has been superseded by the State Planning Commission's Practice Direction 8 - Council Swimming Pool Inspections 2019, and Practice Direction 9 - Council Inspections 2020 and that the Building Inspection Policy will be revoked on and from the day on which the Council's Development Plan is revoked by the Minister by notice in the Gazette pursuant to Clause 9(7) of Schedule 8 of the Planning, Development and Infrastructure Act 2016.*

Seconded by Cr Minney and carried unanimously.

11.6 PROPOSED DECLARATION OF SEPARATE RATE – CHARLOTTE LANE, NORWOOD

REPORT AUTHOR: Manager, Governance, Legal & Property
GENERAL MANAGER: General Manager, Governance & Community Affairs
CONTACT NUMBER: 8366 4507
FILE REFERENCE: qA65688 qA2007
ATTACHMENTS: A - C

PURPOSE OF REPORT

The purpose of this report is to present to the Council for its consideration, the proposed declaration of a Separate Rate to recover the costs of converting Charlotte Lane, Norwood to Public Road in accordance with the Council's *Private Laneways Policy & Procedure*.

BACKGROUND

The Council's *Private Laneways Policy & Procedure* provides that the Council will consider at least two (2) Private Laneways for conversion to Public Road each year.

In 2019, Council staff commenced the Public Road conversion process under Section 210 of the *Local Government Act 1999* (the Act) with respect to the Private Laneway known as 'Charlotte Lane', Norwood. Following completion of the required legal research and three (3)-month statutory notice period, written agreement to the proposed Public Road conversion was obtained from sixty-nine per cent (69%) of adjoining owners to the Laneway.

On the basis that written agreement from only two (2) additional owners would have been required to reach the seventy-five per cent (75%) agreement threshold set out in the Council's Policy, at its meeting held on 3 August 2020 the Council considered the proposed conversion of Charlotte Lane to Public Road and resolved the following:

1. *That pursuant to Section 210(1) of the Local Government Act 1999, the Council declares the Private Road comprised in Certificate of Title Volume 5993 Folio 210 and comprising allotment 22 in Deposited Plan 1208, and which is a Private Road commonly known as 'Charlotte Lane' in the area of Norwood, to be Public Road.*
2. *That the Chief Executive Officer be authorised to give public notice of this declaration in the Government Gazette pursuant to Section 210(5) of the Act.*

Charlotte Lane was vested in the Council as Public Road by public notice published in the Gazette on 6 August 2020.

The Council is now in a position to proceed with the proposed declaration of a Separate Rate over the 32 properties adjoining Charlotte Lane to recover the legal, advertising and administration costs of converting Charlotte Lane to Public Road, in accordance with the Council's *Private Laneways Policy & Procedure* and Section 154 of the Act.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

Outcome 1: Social Equity

Objectives

2. A people-friendly, integrated, sustainable and active transport and pedestrian network.

2.2 Provide safe and accessible movement for people of all abilities.

3. An engaged and participating community.

3.3 Provide opportunities for community input in decision-making and program development.

FINANCIAL AND BUDGET IMPLICATIONS

If the Council proceeds with the proposed declaration of a Separate Rate with respect to Charlotte Lane, Norwood, it is proposed that the declaration of the Separate Rate would occur as part of the Council's 2021-2022 Budget process. The Separate Rate for Charlotte Lane would then be payable by the adjacent property owners in four (4) equal instalments over a period of one (1) year, from 1 July 2021 to 30 June 2022.

With respect to the Public Road conversion of Charlotte Lane, the legal, advertising and administrative costs incurred by the Council amounted to **\$3,758.61 (including GST)**. Shared equally between the 38 properties adjoining Charlotte Lane, this equates to \$98.91 per property. During the three (3)-month statutory notice period, it was determined to remove the six (6) properties located at 50 Beulah Road which adjoin Charlotte Lane but with frontage to Beulah Road (Units 1-6 / 50 Beulah Road) from the Public Road conversion process on the basis that they do not directly share a boundary with or have vehicle access from Charlotte Lane (unlike Units 7-14 / 50 Beulah Road at the rear of the property). As such, this reduced the total number of properties adjoining Charlotte Lane to 32 properties.

In order to ensure that the remaining 32 properties were not required to contribute additional costs as a result of this adjustment, it was determined that the total costs payable as a Separate Rate by each adjoining property would remain at **\$98.91 (including GST)**.

With respect to the process of declaring a Separate Rate under Section 154 of the Act, the Separate Rate must be declared over each 'rateable' property. As such, it is noted that two (2) of the adjoining properties to Charlotte Lane each comprise two (2) 'rateable' properties (i.e. there are two (2) separate tenancies or businesses within the one landholding which each receive a separate rates notice from the Council). The Separate Rate will therefore be applied to each of these 'rateable' properties, with the effect that the two (2) property owners will each be required to make two (2) payments of \$98.91.

Although the Council has already incurred the legal, administrative and advertising costs for the conversion of Charlotte Lane to Public Road, it is permissible for the Council to recover these retrospective costs by declaring a Separate Rate under the Act. The Separate Rate revenue must be used expressly for the benefit of the area from which it is raised – namely, for the purpose of converting Charlotte Lane to Public Road, for the benefit of the adjacent property owners – and cannot be used for other purposes.

As provided for in the Council's *Private Laneways Policy & Procedure*, the costs of undertaking the capital works required to upgrade Charlotte Lane to public road standard will be met by the Council.

EXTERNAL ECONOMIC IMPLICATIONS

Not Applicable.

SOCIAL ISSUES

Although the upgrade of a Private Laneway to Public Road benefits the community at large by improving the public road network, the Council's Policy requires that the legal, advertising and administrative costs of conversion are met by the adjacent owners of the Laneway, as the persons that will most directly benefit from the upgrade through improved access to their properties (and who have, in many cases, requested the conversion in the first instance).

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

Declaration and collection of the Separate Rate with respect to the properties adjoining Charlotte Lane will be conducted as part of the Council's annual Budget and rates declaration process.

RISK MANAGEMENT

Declaration of a Separate Rate provides a more robust cost recovery mechanism for the Council than entering into ad-hoc repayment agreements with individual property owners to recover the Public Road conversion costs. A Separate Rate attaches to each individual property as a charge on the land (rather than simply being a contractual arrangement with the individual property owner), and as such, remains with the land even if the property is sold. In addition, the Council has additional enforcement options available to recover owed rates under the Act.

COVID-19 IMPLICATIONS

If the Council proceeds with the proposed declaration of a Separate Rate to recover the costs of the Public Road conversion of Charlotte Lane, the Rate will not be declared until July 2021 as part of the Council's 2021-2022 Budget process. The Separate Rate would then be payable in four (4) equal instalments of \$24.73 over a period of one (1) year from 1 July 2021 to 30 June 2022 and would first appear on the August 2021 Rates notice.

If property owners are suffering financial hardship as a result of COVID-19 at that time, they can contact the Council to discuss repayment or deferral options.

CONSULTATION

- **Elected Members**

The Council considered the proposed conversion of Charlotte Lane, Norwood to Public Road at its meeting held on 3 August 2020.

- **Community**

If the Council proceeds with the proposed declaration of a Separate Rate for Charlotte Lane, community consultation will be undertaken with respect to the proposed Separate Rate for a period of twenty-one (21) days, as required by Section 151(5) of the Act and the Council's *Community Consultation Policy*.

Section 151(7)(a) of the Act ordinarily requires the publication of a notice in a newspaper circulating within the area of the Council in relation to the proposed Separate Rate and invitations are extended to interested persons to attend a public meeting or make written submissions in relation to the proposed Separate Rate.

However, due to the outbreak of the COVID-19 Pandemic, the Minister's *Public Health Emergency: Public Access and Public Consultation (No 2)* notice (gazetted on 8 April 2020) temporarily suspended the operation of Section 151(7)(a)(i) of the Act in relation to the requirement to hold a public meeting and instead only requires consideration by the Council of any written submissions made in relation to a proposed Separate Rate.

The Minister's notice remains in place until 28 days after the cessation of all relevant declarations relating to the public health emergency to which the notice relates.

Council Staff will continue to monitor the situation and consider whether to hold a public meeting prior to commencing consultation on the proposed Separate Rate, dependent upon any State Government directions and requirements in place in relation to the COVID-19 Pandemic at the relevant time (including as amended from time-to-time).

- **Staff**

General Manager, Governance & Community Affairs
General Manager, Corporate Services
Financial Services Manager

- **Other Agencies**

Not Applicable.

DISCUSSION

The Council can declare a Separate Rate under Section 154 of the Act to recover the Council's legal, administrative and advertising costs in undertaking the conversion of Private Laneways to Public Road under the Council's *Private Laneways Policy & Procedure*.

The Council's Policy relevantly provides the following, with respect to the recovery of costs for conversion of a Private Laneway to Public Road:

- *the costs to convert the Private Laneway to a Public Road (including, but not limited to legal, advertising, and administration costs) will be met in entirety by all Adjoining Owners, and the costs will be shared equally between them or otherwise as agreed to by the Council;*
- *the Council will declare a Separate Rate over the relevant part of the Council area amounting to a rates liability against each Adjoining Allotment (which may be payable by instalments, and otherwise on the terms and conditions set by the Council), in order to recover the costs of converting the Private Laneway to a Public Road; ...*

A copy of the Council's *Private Laneways Policy & Procedure* is contained within **Attachment A**.

With respect to the requirements under the Act for the declaration of a Separate Rate, Section 154 provides that:

- a Separate Rate may only apply to a part of the Council's area (as opposed to the whole Council area);
- the Separate Rate must be for the purposes of planning, carrying out, making available, supporting, maintaining or improving an activity; and
- the activity for which the Separate Rate may be imposed must be of 'particular benefit' to the land or occupiers of the land that is subject to the Separate Rate, or to visitors to that part of the Council area to which the Separate Rate applies.

Area

The area to which the Separate Rate will apply must be clearly defined so that it is clear which part of the Council's area will be affected by the Separate Rate. In this case, the relevant 'area' will be the rateable land directly adjacent to the Private Laneway to be converted to Public Road.

With respect to Charlotte Lane, Norwood, a plan showing the relevant area for the purposes of declaring the Separate Rate is contained within **Attachment B**.

Activity

The 'activity' which the Separate Rate will relate to is the undertaking of the administrative, legal and advertising processes (including, e.g., Lands Titles Office registry and probate searches and publication of statutory notices) in order to undertake the conversion of the Private Laneway to Public Road under Section 210 of the Act.

As provided for in Section 154(4) of the Act, the Council may declare a Separate Rate in respect of the activity even though some aspects of the activity are not to be directly undertaken by the Council (for instance, research undertaken by the Council's lawyers).

Benefit

The carrying out of the above activity (i.e. the conversion of Charlotte Lane to Public Road) is of particular benefit to the land subject to the Separate Rate, occupiers of that land and visitors to that part of the Council's area (being the area adjacent to Charlotte Lane, Norwood, as shown on the plan contained within **Attachment B**), because:

- vehicle and pedestrian access to the adjacent properties of Charlotte Lane will be improved (both in terms of improving the trafficable surface of the Laneway by upgrading it to Public Road standard, and in providing the opportunity for vehicle and pedestrian access points from the adjoining properties to the newly declared Public Road);
- the activity will improve the accessibility of the public road network in that area (where previously each Laneway may not have been easily accessible for certain types of vehicles or uses, or where it may not have provided a clear linkage to the adjacent public road network); and
- the adjacent property owners and occupiers will have the benefit of the Council's ongoing management and maintenance of the Public Road (whereas, at present, responsibility for maintenance of Charlotte Lane is unclear due to the Laneway having no known owner or a deceased owner, which can lead to the deterioration of the condition of the Laneway and affect accessibility and amenity).

Calculation of Rate – Fixed Charge

Pursuant to Section 154(2) of the Act, a Separate Rate may be based on the value of the land subject to the rate, a proportional measure related to the relevant land or area (or the estimated benefit to the occupiers of the land in the area), or a fixed charge.

A fixed charge is proposed in this case, which is to be determined by dividing the legal, advertising and administration costs incurred by the Council in undertaking the conversion of Charlotte Lane to Public Road by the number of adjacent properties, with the costs to be shared equally between them. This cost sharing arrangement is provided for in the Council's *Private Laneways Policy*.

As stated previously, this cost was calculated at **\$98.91 (including GST)** per property.

Duration and Recovery

Section 154(5) of the Act provides that a Separate Rate may be declared for a specified period or for a period exceeding one (1) year. It is proposed to declare the Separate Rate in relation to Charlotte Lane, Norwood for a period of one (1) year, with the Separate Rate to fall due and payable in four (4) equal instalments over the course of the year at the same time as when the Council's general rates fall due.

The Separate Rate will be declared on 1 July 2021 as part of the Council's 2021-2022 Budget process and details of the Separate Rate will be included on the Council's ordinary rates notices, issued on a quarterly basis.

This approach is consistent with Section 181(1) of the Act, which provides that rates (including Separate Rates) declared and payable in respect of a particular financial year will fall due in four (4) equal or approximately equal instalments during September, December, March and June for the financial year for which the rates are declared.

The Council has some flexibility under Section 181(13) of the Act to impose alternative payment requirements (including, e.g., for instalments to fall due at different times or to vary the quantum of the repayment required at each instalment). This may be useful to minimise or spread the impact of payment over a longer period of time if required for a particular property owner. However, given the relatively low quantum of the Separate Rate proposed for the properties adjoining Charlotte Lane, quarterly payment over a period of one (1) year should be suitable in most circumstances. Additionally, a property owner may pay any rates instalment in advance.

Community Consultation

Section 151(5)(c)-(e) of the Act provides that before the Council changes the imposition of rates on land by declaring a Separate Rate, the Council must prepare a report on the proposed change and must follow the steps set out in its public consultation policy.

The report must contain the information set out in Section 151(6) of the Act, namely:

- the reason for the proposed change to the rates structure;
- the relationship of the proposed change to the Council's overall rates structure;
- the likely impact of the proposed change on ratepayers (i.e. on the adjacent property owners of Charlotte Lane, who will be required to pay the Separate Rate);
- issues concerning equity within the community; and
- any other issues considered relevant by the Council.

A copy of the report with respect to the proposed declaration of a Separate Rate for Charlotte Lane, which has been prepared in the form of a 'Fact Sheet', is contained within **Attachment C**.

It is proposed that the required consultation will comprise of an advertisement in The Advertiser newspaper and on the Council's website, which will provide information regarding the proposed Separate Rate, inform the public of the Separate Rate 'Fact Sheet', and invite interested persons to attend a public meeting or make written submissions in relation to the matter.

The same information will be provided directly to the adjacent property owners of Charlotte Lane. These property owners have already been informed of the Council's intention to declare a Separate Rate through correspondence regarding the Public Road conversion process.

Although it is proposed to declare the Separate Rate for Charlotte Lane as part of the Council's 2021-2022 Budget process, it is recommended that consultation on the proposed Separate Rate be undertaken before this time, rather than as part of the Council's consultation on the Draft Annual Business Plan in 2021. This is to ensure that the matter is still front of mind for the adjacent property owners of Charlotte Lane, who have just gone through the Public Road conversion process, and to ensure clarity for the community regarding the proposed declaration of the Separate Rate as opposed to the declaration of the Council's ordinary rates.

Declaration

Following consultation on the proposed declaration of the Separate Rate with respect to Charlotte Lane, Norwood, a report will be presented to the Council for its consideration. Any submissions which are lodged as part of the consultation process must be considered by the Council in determining whether to declare the Separate Rate.

If the Council determines that it will proceed to declare the Separate Rate, the ordinary rates declaration process must be followed after declaration. Namely, notice of the declaration must be published in the SA Government Gazette within 21 days.

OPTIONS

Option One

The Council can determine not to proceed with the proposed declaration of a Separate Rate with respect to Charlotte Lane, Norwood.

However, the Council would then need to consider alternative mechanisms to recover the costs of converting Charlotte Lane to Public Road – including, for instance, by entering into individual repayment arrangements with each property owner. As discussed earlier in this report, this presents difficulty with cost recovery if that property owner sells the property or refuses to enter into a repayment arrangement with the Council. In the case of Charlotte Lane, this would also be impractical due to the large number of adjoining property owners (32 in total).

Option Two

The Council can determine to proceed with the proposed declaration of a Separate Rate with respect to Charlotte Lane, Norwood in order to recover the legal, advertising and administrative costs of converting Charlotte Lane to Public Road in accordance with the Council's *Private Laneways Policy & Procedure* and Section 154 of the Act.

For the reasons set out in this report, Option Two is recommended.

CONCLUSION

The Council's *Private Laneways Policy & Procedure* provides that the Council can declare a Separate Rate under Section 154 of the *Local Government Act 1999* to recover the Council's legal, administrative and advertising costs of converting of a Private Laneway to Public Road from the adjoining owners of the Laneway. Following the conversion of Charlotte Lane, Norwood, to Public Road in August 2020, the Council is now in a position to proceed with the proposed declaration of a Separate Rate over the 32 adjoining properties of Charlotte Lane to recover these costs. It is proposed that the Separate Rate will comprise a fixed charge to be declared as part of the Council's 2021-2022 Budget process.

COMMENTS

Nil.

RECOMMENDATION

1. That the Council gives notice of its proposal to declare a Separate Rate pursuant to Section 154 of the *Local Government Act 1999* for the land adjacent to Charlotte Lane, Norwood and marked as 'Separate Rate Area' on the Map contained in **Attachment B**, and comprising the following properties:
 - Unit 1-2, 44 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 6114 Folio 763;
 - Unit 7, 50 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5971 Folio 784;
 - Unit 8, 50 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5818 Folio 136;
 - Unit 9, 50 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5818 Folio 135;
 - Unit 10, 50 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5818 Folio 134;
 - Unit 11, 50 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5818 Folio 133;
 - Unit 12, 50 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5818 Folio 132;
 - Unit 13, 50 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5818 Folio 131;
 - Unit 14, 50 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5818 Folio 130;
 - 51A Sydenham Road, Norwood SA 5067, comprised within Certificate of Title Volume 5089 Folio 504;
 - 43C Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 6100 Folio 112;
 - 43B Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 6100 Folio 111;
 - 43A Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 6100 Folio 110;
 - 4 Charlotte Place, Norwood SA 5067, comprised within Certificate of Title Volume 5090 Folio 93;
 - 2 Charlotte Place, Norwood SA 5067, comprised within Certificate of Title Volume 5111 Folio 782;
 - 36 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5111 Folio 780;
 - 40-42 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5089 Folio 995;
 - 56 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5936 Folio 390;

- 49 Sydenham Road, Norwood SA 5067, comprised within Certificate of Title Volume 5926 Folio 879;
- 51 Sydenham Road, Norwood SA 5067, comprised within Certificate of Title Volume 5993 Folio 209;
- 49 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 5440 Folio 271;
- 41 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 5502 Folio 538;
- 39 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 5090 Folio 799;
- 37 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 5890 Folio 2;
- Unit 1, 46 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 6114 Folio 760;
- Unit 2, 46A Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 6114 Folio 761;
- Unit 3, 47 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 5939 Folio 108;
- Unit 2, 47 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 5939 Folio 107;
- Unit 1, 47 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 5939 Folio 106;
- Unit 3, 45 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 6198 Folio 722;
- Unit 2, 45 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 6198 Folio 721; and
- Unit 1, 45 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 6198 Folio 720,

for the purpose of carrying out the activity of undertaking the conversion of Charlotte Lane to Public Road under Section 210 of the *Local Government Act 1999*.

2. That the Separate Rate is proposed to be a fixed charge of \$98.91 per rateable property, calculated by dividing the cost of carrying out the activity equally between the rateable properties listed in point 1 and is proposed to be declared for a period of one (1) year commencing 5 July 2021.
3. That consultation be undertaken on the proposed declaration of the Separate Rate with respect to Charlotte Lane, Norwood in accordance with the Council's *Community Consultation Policy* and Sections 151(5)(e) and 151(7) of the *Local Government Act 1999*.
4. That the Council approves the document contained in **Attachment C**, prepared pursuant to Section 151(5)(d) of the *Local Government Act 1999*, for the purposes of public consultation and authorises the Chief Executive Officer to make any required minor amendments to the document prior to consultation.

Cr Moore left the meeting at 8.02pm.
Cr Minney left the meeting at 8.03pm.

Cr Dottore moved:

1. *That the Council gives notice of its proposal to declare a Separate Rate pursuant to Section 154 of the Local Government Act 1999 for the land adjacent to Charlotte Lane, Norwood and marked as 'Separate Rate Area' on the Map contained in Attachment B, and comprising the following properties:*
 - *Unit 1-2, 44 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 6114 Folio 763;*
 - *Unit 7, 50 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5971 Folio 784;*
 - *Unit 8, 50 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5818 Folio 136;*
 - *Unit 9, 50 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5818 Folio 135;*
 - *Unit 10, 50 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5818 Folio 134;*

- Unit 11, 50 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5818 Folio 133;
- Unit 12, 50 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5818 Folio 132;
- Unit 13, 50 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5818 Folio 131;
- Unit 14, 50 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5818 Folio 130;
- 51A Sydenham Road, Norwood SA 5067, comprised within Certificate of Title Volume 5089 Folio 504;
- 43C Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 6100 Folio 112;
- 43B Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 6100 Folio 111;
- 43A Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 6100 Folio 110;
- 4 Charlotte Place, Norwood SA 5067, comprised within Certificate of Title Volume 5090 Folio 93;
- 2 Charlotte Place, Norwood SA 5067, comprised within Certificate of Title Volume 5111 Folio 782;
- 36 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5111 Folio 780;
- 40-42 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5089 Folio 995;
- 56 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 5936 Folio 390;
- 49 Sydenham Road, Norwood SA 5067, comprised within Certificate of Title Volume 5926 Folio 879;
- 51 Sydenham Road, Norwood SA 5067, comprised within Certificate of Title Volume 5993 Folio 209;
- 49 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 5440 Folio 271;
- 41 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 5502 Folio 538;
- 39 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 5090 Folio 799;
- 37 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 5890 Folio 2;
- Unit 1, 46 Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 6114 Folio 760;
- Unit 2, 46A Beulah Road, Norwood SA 5067, comprised within Certificate of Title Volume 6114 Folio 761;
- Unit 3, 47 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 5939 Folio 108;
- Unit 2, 47 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 5939 Folio 107;
- Unit 1, 47 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 5939 Folio 106;
- Unit 3, 45 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 6198 Folio 722;
- Unit 2, 45 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 6198 Folio 721; and
- Unit 1, 45 Fisher Street, Norwood SA 5067, comprised within Certificate of Title Volume 6198 Folio 720,

for the purpose of carrying out the activity of undertaking the conversion of Charlotte Lane to Public Road under Section 210 of the Local Government Act 1999.

2. That the Separate Rate is proposed to be a fixed charge of \$98.91 per rateable property, calculated by dividing the cost of carrying out the activity equally between the rateable properties listed in point 1 and is proposed to be declared for a period of one (1) year commencing 5 July 2021.
3. That consultation be undertaken on the proposed declaration of the Separate Rate with respect to Charlotte Lane, Norwood in accordance with the Council's Community Consultation Policy and Sections 151(5)(e) and 151(7) of the Local Government Act 1999.
4. That the Council approves the document contained in Attachment C, prepared pursuant to Section 151(5)(d) of the Local Government Act 1999, for the purposes of public consultation and authorises the Chief Executive Officer to make any required minor amendments to the document prior to consultation.

Seconded by Cr Whittington and carried unanimously.

Cr Sims left the meeting at 8.04pm.

12. ADOPTION OF COMMITTEE MINUTES

REPORT AUTHOR: General Manager, Governance & Community Affairs
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4549
FILE REFERENCE: Not Applicable
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of the report is to present to the Council the Minutes of the following Committee Meetings for the Council's consideration and adoption of the recommendations contained within the Minutes:

- Chief Executive Officer's Performance Review Committee – (14 December 2020)
(A copy of the Minutes of the Chief Executive Officer's Performance Review Committee meeting have been provided to all Elected Members under separate cover)
- Regional Capital Projects Committee – (16 December 2020)
(A copy of the Minutes of the Regional Capital Projects Committee meeting is contained within **Attachment A**)

ADOPTION OF COMMITTEE MINUTES

Cr Moore returned to the meeting at 8.05pm.
Cr Minney returned to the meeting at 8.05pm.

- **Chief Executive Officer's Performance Review Committee**

Cr Knoblauch moved that the minutes of the meeting of the Chief Executive Officer's Performance Review Committee held on 14 December 2020, be received and that the resolutions set out therein as recommendations to the Council are adopted as decisions of the Council. Seconded by Cr Whittington and carried unanimously.

- **Regional Capital Projects Committee**

Cr Dottore moved that the minutes of the meeting of the Regional Capital Projects Committee held on 16 December 2020, be received and that the resolutions set out therein as recommendations to the Council are adopted as decisions of the Council. Seconded by Cr Patterson.

Cr Sims returned to the meeting at 8.06pm.

The motion was put and carried unanimously.

13. OTHER BUSINESS

13.1 Decals on The Parade – 2021 Lunar New Year

Cr Patterson moved:

That \$500 be allocated to install decals on The Parade to highlight the 2021 Lunar New Year.

Seconded by Cr Moore and carried.

14. CONFIDENTIAL REPORTS

14.1 LANGMAN GROVE ROAD RECONSTRUCTION PROJECT

RECOMMENDATION 1

That pursuant to Section 90(2) and (3) of the Local Government Act 1999 the Council orders that the public, with the exception of the Council staff present, be excluded from the meeting on the basis that the Council will receive, discuss and consider:

- (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information; and
 - (ii) would, on balance, be contrary to the public interest;

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

RECOMMENDATION 2

Under Section 91(7) and (9) of the Local Government Act 1999, the Council orders that the report and discussion be kept confidential for a period not exceeding five (5) years and that this order be reviewed every twelve (12 months).

Under Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the minutes be kept confidential until the contract has been entered into by all parties to the contract.

Cr Sims moved:

That pursuant to Section 90(2) and (3) of the Local Government Act 1999 the Council orders that the public, with the exception of the Council staff present [Chief Executive Officer, General Manager, Governance & Community Affairs, General Manager, Urban Planning & Environment, General Manager, Urban Services, General Manager, Corporate Services, Manager, Governance, Legal & Property, Acting Manager, City Assets, Project Manager, Assets, Project Officer, Assets and Administration Officer, Governance & Community Affairs], be excluded from the meeting on the basis that the Council will receive, discuss and consider:

- (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –*
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information; and*
 - (ii) would, on balance, be contrary to the public interest;*

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

Seconded by Cr Stock and carried unanimously.

Cr Callisto left the meeting at 8.23pm.

Cr Mex left the meeting at 8.23pm.

Cr Mex returned to the meeting at 8.24pm.

Cr Dottore moved:

Under Section 91(7) and (9) of the Local Government Act 1999, the Council orders that the report and discussion be kept confidential for a period not exceeding five (5) years and that this order be reviewed every twelve (12 months).

Under Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the minutes be kept confidential until the contract has been entered into by all parties to the contract.

Seconded by Cr Patterson and carried unanimously.

14.2 49 GEORGE STREET, NORWOOD – EXPRESSION OF INTEREST & DRAFT LEASE

RECOMMENDATION 1

That pursuant to Section 90(2) and (3) of the *Local Government Act 1999* the Council orders that the public, with the exception of the Council staff present, be excluded from the meeting on the basis that the Council will receive, discuss and consider:

- (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information; and
 - (ii) would, on balance, be contrary to the public interest;

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

RECOMMENDATION 2

Under Section 91(7) and (9) of the *Local Government Act 1999*, the Council orders that the report and discussion be kept confidential for a period not exceeding five (5) years and that this order be reviewed every twelve (12 months).

Under Section 91(7) and (9) of the *Local Government Act 1999* the Council orders that the minutes be kept confidential until the contract has been entered into by all parties to the contract.

Cr Dottore moved:

That pursuant to Section 90(2) and (3) of the Local Government Act 1999 the Council orders that the public, with the exception of the Council staff present [Chief Executive Officer, General Manager, Governance & Community Affairs, General Manager, Urban Planning & Environment, General Manager, Urban Services, General Manager, Corporate Services, Manager, Governance, Legal & Property and Administration Officer, Governance & Community Affairs], be excluded from the meeting on the basis that the Council will receive, discuss and consider:

- (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information; and*
 - (ii) would, on balance, be contrary to the public interest;**

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

Seconded by Cr Knoblauch and carried.

Cr Callisto returned to the meeting at 8.30pm.

Cr Moorhouse left the meeting at 8.30pm.

Cr Moorhouse returned to the meeting at 8.31pm.

Cr Duke moved:

Under Section 91(7) and (9) of the Local Government Act 1999, the Council orders that the report and discussion be kept confidential for a period not exceeding five (5) years and that this order be reviewed every twelve (12 months).

Under Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the minutes be kept confidential until the contract has been entered into by all parties to the contract.

Seconded by Cr Patterson and carried unanimously.

Cr Granozio left the meeting at 8.34pm.

14.3 STAFF RELATED MATTER

RECOMMENDATION 1

That pursuant to Section 90(2) and (3) of the *Local Government Act 1999* the Council orders that the public, with the exception of the General Manager, Governance & Community Affairs, be excluded from the meeting on the basis that the Council will receive, discuss and consider

- (a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

RECOMMENDATION 2

Under Section 91(7) and (9) of the *Local Government Act 1999* the Council orders that the report and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed.

Cr Patterson moved:

That pursuant to Section 90(2) and (3) of the Local Government Act 1999 the Council orders that the public, with the exception of the General Manager, Governance & Community Affairs and Administration Officer, Governance & Community Affairs, be excluded from the meeting on the basis that the Council will receive, discuss and consider

- (a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).*

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

Seconded by Cr Knoblauch and carried unanimously.

Cr Granozio returned to the meeting at 8.35pm.

Cr Dottore left the meeting at 8.36pm.

Cr Dottore returned to the meeting at 8.37pm.

Cr Stock moved:

That the Council notes the update in respect to the reporting obligations of the Chief Executive Officer, in accordance with the Chief Executive Officer's Contract of Employment.

Seconded by Cr Duke and carried unanimously.

Cr Stock moved:

Under Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the report and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed.

Seconded by Cr Dottore and carried unanimously.

14.4 COUNCIL RELATED MATTER

RECOMMENDATION 1

That pursuant to Section 90(2) and (3) of the *Local Government Act 1999* the Council orders that the public, with the exception of the Council staff present, be excluded from the meeting on the basis that the Council will receive, discuss and consider:

- (a) information, the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead);

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

RECOMMENDATION 2

Under Section 91(7) and (9) of the *Local Government Act 1999* the Council orders that the report, discussion and minutes be kept confidential for a period not exceeding five (5) years, after which time the order will be reviewed.

Cr Stock moved:

That pursuant to Section 90(2) and (3) of the Local Government Act 1999 the Council orders that the public, with the exception of the General Manager, Governance & Community Affairs, be excluded from the meeting on the basis that the Council will receive, discuss and consider:

- (a) information, the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead);*

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

Seconded by Cr Minney and carried unanimously.

Cr Patterson moved:

Under Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the report, discussion and minutes be kept confidential for a period not exceeding five (5) years, after which time the order will be reviewed.

Seconded by Cr Minney and carried unanimously.

15. CLOSURE

There being no further business, the Mayor declared the meeting closed at 8.46pm.

Mayor Robert Bria

Minutes Confirmed on _____
(date)