Council Meeting Minutes

4 July 2016

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.
1. KAURNA ACKNOWLEDGEMENT ................................................................. 1
2. OPENING PRAYER .................................................................................. 1
3. CONFIRMATION OF THE MINUTES OF THE COUNCIL MEETING HELD ON 6 JUNE 2016 .................................................................................. 1
4. MAYOR’S COMMUNICATION .................................................................... 1
5. DELEGATES COMMUNICATION ................................................................. 2
6. QUESTIONS WITHOUT NOTICE ................................................................. 2
7. QUESTIONS WITH NOTICE .......................................................................... 3
8. DEPUTATIONS .............................................................................................. 3
9. PETITIONS ..................................................................................................... 3
10. WRITTEN NOTICES OF MOTION ............................................................... 3
   10.1 2016 QUEEN’S BIRTHDAY HONOURS - PUBLIC SERVICE MEDAL – CHIEF EXECUTIVE OFFICER – SUBMITTED BY MAYOR ROBERT BRIA ......................................................... 4
11. STAFF REPORTS ........................................................................................ 5
12. Section 1 – Strategy & Policy .................................................................. 6
   11.1 EASTERN REGION ALLIANCE (ERA) STRATEGIC PLAN ....................... 7
13. Section 2 – Corporate & Finance ............................................................... 11
   11.2 MONTHLY FINANCIAL REPORT – MAY 2016 ............................................ 12
   11.3 ADOPTION OF ANNUAL BUSINESS PLAN, BUDGET AND DECLARATION OF RATES FOR 2016-2017 .......................................................... 15
14. Section 3 – Governance & General ............................................................. 31
   11.4 REPORTS OUTSTANDING .................................................................... 32
   11.5 DRAFT ROAD TRAFFIC (BICYCLES ON FOOTPATHS) AMENDMENT BILL 2016 .......................................................... 33
   11.6 LOCAL GOVERNMENT (DISABILITY ACCESS INSPECTIONS) AMENDMENT BILL 2016 .......................................................... 40
   11.7 APPOINTMENT OF INDEPENDENT BOARD MEMBERS TO THE EASTERN REGION ALLIANCE (ERA) WATER AUDIT COMMITTEE .......................................................... 45
15. ADOPTION OF COMMITTEE MINUTES .................................................. 48
16. OTHER BUSINESS .................................................................................... 48
   13.1 SOLID WASTE LEVY ........................................................................... 48
   13.2 INTER-WAR HOUSING HERITAGE DEVELOPMENT PLAN AMENDMENT .......................................................... 48
17. CONFIDENTIAL REPORTS ...................................................................... 48
   14.1 TENDER SELECTION REPORT – KERBING CAPITAL WORKS PROGRAM 2016-2017 .......................................................... 49
18. CLOSURE .................................................................................................. 50
1. **KAURNA ACKNOWLEDGEMENT**

2. **OPENING PRAYER**

   The Opening Prayer was read by Cr Sophia MacRae.

3. **CONFIRMATION OF THE MINUTES OF THE COUNCIL MEETING HELD ON 6 JUNE 2016**

   Cr Dottore moved that the minutes of the Council meeting held on 6 June 2016 be taken as read and confirmed. Seconded by Cr Duke and carried.

4. **MAYOR'S COMMUNICATION**

   - Monday, 6 June
     - Presided over a Council meeting, Council Chamber, Norwood Town Hall.
   - Tuesday, 7 June
     - Attended the Lord Mayor’s Federal Election Breakfast for the Division of Adelaide, Adelaide Town Hall, Adelaide.
   - Sunday, 12 June
     - Presided over a Citizenship Ceremony at the Norwood versus Adelaide football match, Cooper’s Stadium, Norwood.
   - Wednesday, 15 June
     - Attended the Farewell Afternoon Tea for Ms Lauren Baker, Executive Assistant to the Chief Executive Officer and Mayor, Norwood Town Hall.
   - Wednesday, 15 June
     - Attended a meeting with the Chief Executive Officer, General Manager, Governance & Community Affairs, Councillor Evonne Moore, and Mr Michael Kelly (KellyJones Lawyers), Norwood Town Hall.
Thursday, 16 June  ● Attended the City of Norwood Payneham & St Peters 2016 Urban Design Awards, Brick + Mortar Creative, Norwood.

Friday, 17 June  ● Attended the 40th Anniversary celebrations for Quinzi’s Confectionery, Stepney.

Saturday, 18 June  ● Attended the Norwood versus Central Districts football match, Cooper’s Stadium, Norwood.

Sunday, 19 June  ● Attended the celebratory Mass for the Feast of St Anthony of Padua, Our Lady Queen of Peace Church, Payneham.

Wednesday, 22 June  ● Attended the Graduation Ceremony for 3D Radio students, Mayor’s Parlour, Norwood Town Hall

Thursday, 23 June  ● Attended the pre-match dinner followed by the Adelaide versus North Melbourne football match, Adelaide Oval.

Friday, 24 June  ● Attended a Reception (organised by the SA Refugee Committee, Local Government Association of South Australia and Migrant Resource Centre of SA), to Celebrate World Refugee Week, Local Government House, Adelaide.

Saturday, 25 June  ● Radio Interview on 1395 Fiveaa.

Sunday, 26 June  ● Attended the pre-match lunch followed by the Sturt versus Norwood football match, Unley Oval.

Monday, 27 June  ● Attended a meeting with the General Manager, Governance & Community Affairs, Mayor’s Office, Norwood Town Hall.

Monday, 27 June  ● Attended a meeting with the General Manager, Governance & Community Affairs and Ms Romaine Dawson, President of the St Peters Rotary Club, Mayor’s Office, Norwood Town Hall.

Monday, 27 June  ● Attended a Workshop: Biennial Garden Awards, Mayor’s Parlour, Norwood Town Hall.

Tuesday, 28 June  ● Attended the St Peters Rotary Change-Over Dinner, Norwood Function Centre, Norwood.

Wednesday, 29 June  ● Attended the Staff Years of Service Recognition Reception, St Peters Banquet Hall, St Peters.

Thursday, 30 June  ● Attended a Mass at St Ignatius Church, Norwood followed by a Farewell Morning Tea for Principal Craig Fosdike, St Joseph’s Memorial School, Norwood.

Thursday, 30 June  ● Attended the SANFL - AFL Iftar Dinner, Adelaide Oval, Adelaide.

Friday, 1 July  ● Presented Certificates to students at Norwood Primary School for their participation in the ‘Way2Go’ program, Norwood Primary School.

Saturday, 2 July  ● Attended the Norwood versus South Adelaide football match, Cooper’s Stadium.

5. DELEGATES COMMUNICATION

- Cr Minney advised that he attended the League of Historical Cities Conference in Vienna from 7–9 June 2016.

- Cr Knoblauch advised that on Monday 27 June 2016, he attended the Marden Senior College Governing Council’s monthly meeting.

6. QUESTIONS WITHOUT NOTICE

Nil
7. QUESTIONS WITH NOTICE
   Nil

8. DEPUTATIONS
   Nil

9. PETITIONS
   Nil

10. WRITTEN NOTICES OF MOTION
Pursuant to Regulation 12(1) of the Local Government (Procedures at Meetings) Regulations 2013, the following Notice of Motion has been submitted by Mayor Robert Bria.

NOTICE OF MOTION

That Council congratulates Mr Mario Barone PSM, Chief Executive Officer, for being awarded the Public Service Medal within the 2016 Queen’s Birthday Honours List for outstanding public service to Local Government in South Australia through the provision of leadership and strategic planning.

REASONS IN SUPPORT OF MOTION

Nil

STAFF COMMENT

Nil

Cr Frogley moved:

That Council congratulates Mr Mario Barone PSM, Chief Executive Officer, for being awarded the Public Service Medal within the 2016 Queen’s Birthday Honours List for outstanding public service to Local Government in South Australia through the provision of leadership and strategic planning.

Seconded by Cr Whittington and carried unanimously.
11. STAFF REPORTS
Section 1 – Strategy & Policy

Reports
11.1 EASTERN REGION ALLIANCE (ERA) STRATEGIC PLAN

REPORT AUTHOR: Chief Executive Officer
GENERAL MANAGER: Not Applicable
CONTACT NUMBER: 8366 4539
FILE REFERENCE: S.02110
ATTACHMENTS: A

PURPOSE OF REPORT

To present for the Council’s consideration and endorsement, the Eastern Region Alliance (ERA) Strategic Plan.

BACKGROUND

The Eastern Region Alliance (ERA) comprises the Cities of Burnside, Campbelltown, Norwood, Payneham & St Peters, Prospect, Unley and the Town of Walkerville.

The City of Tea Tree Gully was previously a Member, however, Elected Members may recall that City of Tea Tree Gully has formally withdrawn its membership.

Since the formation of ERA in 2008, the Councils have undertaken a number of initiatives such as improved co-operation, resource sharing and joint projects (ie ERA Water) and have addressed strategic priorities across the Region.

In summary, the aim of establishing ERA is to:

- Improve co-operation, collaboration and co-ordination across the Member Councils.
- Establish a robust operational framework to deliver effective and efficient services.
- Collaborate and succeed in obtaining State and Federal Government funding for Regional initiatives.
- Increase awareness and influence of ERA within Federal, State and Local Government.

Since its formation, the Chief Executive Officers of the Member Councils have met on a monthly basis to discuss issues of mutual interest and wherever relevant and required, initiate projects.

The Mayors and the Chief Executive Officers of the Member Councils meet on a quarterly basis. The Chairing and administration of the meetings and ERA generally, is rotated on an annual basis (alphabetically) with the current host Council being the City of Burnside.

In 2014, following discussion and consideration of The Council of the Future report which was commissioned by the Local Government Association of South Australia, consideration was given to the development of a draft Strategic Plan for ERA.

A copy of the draft ERA Strategic Plan is contained in Attachment A.

As Elected members may recall, Information Briefings on the draft ERA Strategic Plan were provided to each of the Member Councils, with Mayor David Parkin providing a presentation to this Council.

Feedback and comments provided by Elected Members from each of the Member Councils, were subsequently considered by the Mayors and Chief Executive Officers and the draft Plan amended accordingly.

The draft ERA Strategic Plan is now presented for consideration and adoption.
FINANCIAL AND BUDGET IMPLICATIONS

At this stage, there are no financial implications associated with endorsement of the draft Plan.

Any funding which may be required to progress the initiatives contained in the draft Strategic Plan will be brought to the Council’s attention.

DISCUSSION

The draft Plan is self-explanatory and as such will not be detailed in this report.

Suffice it to say that the draft Plan ostensibly builds upon the work which ERA is undertaking and provides for a greater focus on regional collaboration.

As identified in the draft Plan, it is proposed to progress this increased focus on regional collaboration, by investigating more flexible appropriate structures to promote co-operative initiatives between Councils. This notion is set out in Part 1 of the draft Plan.

In this respect, pursuant to the provisions of the current legislation, the only option from a formal perspective, is to establish ERA as a Regional Subsidiary.

It should be noted that even without a formal entity being formed, the ERA Councils have a longstanding tradition of co-operation and resource sharing, including East Waste, Eastern Health Authority, WasteCare, Highbury Landfill Authority, ERA Water and so on.

Whilst the establishment of these entities has been on an “opt-in” basis, the services provided by these entities are in the simplest terms resource sharing and are based on working co-operatively to reduce costs and/or provide a better service.

Each of the Member Councils has considered the draft ERA Strategic Plan and have endorsed the draft Plan as the framework to further develop regional collaboration between the Member Councils of ERA.

In respect to progressing ERA to a more structured entity, the Member Councils have recognised that there is still extensive work and discussion required before this action can be agreed to. In short, there is no straight up commitment to this concept.

Clearly, the ERA Region is characterised by a group of Councils who have a longstanding history of co-operation and resource sharing. Whilst there is merit in exploring how this can be progressed further, there is considerable work to be undertaken. To date, resource sharing and co-operative undertakings have been handled on a ‘merit’ basis and this has served the Councils well. In fact, there is considerable scope for increased resource sharing through some of the ERA Member Councils joining the existing entities such as East Waste, Eastern Health Authority and ERA Water. In this respect, not all of the ERA Councils are Members of the current Regional Subsidiaries.

As such, at this stage, it is considered appropriate and indeed prudent, for the Council to adopt the same approach as the other ERA Member Councils and endorse the draft Plan as a framework to further regional collaboration, whilst at the same time acknowledge that extensive work, discussion and agreement is required before any decision is made to move to a more formalised structure.

OPTIONS

The Council can either:

- endorse the draft Plan as presented;
- not endorse the draft Plan;
- endorse some components; or
- endorse the draft Plan as set out in the recommendation.

Endorsing the draft Plan as recommended will allow ERA to progress with the many worthwhile components of the draft Plan.
CONCLUSION

Nil

COMMENTS

Nil

RECOMMENDATION

1. That Council endorses the draft ERA Strategic Plan as the framework to further develop regional collaboration between Member Councils of ERA.

2. That Council acknowledges and accepts that:
   - extensive further work is required before ERA can move from an informal alliance to a structured regional entity;
   - the governance framework has yet to be determined and must be agreed to by all Member Councils before a regional entity can be implemented; and
   - the new structured regional entity may require further financial contribution than what each Member Council is currently contributing.

3. That the Council notes that it will receive further reports on the implementation of the Strategic Plan.

Cr Wormald left the meeting at 7.23pm.
Cr Wormald returned to the meeting at 7.24pm.

Cr Minney moved:

1. In receiving the ERA Draft Strategic Plan the Council acknowledges and accepts that:
   - extensive further investigation is required before any form of regional entity can be established;
   - the governance framework has to be determined and must be agreed to by all Member Councils before a regional entity can be implemented; and
   - any new structured regional entity may require further financial contribution than what each Member Council is currently contributing.

2. That the Council notes that it will receive further reports on the implementation of the Strategic Plan.

Seconded by Cr Mex.
Amendment

Cr Frogley moved:

1. In receiving the ERA Draft Strategic Plan the Council acknowledges and accepts that:
   - extensive further investigation is required before any form of regional entity can be considered;
   - the governance framework has to be determined and must be agreed to by all Member Councils before a regional entity can be implemented; and
   - any new structured regional entity may require further financial contribution than what each Member Council is currently contributing.

2. That the Council notes that it will receive further reports on the implementation of the Strategic Plan.

Seconded by Cr Duke.

The amendment was put and carried and on becoming the motion was again put and carried unanimously.
Section 2 – Corporate & Finance

Reports
11.2 MONTHLY FINANCIAL REPORT – MAY 2016

REPORT AUTHOR: Financial Services Manager
GENERAL MANAGER: Acting General Manager, Corporate Services
CONTACT NUMBER: 8366 4585
FILE REFERENCE: S/00697
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 May 2016.

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 has been highlighted as a high priority for the Council. The Council adopted a Budget which forecasts an Operating Surplus of $2.410 million for the 2015-2016 Financial Year. Following the Mid-Year Budget review, the Council is reporting an Operating Surplus $2.391m. The Third Budget review, adopted at the Council meeting held on the 4 April 2016, anticipated a full year Operating Surplus of $2.258m a decrease of $0.142m on the Adopted Budget.

Year-to-date to May 2016, the Council’s Operating Surplus is $4.311 million against a budgeted Operating Surplus of $3.165 million, resulting a favourable variance of $1.146 million.

EXTERNAL ECONOMIC IMPLICATIONS

Nil

SOCIAL ISSUES

Nil

CULTURAL ISSUES

Nil

ENVIRONMENTAL ISSUES

Nil

RESOURCE ISSUES

Nil
RISK MANAGEMENT

Nil

CONSULTATION

- **Elected Members**
  Not Applicable

- **Community**
  Not applicable.

- **Staff**
  Responsible Officers and General Managers.

- **Other Agencies**
  Not applicable.

DISCUSSION

Year-to-date to May 2016, the Council’s Operating Surplus is $4.311 million against a budgeted Operating Surplus of $3.165 million, resulting a favourable variance of $1.146 million. The major reasons for this variance include:

- Contracted services expenses are $0.191 million favourable to budget. Significant variances include:
  - Home Assistance and Community Care contractor services are $0.072 million favourable to budget. This is due to a lower number of referrals being received, year-to-date referrals are at approximately 85% of budgeted levels.
  - Waste disposal charges are $0.063m favourable to budget. This is the result of lower tonnage being disposed of from household waste collection, combined with lower levels of waste associated with the Council Depot operations.
  - Building Maintenance is $0.031 million favourable to budget. As previously discussed, this variance is due to a change in business practice relating to contractor engagement.

- Employee Expenses are $0.376 million favourable to budget. The favourable variance is primarily driven by the combined impact of budgeted positions not filled and extended recruitment timeframes, predominantly in the first half of the financial year.

- Other Revenue is $0.168 million favourable to budget, driven by Local Government Risk Services Special Distribution and a premium refund following the submission of the 2014-2015 wages declaration.

- Energy expenditure is a $0.135 million favourable variance, which will be a permanent variance for this financial year. Lower network supply charges are being incurred across all sites including Street lighting. Further due to favourable weather conditions during the season, savings in energy costs across both Swimming Centres was $0.042m.

Figure one below shows that the monthly Operating Surplus / (Deficit) continues to be in line with or better than budgeted expectations.
Figure 1: Monthly Operating Surplus / (Deficit)

The Monthly Financial report is contained in Attachment A.

OPTIONS
Nil

CONCLUSION
Nil

COMMENTS
Nil

RECOMMENDATION
That the Monthly Financial Report – May 2016, be received and noted.

Cr Minney moved:
That the Monthly Financial Report – May 2016, be received and noted.

Seconded by Cr Dottore and carried.
11.3 ADOPTION OF ANNUAL BUSINESS PLAN, BUDGET AND DECLARATION OF RATES FOR 2016-2017

REPORT AUTHOR: Acting General Manager, Corporate Services
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 83664585
FILE REFERENCE: S/04204
ATTACHMENTS: A - H

PURPOSE OF REPORT

The purpose of this report is to present to the Council, the Draft 2016-2017 Annual Business Plan, Annual Budget and Rates Policy for consideration and adoption.

BACKGROUND

Pursuant to Chapters 8,9,10 of the Local Government Act 1999 (the Act), the Council is required to adopt both the Annual Business Plan and Annual Budget, after 31 May but before 31 August each year.

Part 2 of the Act, “Annual Business Plans and Budgets”, requires the Council to consider its budget in conjunction with the Council’s Annual Business Plan and adopt it following the adoption of the Annual Business Plan.

The Draft 2016-2017 Annual Business Plan and Budget have been considered by the Council at meetings held on 11 April 2016, 19 April 2016, 26 April 2016 and 6 June 2016. Public submissions were sought in relation to the Draft 2016-2017 Annual Business Plan. Three (3) written submissions and one (1) verbal submission were received and considered by the Council at the Council meeting held on 6 June 2016. Following the Council's consideration of the public submissions, the Council resolved that no amendments be made, as a result of the public submissions, to the Draft 2016-2017 Annual Business Plan and Budget.

This report presents to the Council the Draft 2016-2017 Annual Business Plan and Budget, based on rates modelling at Week 50.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

The Council’s Long Term Strategic directions are outlined in the City Plan 2030 – Shaping our Future. The Draft 2016-2017 Annual Business Plan and supporting Draft 2016-2017 Budget, sets out the proposed services and programs and initiatives for the 2016-2017 Financial Year and explains how the Council intends to finance its continuing services, programs and initiatives which are to be undertaken during the year.


The adoption of the Draft 2016-2017 Annual Business Plan and Budget will, contribute to the Council achieving its goals and objectives as set out in the suite of Strategic Planning documents set out above.

FINANCIAL AND BUDGET IMPLICATIONS

At a Special Council Meeting held on 26 April 2016, the Council approved the Draft 2016-2017 Annual Business Plan for release for community consultation, subject to the incorporation of amendments determined by the Council and any editorial changes authorised by the Chief Executive Officer.

The Draft 2016-2017 Budget, released for community consultation, was based on a rate revenue increase of 2.25%, with an Average Residential Rate increase of 1.96% and an Average Commercial Rate increase of 0.88%. 
Key aspects of the Draft 2016-2017 Budget, released for public consultation are set out in Table 1 below:

**TABLE 1: KEY ASPECTS OF DRAFT 2016-2017 BUDGET (Released for Public Consultation)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Public Consultation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate Revenue Increase</td>
<td>2.25%</td>
</tr>
<tr>
<td>Average Residential Rate Increase</td>
<td>1.96%</td>
</tr>
<tr>
<td>Operating Surplus * (includes $0.861m Roads-to-Recovery Grant Funding)</td>
<td>$2.636 million</td>
</tr>
<tr>
<td>Underlying Operating Surplus * (excluding $0.861m Roads-to-Recovery Grant Funding)</td>
<td>$1.775 million</td>
</tr>
<tr>
<td>Expenditure on continuing services and programs</td>
<td>$37.657 million</td>
</tr>
<tr>
<td>Expenditure on new initiatives and strategic operating projects (including 2014-2015 Carry-forward projects)</td>
<td>$0.648 million</td>
</tr>
<tr>
<td>Total Capital Works Program</td>
<td>$17.688 million</td>
</tr>
<tr>
<td>Non-Rate Operating Revenue</td>
<td>$8.010 million</td>
</tr>
<tr>
<td>Net General Rate Revenue (excluding NRM Levy)</td>
<td>$31.789 million</td>
</tr>
<tr>
<td>NRM Levy ** (excluding NRM Levy)</td>
<td>$1.111 million</td>
</tr>
<tr>
<td>Capital Grant Funding</td>
<td>$2.873 million</td>
</tr>
</tbody>
</table>

*The Council is acting as a revenue collector for the Adelaide and Mount Lofty Ranges Natural Resources Board in this regard and does not retain this revenue.*

Since releasing the Draft Budget for community consultation, the Council has received the Draft 2016-2017 Annual Business Plans and Budgets from the three (3) Regional Subsidiaries (i.e. East Waste, Highbury Landfill Authority and the Eastern Health Authority). East Waste and the Eastern Health Authority have budgeted a break even Operating Result. Highbury Landfill is budgeting for an Operating Deficit of $0.038m, resulting from the expected movement in the post closure provision. The Councils share of the budgeted Operating Deficit is $0.015m, however due to the uncertain nature of the elements that determine the movement in the post closure provision, no allowance is proposed to be included in the Draft 2016-2017 Budget.

On 10 June 2016, the Council received notification that the additional one-off payment of $0.600m, payable as part of the Federal Governments Roads-to-Recovery Program, will now be paid to the Council over two (2) financial years, with an additional $0.342m being paid in 2016-2017 financial year, with the balance of $0.261m being paid in the 2017-2018 financial year. While the reduction in funding, will not impact the Council’s underlying Operating Surplus, the reduction in grant funding will however impact on the 2016-2017 funding allocation available for the upgrade of the River Torrens Linear Park Shared Use Path. As such, the delivery of this Project will be undertaken over the 2016-2017 and 2017-2018 financial years.

As Members may recall, the Council was advised on 29 June 2015, that the payment of the first two (2) quarterly instalments of the 2015-2016 Local Government Financial Assistance Grants, were advanced to the Council on 30 June 2015. To date, the Council has received no notification that the Federal Government will make advance payments of the 2016-2017 Financial Assistance Grants. As such, the Council’s consideration of the Draft 2016-2017 Budget has been based on the assumption that the Council will still receive four (4) quarters of the Financial Assistance Grants in 2016-2017. If the Federal Government elects to make an advance payment of the 2016–2017 Financial Assistance Grant in 2015-2016, the Council’s Operating Surplus would be reduced by $0.500m.

In addition, based on further information that has been received, the following adjustments, as set out in Table 2 have been made to the Draft 2016-2017 Budget.
TABLE 2: BUDGET ADJUSTMENTS POST PUBLIC CONSULTATION

<table>
<thead>
<tr>
<th>Area</th>
<th>Reason for Adjustment</th>
<th>Financial Impact Favourable/(Unfavourable)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern Health Authority</td>
<td>Adoption of new Charter and funding formula to determine annual contribution from each Constituent Council.</td>
<td>($15,000)</td>
</tr>
<tr>
<td>Street Lighting Maintenance</td>
<td>Formal Notification from SA Power Networks (SAPN) of 2016-2017 Network (SLUOS) Charges</td>
<td>$42,700</td>
</tr>
</tbody>
</table>
| Trinity Gardens Bowling Club  | New charging arrangements for the Grounds Maintenance Cost  
                               |   * licence fee based on 25% recovery of maintenance costs 
                               |   * annual maintenance costs of bowling greens  
                               | Net Cost to Council; ($36,950) ($27,700) | $9,250                                    |

Net Impact on Draft 2016-2017 Operating Surplus $0

The impact of these items on the 2016-2017 Draft Budget is outlined in Table 3 below.

TABLE 3: REVISED DRAFT 2016-2017 BUDGET

<table>
<thead>
<tr>
<th>Revised Draft 2016-2017 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate Revenue Increase</td>
</tr>
<tr>
<td>Average Residential Rate Increase  (based on Week 50 valuations)</td>
</tr>
<tr>
<td>Operating Surplus *</td>
</tr>
<tr>
<td>* Includes $0.602m Roads-to-Recovery Grant Funding</td>
</tr>
<tr>
<td>Underlying Operating Surplus *</td>
</tr>
<tr>
<td>* excluding $0.602m Roads-to-Recovery Grant Funding</td>
</tr>
<tr>
<td>Expenditure on continuing services and programs</td>
</tr>
<tr>
<td>Expenditure on new initiatives and strategic operating projects (including 2015-2016 Carry-forward projects)</td>
</tr>
<tr>
<td>Total Capital Works Program (including 2015-2016 Carry-forward projects)</td>
</tr>
<tr>
<td>Non-Rate Operating Revenue (excluding Roads-to-Recovery)</td>
</tr>
<tr>
<td>Net General Rate Revenue (excluding NRM Levy)</td>
</tr>
<tr>
<td>NRM Levy **</td>
</tr>
<tr>
<td>Capital Grant Funding</td>
</tr>
</tbody>
</table>

** The Council is acting as a revenue collector for the Adelaide and Mount Lofty Ranges Natural Resources Board in this regard and does not retain this revenue.

EXTERNAL ECONOMIC IMPLICATIONS

The Draft 2016-2017 Annual Budget is based on a rate revenue increase which is required to implement the various programs, services and asset management programs which the community expects at the standard which the community expects. At the same time, in setting its rate revenue, the Council has sought to strike a balance between service levels and associated costs and the impact which these costs (many of which are beyond the Council’s control) may have on property owners and business operators.

SOCIAL ISSUES

The Council does provide rate relief to eligible ratepayers by setting a minimum rate, automatic rate capping and remission and postponement of rates options.
CULTURAL ISSUES
Nil.

ENVIRONMENTAL ISSUES
Nil.

RESOURCE ISSUES
Nil.

RISK MANAGEMENT
There are a number of risk management issues associated with the preparation of the Annual Business Plan and Budget and as such it is important they are prepared and adopted in accordance with the relevant statutory requirements. To this end the Draft Annual Business Plan & Budget has been prepared in accordance with the relevant statutory requirements.

CONSULTATION

- **Elected Members**
  Elected Members have been involved throughout the preparation of the Draft 2016-2017 Annual Business Plan and Budget process and have considered the various components of the Draft 2016-2017 Annual Business Plan and Budget at Special Council meetings held on 11 April 2016, 19 April 2016, 26 April 2016 and 6 June 2016 and made decisions as appropriate to arrive at a draft Annual Business Plan and draft Budget.

- **Community**
  In line with the requirements of the Act, public submissions on the Draft 2016-2017 Annual Business Plan were sought. Three (3) written submissions and one (1) verbal submission have been received and considered at the Council meeting held on 6 June 2016.

- **Staff**
  The review of the Operating Expenditure and Special Projects and the Draft Annual Business Plan process, has been completed with the involvement of the Chief Executive Officer, General Managers and the various Responsible Officers.

- **Other Agencies**
  Nil.

DISCUSSION

The focus in developing the Draft 2016-2017 Annual Business Plan and Budget, has been on ensuring that the Council can maintain the service standards for its existing services to support the delivery of the Strategic Objectives outlined in the Councils’ Strategic Management Plan CityPlan 2030 and that those services receive appropriate funding, balanced with ensuring that the community does not face significant increases in their annual rates contribution. The Council aims to deliver a budget that not only contributes to the Council’s broader strategic objectives, but is also financially sound and allows the Council to meet its financing commitments from cash derived from operating activities without placing a burden on citizens through excessive rate revenue increases.

The key driver for this year’s budget is to develop an Annual Business Plan and Budget that not only facilitates the delivery of the Council’s broader strategic objectives, but also ensures that the Council's long term financial objective of managing its financial resources in a sustainable and equitable manner is achieved.

The overall objective of the Draft 2016-2017 Budget, is that the Council’s long term financial objective of managing its financial resources in a sustainable and equitable manner is achieved but also ensure that the Budget is, at a minimum, cash neutral after principal loan repayments.
As detailed in Table 4 below, the Draft 2016-2017 Operating Surplus is $2.376m, which is based on a Recurrent Operating Surplus of $2.343m and an Operating Surplus, relating to Operating Projects, of $0.034m. It should be noted that the Draft Operating Surplus includes $0.602m Roads-to-Recovery Grant income, which will be utilised to fund the upgrade of the River Torrens Linear Park Path. Adjusting for the Roads-to-Recovery Grant income, the underlying Draft Operating Surplus for the provision of continuing services and programs and new initiatives is projected to be $1.775m.

With a proposed rate revenue increase of 2.25%, combined with the proposed Capital Works Renewal Program, the Draft 2016-2017 Budget will, deliver a Cash Deficit of $0.398m, after Principal loan repayments of $2.014m. The closing cash balance is projected to be $0.626m.

**TABLE 4: 2016-2017 PROPOSED BUDGETED STATEMENT OF COMPREHENSIVE INCOME**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Rates</td>
<td>33,101,649</td>
<td>-</td>
<td>-</td>
<td>33,101,649</td>
</tr>
<tr>
<td>Statutory charges</td>
<td>1,719,500</td>
<td>-</td>
<td>-</td>
<td>1,719,500</td>
</tr>
<tr>
<td>User charges</td>
<td>3,432,868</td>
<td>35,000</td>
<td>-</td>
<td>3,467,868</td>
</tr>
<tr>
<td>Grants, subsidies and contributions</td>
<td>2,180,018</td>
<td>647,000</td>
<td>-</td>
<td>2,827,018</td>
</tr>
<tr>
<td>Investment income</td>
<td>105,336</td>
<td>-</td>
<td>-</td>
<td>105,336</td>
</tr>
<tr>
<td>Other income</td>
<td>581,455</td>
<td>-</td>
<td>-</td>
<td>581,455</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>41,120,826</td>
<td>682,000</td>
<td>-</td>
<td>41,802,826</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee costs</td>
<td>14,550,983</td>
<td>-</td>
<td>-</td>
<td>14,550,983</td>
</tr>
<tr>
<td>Materials, contracts &amp; other expenses</td>
<td>15,127,663</td>
<td>648,000</td>
<td>-</td>
<td>15,775,663</td>
</tr>
<tr>
<td>Finance costs</td>
<td>1,074,265</td>
<td>-</td>
<td>-</td>
<td>1,074,265</td>
</tr>
<tr>
<td>Depreciation, amortisation &amp; impairment</td>
<td>8,025,000</td>
<td>-</td>
<td>-</td>
<td>8,025,000</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>38,777,911</td>
<td>648,000</td>
<td>-</td>
<td>39,425,911</td>
</tr>
</tbody>
</table>

| OPERATING SURPLUS / (DEFICIT) | 2,342,915 | 34,000 | - | 2,376,915 |
| Net gain (loss) on disposal or revaluation of assets | - | - | 23,000 | 23,000 |
| Amounts specifically for new or upgraded assets | - | - | 2,873,000 | 2,873,000 |
| Physical assets received free of charge | - | - | 3,320,000 | 3,320,000 |
| **NET SURPLUS (DEFICIT)** | 2,342,915 | 34,000 | 6,216,000 | 8,592,915 |

The Budget Papers, which are set out in the prescribed format, are contained in Attachment B.

Based on the Week 50 valuations, the impact of a 2.25 % increase in rate revenue on the average residential rate, after allowing for the impact of new development is an additional $25 per annum (or a 1.85% increase), with the impact on the average commercial rate after allowing for the impact of new development being an increase of $15 per annum (or a 0.60% increase).

**Budgeted Capital Projects Including Capital Works**

At the Special Meeting held on 19 April 2016, the Council endorsed that the Draft 2016-2017 Annual Business Plan which includes new Capital Projects with a combined value of $17.979m.

The funding allocation includes $3.910m for the Whole-of-Life Capital Works Program as detailed in Table 5 below.
TABLE 5 – CAPITAL WORKS

<table>
<thead>
<tr>
<th></th>
<th>Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road Resealing</td>
<td>$1.152m</td>
</tr>
<tr>
<td>Footpath Reconstruction</td>
<td>$1.017m</td>
</tr>
<tr>
<td>Kerbing Reconstruction</td>
<td>$0.722m</td>
</tr>
<tr>
<td>Recreation &amp; Open Space</td>
<td>$0.676m</td>
</tr>
<tr>
<td>Building</td>
<td>$0.414m</td>
</tr>
<tr>
<td><strong>TOTAL Whole-of Life</strong></td>
<td><strong>$3.910m</strong></td>
</tr>
</tbody>
</table>

In addition to the current years proposed Capital Projects, the Draft 2016-2017 Budget includes a funding allocation for Capital Projects which were adopted as part of the 2015-2016 Annual Business Plan and Budget and which are yet to be completed by 30 June 2016. While the actual value of projects yet to be completed will not be determined until 30 June 2016, an estimate of the projects to be carried forward to the 2016-2017 Financial year has been determined based on the 2015-2016 Third Quarter Budget Update. The value of carried forward Capital Projects included in the Draft 2016-2017 Budget is $4.051m, with the following major projects being carried forward:

- Felixstow Reserve Redevelopment ($3.500m); and
- Hackney Road Drainage ($0.500m).

The overall funding allocation required for the 2016-2017 proposed Capital Projects and 2015-2016 Capital Project Carry Forwards, is $17.979m. The 2016-2017 Capital Budget is offset by Grant Funding and Other Capital income of $6.216 m, resulting in a net cost to Council of $11.763m.

On a full accrual basis, the Capital Expenditure will not affect the operating result before Capital Revenues, except through future years’ depreciation and financing costs on any associated loan borrowings. Grant income received relating to Capital Projects will, however, be included as Capital Income within the Budgeted Income Statement after the Operating Surplus/(Deficit) as required by the Model Financial Statements prescribed by the Local Government Act 1999.

The following attachments are provided for the Council’s information:

- **Attachment C** – Recommended Capital and Operating Projects.
- **Attachment D** – Capital Works Program.

Borrowings

Proposed net capital expenditure of $11.763m is proposed to be funded as follows:

- Use of depreciation recovered through rate revenue $8.0 million.
- Long Term Borrowings $3.1 million.
- Roads-to Recovery Grant Funding $0.6 million

It is anticipated that the long term borrowings of $3.1m, will not be required to be taken out prior to 31 December 2016, thereby minimising the interest expense to be included in the 2016-2017 Recurrent Operating Budget. The impact of interest ($0.060m) has been incorporated into the Draft 2016-2017 Budget.

In addition to Long Term Borrowings, the Council may be required to take out short term borrowings to cover periods of negative cash flow. Based on prior year’s short term borrowings, an additional $0.020m of interest costs has been included in the Draft 2016-2017 Recurrent Budget.

As detailed in the Budgeted Cash Flow Statement (**Attachment B**), the closing cash balance is projected to be $0.625m at the end of the financial year after the loan principal repayments of $2.014m.
### Fees and Charges

At the Council Meeting held on 1 March 2016, the Council adopted “in-principle” the Fees and Charges to be applied for 2016-2017.

The 2016-2017 Schedule of Fees and Charges, with the recommended increases is contained in Attachment E.

### Rates Modelling

The rate modelling information provided at the Special Council Meeting held on 26 April 2016, was based on valuations at 10 April 2016. Valuations at 14 June 2016 (Attachment F) are now available and it is proposed that these valuations now be used. The modelling is based on a rate revenue increase of 2.25%.

Table 6 provides a summary of the Rating Strategy.

<table>
<thead>
<tr>
<th>TABLE 6: RATING STRATEGY</th>
<th>2015-2016</th>
<th>2016-2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Rate Revenue Increases</td>
<td>2.5%</td>
<td>2.25%</td>
</tr>
<tr>
<td>$'000</td>
<td>$'000</td>
<td></td>
</tr>
<tr>
<td>Net General Rate Revenue</td>
<td>31,020m</td>
<td>31,718m</td>
</tr>
<tr>
<td>Net Increase on Previous Year</td>
<td>757</td>
<td>698</td>
</tr>
<tr>
<td>Operating Surplus/(Deficit) after rate revenue increases</td>
<td>2,419</td>
<td>2,377</td>
</tr>
<tr>
<td>Residential Rate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Rate (inclusive of new development) ($)</td>
<td>1,392</td>
<td>1,417</td>
</tr>
<tr>
<td>Average Rate Difference ( $)</td>
<td>20</td>
<td>25</td>
</tr>
<tr>
<td>Increase from previous year (%)</td>
<td>1.4%</td>
<td>1.85%</td>
</tr>
<tr>
<td>Rate-in-the-Dollar</td>
<td>0.002584</td>
<td>0.002539</td>
</tr>
<tr>
<td>Commercial Rate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Rate (inclusive of new development) ($)</td>
<td>2,534</td>
<td>2,549</td>
</tr>
<tr>
<td>Average Rate Difference ( $)</td>
<td>$75</td>
<td>$15</td>
</tr>
<tr>
<td>Increase from previous year (%)</td>
<td>3.06%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Rate-in-the-Dollar</td>
<td>0.003101</td>
<td>0.003047</td>
</tr>
<tr>
<td>Minimum Rate</td>
<td>919</td>
<td>939</td>
</tr>
</tbody>
</table>

As illustrated in Diagram 1 below, based on a Rate Revenue increase of 2.25%, the rate increase from 2015-2016 for 88% of the Residential ratepayers will be 3% or below, with 11.3% of ratepayers experiencing a reduction in the rates payable compared to 2015-2016. The rate increase for 11.1% of Residential ratepayers will be between 3% and 4.5%, and 0.2% between 4.5% and 10%, and 0.2% between 10% and 15%, with the remaining 1.1% incurring a rate increase greater than 15%. However the Council’s rate capping applies to assessments where the rate increase is greater than 4.5%, subject to certain conditions.
Diagram 1

Natural Resources Management (NRM) Levy

In 2016-2017, the Council will collect $1.111m (a 6% increase on 2015-2016), on behalf of the Adelaide & Mount Lofty Natural Resources Management Board for the payment of the State Government Natural Resources Management Levy. The Council is acting as the revenue collector for the Adelaide & Mount Lofty Ranges Natural Resources Board in this regard and does not retain this revenue. The total amount of the Levy proposed to be raised by the Board for the 2016-2017 Financial year is $27.337 million. The property owners within the City of Norwood Payneham & St Peters will be required to contribute 4% of the total of the Levy for 2016-2017 Financial year.

Draft 2016-2017 Rating Policy

As part of its Annual Business Plan, the Council is required to adopt a Rating Policy, which formally documents the Councils Rating Strategy. The Draft 2016-2017 Rating Policy (based on a rate revenue increase of 2.25%) is contained in Attachment G.

The amendments which have been made to the Draft 2016-2017 Rating Policy are:

- amending the average residential rate (inclusive of new development) to $1,417 (an increase of $25 per annum);
- amending the minimum rate from $919 to $939 (an increase of $20 per annum);
- amending the net rate revenue (excluding fines and NRM Levy) from $31.020m to $31.718m (an increase of $0.698m); and
- amending rate revenue as a result of new development (an increase of $0.161m).

As outlined in the Draft 2016-2017 Rating Policy, the average residential rate has increased from $1,392 to $1,417, an increase of 1.85% (or $25 per annum). Information on average residential rates for 2016-2017 is not available for all metropolitan Council’s, however Table 7 below details the average residential rate for selected metropolitan Councils known at the time of compiling this report. These rates are still to be ratified by the respective councils.

TABLE 7 – COMPARISON OF AVERAGE RESIDENTIAL RATE

<table>
<thead>
<tr>
<th>Council Area</th>
<th>Average Residential Rate 2016-2017</th>
<th>Average Residential Rate 2015-2016</th>
<th>% Increase</th>
<th>$ Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prospect</td>
<td>$1,720</td>
<td>$1,684</td>
<td>2.0%</td>
<td>$36</td>
</tr>
<tr>
<td>Burnside</td>
<td>$1,706</td>
<td>$1,690</td>
<td>0.9%</td>
<td>$16</td>
</tr>
<tr>
<td>Unley</td>
<td>$1,706</td>
<td>$1,662</td>
<td>2.6%</td>
<td>$44</td>
</tr>
<tr>
<td>Mitcham</td>
<td>$1,614</td>
<td>$1,573</td>
<td>2.6%</td>
<td>$41</td>
</tr>
<tr>
<td>Campbeltown</td>
<td>$1,443</td>
<td>$1,387</td>
<td>4.0%</td>
<td>$56</td>
</tr>
<tr>
<td>Holdfast Bay</td>
<td>$1,435</td>
<td>$1,406</td>
<td>2.0%</td>
<td>$29</td>
</tr>
<tr>
<td>Norwood Payneham &amp; St Peters</td>
<td>$1,417</td>
<td>$1,392</td>
<td>1.85%</td>
<td>$25</td>
</tr>
</tbody>
</table>
The recommended minimum rate of $939 per annum, is comparable to that which is set by neighbouring Council's namely:

- Unley $758 pa;
- Burnside $810 pa;
- Campbelltown $909 pa;
- Holdfast Bay $923 pa;
- Mitcham $983 pa; and
- Prospect $1,112 pa.

For 2016-2017, the Capital Value has increased (as advised by the Valuer-General) across the City of Norwood Payneham & St Peters by 3.9%. Table 8 below details the Capital Value movements by land use for all property classes within the City of Norwood Payneham & St Peters.

### TABLE 8 - VALUATION INCREASE FROM 2015-2016 BY LAND USE

<table>
<thead>
<tr>
<th>Land Use</th>
<th>2016-2017 Capital Value $</th>
<th>2015-2016 Capital Value $</th>
<th>% Increase/(Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>$9,445,935,833</td>
<td>$9,041,386,579</td>
<td>4.5%</td>
</tr>
<tr>
<td>Commercial</td>
<td>$1,831,822,810</td>
<td>$1,799,527,960</td>
<td>1.8%</td>
</tr>
<tr>
<td>Industrial</td>
<td>$125,117,737</td>
<td>$122,882,241</td>
<td>1.8%</td>
</tr>
<tr>
<td>Vacant Land</td>
<td>$91,008,000</td>
<td>$88,503,000</td>
<td>2.8%</td>
</tr>
<tr>
<td>Other</td>
<td>$279,470,120</td>
<td>$272,965,220</td>
<td>2.4%</td>
</tr>
<tr>
<td>Non-Rateable</td>
<td>$251,604,200</td>
<td>$244,124,580</td>
<td>3.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$12,024,958,700</strong></td>
<td><strong>$11,569,389,580</strong></td>
<td><strong>3.9%</strong></td>
</tr>
</tbody>
</table>

To assist Elected Members to explain the increase to rate payers an information sheet, "My rates have gone up but tell me what has changed since the budget was adopted last year", has been prepared and is available in Attachment H.

### OPTIONS

The Council has a number of options in respect to the Draft 2016-2017 Budget. For the purposes of simplicity, the following options are put forward:

1. **Adopt the Draft 2016-2017 Annual Business Plan and Budget**, which plans to deliver an Operating Surplus of $2.377m and an overall Net Surplus (including Capital Income) of $8.593m, as contained in Attachment A, which:
   - is in line with the components which have been adopted “in principle” by the Council at its Meetings held on 11 April 2016, 19 April 2016, 26 April 2016 and 6 June 2016;
   - incorporates the adjustments proposed at those meetings; and
   - is based on a rate revenue increase of 2.25%, resulting in an increase in the average residential rate of 1.85% (inclusive of the impact of new development).

2. **Amend the Draft 2016-2017 Annual Business Plan and Budget** by either:
   - increasing or decreasing the proposed rate revenue increase; and/or
   - amending the Capital works or Operating Projects expenditure; and/or
   - amending the Recurrent Expenditure Budget.

The Council is required to adopt a budget which it believes is fair and reasonable, while also positioning the Council to achieve on-going financial sustainability. For the purposes of the recommendation, Option 1 has been proposed, as this option will ensure that the Council is positioned to achieve future on-going financial sustainability.
CONCLUSION

The Council, through the adoption of the LTFP, has a clear strategy of achieving financial sustainability. Financial sustainability means having a financial position capable of meeting long term service and infrastructure levels and standards, which are acceptable to the community plus having the financial capacity to meet its financial obligations from cash generated from operations or cash reserves.

In developing the Draft 2016-2017 Budget, the Council has confirmed its commitment to ensuring the maintenance and renewal of its significant asset base is maintained, as well as providing the services, programs and facilities which the community expects the Council to fund from the revenues which is raised.

COMMENTS

The recommendation which is set out below has been reviewed by KelleyJones (Lawyers), for compliance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011. It should be noted that upon recommendation from KelleyJones (Lawyers), as the Council has delegated to the Chief Executive Officer, the powers as outlined in Section 181 (2) through to Section 181 (13) of the Local Government Act 1999, these components have been removed from the Rates Declaration.

RECOMMENDATION

That in exercise of the powers contained in Chapters 8, 9 and 10 of the Local Government Act 1999 and in respect to the Financial Year ending 30 June 2017, the following recommendations be adopted by the Council.

1. Adoption of 2016-2017 Annual Business Plan

   (a) Pursuant to and in accordance with the provisions of Section 123 of the Local Government Act 1999 and Regulation 6 of the Local Government (Financial Management) Regulations 2011, and having considered all submissions received in accordance with Section 123 (6) of the Local Government Act, 1999, the Annual Business Plan for the 2016-2017 Financial Year, as contained within Attachment A and the Council’s Rating Policy as contained in Attachment G, be adopted.

   (b) That the Chief Executive Officer be authorised to make editorial changes to the 2016-2017 Annual Business Plan as contained within Attachment A prior to the final publication.

2. Adoption of 2016-2017 Annual Budget

   That having adopted the Annual Business Plan 2016-2017 and having considered the Budget for the 2015-2016 Financial Year in conjunction with, and determined it to be consistent with, the Annual Business Plan:

   (a) Pursuant to and in accordance with Section 123 of the Local Government Act 1999 and Regulation 7 of the Local Government (Financial Management) Regulations 2011, the Budgeted Income Statement, Budgeted Balance Sheet, Budgeted Cash Flow Statement, the Budgeted Statement of Changes in Equity as contained within Attachment B, be adopted;

   (b) Pursuant to and in accordance with Section 123 of the Local Government Act 1999 and Regulation 7 of the Local Government (Financial Management) Regulations 2011, the statement regarding the Operating Surplus Position contained within Attachment B, be adopted;

   (c) Pursuant to and in accordance with Section 123 of the Local Government Act 1999 and Regulation 7 of the Local Government (Financial Management) Regulations 2011, the Uniform Presentation of Finances as contained within Attachment B, be adopted;

   (d) Pursuant to and in accordance with Section 123 of the Local Government Act 1999 and Regulation 7 of the Local Government (Financial Management) Regulations 2011, the Financial Indicators as contained within Attachment B, be adopted.
3. Adoption of Valuation

Pursuant to the provisions of Section 167(2) (a) of the Local Government Act 1999, the Council adopts, for rating purposes, the Valuer-General’s Valuation of Capital Values applicable to land within the area of the Council for the 2015-2016 Financial Year totalling $11,569,389,580 - (an increase of 3.7%) and that 1 July 2015, is specified as the date on which such valuations are adopted.

4. Rate Capping

That pursuant to Section 153(3) of the Local Government Act 1999, the Council determines to fix a maximum increase of 4.5% in the general rate to be charged (after application of any eligible rebate) on rateable land within its area that constitutes the principal place of residence of a principal rate payer for the Financial Year ended 30 June 2016 and for this purpose determines that any amount in excess of the 4.5% maximum increase be remitted.

5. Declaration of Rates

Having taken into account the general principles of rating contained in Section 150 of the Local Government Act, 1999 and the requirements of Section 153 (2) of the Local Government Act 1999, in exercise of the powers in Section 153(1)(b) and pursuant to Section 156(1)(a) of the Local Government Act 1999, the Council declares differential general rates, based on the Capital Value of rateable land, such differential rates varying according to the use of the land as designated in Regulation 14(1) of the Local Government (General) Regulations 2013, for the Financial Year ending 30 June 2016, as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>0.25843 cents-in-the-dollar</td>
</tr>
<tr>
<td>Commercial – Shop</td>
<td>0.31011 cents-in-the-dollar</td>
</tr>
<tr>
<td>Commercial – Office</td>
<td>0.31011 cents-in-the-dollar</td>
</tr>
<tr>
<td>Commercial – Other</td>
<td>0.31011 cents-in-the-dollar</td>
</tr>
<tr>
<td>Industry – Light</td>
<td>0.31011 cents-in-the-dollar</td>
</tr>
<tr>
<td>Industry – Other</td>
<td>0.31011 cents-in-the-dollar</td>
</tr>
<tr>
<td>Primary Production</td>
<td>0.31011 cents-in-the-dollar</td>
</tr>
<tr>
<td>Vacant Land</td>
<td>0.31011 cents-in-the-dollar</td>
</tr>
<tr>
<td>Other</td>
<td>0.31011 cents-in-the-dollar</td>
</tr>
</tbody>
</table>

6. Minimum Rate

Pursuant to the provisions of Section 158(1) (a) of the Local Government Act 1999 and in accordance with the provisions of Section 158 (2) of the Local Government Act 1999, the Council fixes $939 as the minimum amount payable by way of general rates for the Financial Year ending 30 June 2016.

7. The Parade Precinct Development Separate Rate

For the Financial Year ending 30 June 2016 and pursuant to the provisions of Section 154 of the Local Government Act 1999, in order to support and improve business viability, profitability, trade and commerce, being an activity that is intended to be of particular benefit to the land in that part of the Council’s area comprising the following geographical boundary:

- the District Commercial Zone surrounding The Parade, Norwood, situated between Portrush Road to the east and Fullarton Road to the west;
- the Mixed Use (Business) Zones adjacent to the District Commercial Zone surrounding The Parade, Norwood, situated between Portrush Road to the east and Fullarton Road;
- the Business Zone on The Parade; and
- a frontage to The Parade in the Mixed Use Historic (Conservation) Zone;
where such zones are identified in the Council’s Development Plan:

- the Council declares pursuant to sections 154(7) and 156(1)(a) of the Act a differential separate rate of 0.05626 cents-in-the-dollar on the Capital Value of all land classified as Category 2 – Commercial Shop, Category 3 – Commercial Office Category 4 – Commercial Other and Category 5 - Industrial Light.
- the Council grants a discretionary rebate of 50% of The Parade Precinct Development Separate Rate under Section 166(1) (a) of the Local Government Act 1999, to all properties that fall within the geographical boundary described above and which have a land use of Category 3 – Commercial Office.

8. **Separate Rate**

Pursuant to the provisions of Section 154(1) of the Local Government Act 1999 and Section 95 of the Natural Resources Management Act 2004, in order to reimburse to the Council the amount contributed to The Adelaide and Mt Lofty Ranges Natural Resources Management Board, the Council declares a separate rate based on the value of the land the subject of the rate of 0.949 cents-in-the-dollar on the Capital Value of rateable property within the area of the Council and of the Board for the Financial Year ending 30 June 2016.

9. **Payment of Rates**

Pursuant to Section 181 of the Local Government Act 1999, the Council declares that all rates, for the Financial Year ending 30 June 2016, shall be payable in four (4) equal or approximately equal instalments, falling due on 1 September 2015, 1 December 2015, 1 March 2016 and 1 June 2016, provided that in cases where the account requiring payment of rates is not sent out at least 30 days prior to the due date for payment, the authority to fix the date by which rates must be paid in respect to those assessments, be determined by the Chief Executive Officer.

10. **Loan Borrowings**

(a) The Council of the City of Norwood Payneham & St Peters approves Loan Borrowings for the 2016-2017 Financial Year up to a maximum of $3,105,000 for the purposes of capital expenditure funding.

(b) The Council of the City of Norwood Payneham & St Peters approves Loan Borrowings up to a maximum of $2,820,000 for the purposes of providing a loan to the Norwood Football Club, being the Norwood Football Club’s part contribution to the redevelopment of the Norwood Oval Members Facilities.

(c) The Chief Executive Officer is authorised to negotiate the most beneficial financial terms for the Council with a lending authority after obtaining competitive written quotes at a time considered appropriate by management and arrange the drawdown of the loan.

(d) The Chief Executive Officer is authorised to sign all documentation associated with the Loan Borrowings referred to in (a) and (b) above. Further, where any such documentation is executed under seal that in accordance with the Local Government Act 1999 the Mayor and Chief Executive Officer will attend to the affixation of the common seal.

11. **Fees & Charges**

Pursuant to Section 188 (1) of the Local Government Act 1999, the Schedule of Fees and Charges for the 2016-2017 Financial Year detailed in Attachment E be adopted.
Cr MacRae left the meeting at 8.07pm.
Cr MacRae returned to the meeting at 8.09pm.

Cr Wormald moved:

That in exercise of the powers contained in Chapters 8, 9 and 10 of the Local Government Act 1999 and in respect to the Financial Year ending 30 June 2017, the following recommendation be adopted by the Council.

1. Adoption of 2016-2017 Annual Business Plan

   (a) Pursuant to and in accordance with the provisions of Section 123 of the Local Government Act 1999 and Regulation 6 of the Local Government (Financial Management) Regulations 2011, and having considered all submissions received in accordance with Section 123 (6) of the Local Government Act, 1999, the Annual Business Plan for the 2016-2017 Financial Year, as contained within Attachment A, as amended by the following:

   That regarding the proposed initiative 'Inflatable Obstacle Course' the following applies:

   - That no action be taken on this initiative until completion of the Council’s consideration of the results of the Public Consultation this year on the future of the Norwood Swimming Pool.
   - That this Public Consultation include along with the ‘Obstacle Course’ consideration of the alternative of using the same sum ($18,000) to reduce the height of the current diving board at this Pool so it will no longer be in breach of the Swimming Pool Safety Guidelines.
   - That this item be included in further Council consideration of future initiatives to improve this Pool.

   and the Council’s Rating Policy as contained in Attachment G, be adopted.

   (b) That the Chief Executive Officer be authorised to make editorial changes to the 2016-2017 Annual Business Plan as contained within Attachment A prior to the final publication.

Seconded by Cr Mex.

Amendment

Cr Frogley moved:

That in exercise of the powers contained in Chapters 8, 9 and 10 of the Local Government Act 1999 and in respect to the Financial Year ending 30 June 2017, the following recommendation be adopted by the Council.

1. Adoption of 2016-2017 Annual Business Plan

   (b) Pursuant to and in accordance with the provisions of Section 123 of the Local Government Act 1999 and Regulation 6 of the Local Government (Financial Management) Regulations 2011, and having considered all submissions received in accordance with Section 123 (6) of the Local Government Act, 1999, the Annual Business Plan for the 2016-2017 Financial Year, as contained within Attachment A, as amended by the following:

   That regarding the proposed initiative 'Inflatable Obstacle Course' the following applies:

   - That no action be taken on this initiative until completion of the Council’s consideration of the results of the Public Consultation this year on the future of the Norwood Swimming Pool.
• That this Public Consultation include along with the ‘Obstacle Course’ consideration of the possible alternative of using the same sum ($18,000) to reduce the height of the current diving board at this Pool so it will no longer be in breach of the Swimming Pool Safety Guidelines.
• That this item be included in further Council consideration of future initiatives to improve this Pool.

and the Council’s Rating Policy as contained in Attachment G, be adopted.

(b) That the Chief Executive Officer be authorised to make editorial changes to the 2016-2017 Annual Business Plan as contained within Attachment A prior to the final publication.

Seconded by Cr Whitington.

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

Cr Frogley moved:

That in exercise of the powers contained in Chapters 8, 9 and 10 of the Local Government Act 1999 and in respect to the Financial Year ending 30 June 2017, the following recommendations be adopted by the Council.

2. **Adoption of 2016-2017 Annual Budget**

That having adopted the Annual Business Plan 2016-2017 (as amended) and having considered the Budget for the 2015-2016 Financial Year in conjunction with, and determined it to be consistent with, the Annual Business Plan:

(a) Pursuant to and in accordance with Section 123 of the Local Government Act 1999 and Regulation 7 of the Local Government (Financial Management) Regulations 2011, the Budgeted Income Statement, Budgeted Balance Sheet, Budgeted Cash Flow Statement, the Budgeted Statement of Changes in Equity as contained within Attachment B, be adopted;

(b) Pursuant to and in accordance with Section 123 of the Local Government Act 1999 and Regulation 7 of the Local Government (Financial Management) Regulations 2011, the statement regarding the Operating Surplus Position contained within Attachment B, be adopted;

(c) Pursuant to and in accordance with Section 123 of the Local Government Act 1999 and Regulation 7 of the Local Government (Financial Management) Regulations 2011, the Uniform Presentation of Finances as contained within Attachment B, be adopted;

(d) Pursuant to and in accordance with Section 123 of the Local Government Act 1999 and Regulation 7 of the Local Government (Financial Management) Regulations 2011, the Financial Indicators as contained within Attachment B, be adopted.

3. **Adoption of Valuation**

Pursuant to the provisions of Section 167(2) (a) of the Local Government Act 1999, the Council adopts, for rating purposes, the Valuer-General’s Valuation of Capital Values applicable to land within the area of the Council for the 2015-2016 Financial Year totalling $11,569,389,580 - (an increase of 3.7%) and that 1 July 2015, is specified as the date on which such valuations are adopted.
4. **Rate Capping**

That pursuant to Section 153(3) of the Local Government Act 1999, the Council determines to fix a maximum increase of 4.5% in the general rate to be charged (after application of any eligible rebate) on rateable land within its area that constitutes the principal place of residence of a principal rate payer for the Financial Year ended 30 June 2016 and for this purpose determines that any amount in excess of the 4.5% maximum increase be remitted.

5. **Declaration of Rates**

Having taken into account the general principles of rating contained in Section 150 of the Local Government Act, 1999 and the requirements of Section 153 (2) of the Local Government Act, 1999, in exercise of the powers in Section 153(1)(b) and pursuant to Section 156(1)(a) of the Local Government Act 1999, the Council declares differential general rates, based on the Capital Value of rateable land, such differential rates varying according to the use of the land as designated in Regulation 14(1) of the Local Government (General) Regulations 2013, for the Financial Year ending 30 June 2016, as follows:

<table>
<thead>
<tr>
<th>Use of Land</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>0.25843 cents-in-the-dollar</td>
</tr>
<tr>
<td>Commercial – Shop</td>
<td>0.31011 cents-in-the-dollar</td>
</tr>
<tr>
<td>Commercial – Office</td>
<td>0.31011 cents-in-the-dollar</td>
</tr>
<tr>
<td>Commercial – Other</td>
<td>0.31011 cents-in-the-dollar</td>
</tr>
<tr>
<td>Industry – Light</td>
<td>0.31011 cents-in-the-dollar</td>
</tr>
<tr>
<td>Industry – Other</td>
<td>0.31011 cents-in-the-dollar</td>
</tr>
<tr>
<td>Primary Production</td>
<td>0.31011 cents-in-the-dollar</td>
</tr>
<tr>
<td>Vacant Land</td>
<td>0.31011 cents-in-the-dollar</td>
</tr>
<tr>
<td>Other</td>
<td>0.31011 cents-in-the-dollar</td>
</tr>
</tbody>
</table>

6. **Minimum Rate**

Pursuant to the provisions of Section 158(1) (a) of the Local Government Act 1999 and in accordance with the provisions of Section 158 (2) of the Local Government Act 1999, the Council fixes $939 as the minimum amount payable by way of general rates for the Financial Year ending 30 June 2016.

7. **The Parade Precinct Development Separate Rate**

For the Financial Year ending 30 June 2016 and pursuant to the provisions of Section 154 of the Local Government Act 1999, in order to support and improve business viability, profitability, trade and commerce, being an activity that is intended to be of particular benefit to the land in that part of the Council’s area comprising the following geographical boundary:

- the District Commercial Zone surrounding The Parade, Norwood, situated between Portrush Road to the east and Fullarton Road to the west;
- the Mixed Use (Business) Zones adjacent to the District Commercial Zone surrounding The Parade, Norwood, situated between Portrush Road to the east and Fullarton Road;
- the Business Zone on The Parade; and
- a frontage to The Parade in the Mixed Use Historic (Conservation) Zone;

where such zones are identified in the Council’s Development Plan:

- the Council declares pursuant to sections 154(7) and 156(1)(a) of the Act a differential separate rate of 0.05626 cents-in-the-dollar on the Capital Value of all land classified as Category 2 – Commercial Shop, Category 3 – Commercial Office Category 4 – Commercial Other and Category 5 - Industrial Light.
- the Council grants a discretionary rebate of 50% of The Parade Precinct Development Separate Rate under Section 166(1) (a) of the Local Government Act 1999, to all properties that fall within the geographical boundary described above and which have a land use of Category 3 – Commercial Office.
8. **Separate Rate**

   Pursuant to the provisions of Section 154(1) of the Local Government Act 1999 and Section 95 of the Natural Resources Management Act 2004, in order to reimburse to the Council the amount contributed to The Adelaide and Mt Lofty Ranges Natural Resources Management Board, the Council declares a separate rate based on the value of the land the subject of the rate of 0.949 cents-in-the-dollar on the Capital Value of rateable property within the area of the Council and of the Board for the Financial Year ending 30 June 2016.

9. **Payment of Rates**

   Pursuant to Section 181 of the Local Government Act 1999, the Council declares that all rates, for the Financial Year ending 30 June 2016, shall be payable in four (4) equal or approximately equal instalments, falling due on 1 September 2015, 1 December 2015, 1 March 2016 and 1 June 2016, provided that in cases where the account requiring payment of rates is not sent out at least 30 days prior to the due date for payment, the authority to fix the date by which rates must be paid in respect to those assessments, be determined by the Chief Executive Officer.

10. **Loan Borrowings**

   (a) The Council of the City of Norwood Payneham & St Peters approves Loan Borrowings for the 2016-2017 Financial Year up to a maximum of $3,105,000 for the purposes of capital expenditure funding.

   (b) The Council of the City of Norwood Payneham & St Peters approves Loan Borrowings up to a maximum of $2,820,000 for the purposes of providing a loan to the Norwood Football Club, being the Norwood Football Club's part contribution to the redevelopment of the Norwood Oval Members Facilities.

   (c) The Chief Executive Officer is authorised to negotiate the most beneficial financial terms for the Council with a lending authority after obtaining competitive written quotes at a time considered appropriate by management and arrange the drawdown of the loan.

   (d) The Chief Executive Officer is authorised to sign all documentation associated with the Loan Borrowings referred to in (a) and (b) above. Further, where any such documentation is executed under seal that in accordance with the Local Government Act 1999 the Mayor and Chief Executive Officer will attend to the affixation of the common seal.

11. **Fees & Charges**

   Pursuant to Section 188 (1) of the Local Government Act 1999, the Schedule of Fees and Charges for the 2016-2017 Financial Year detailed in Attachment E be adopted.

Seconded by Cr Minney and carried.
Section 3 – Governance & General

Reports
11.4 REPORTS OUTSTANDING

<table>
<thead>
<tr>
<th>REPORT AUTHOR:</th>
<th>Chief Executive Officer</th>
</tr>
</thead>
<tbody>
<tr>
<td>GENERAL MANAGER:</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>CONTACT NUMBER:</td>
<td>83664520</td>
</tr>
<tr>
<td>FILE REFERENCE:</td>
<td>Nil</td>
</tr>
<tr>
<td>ATTACHMENTS:</td>
<td>A</td>
</tr>
</tbody>
</table>

PURPOSE OF REPORT

As part of the Organisation’s management system, a Reports Outstanding List will be prepared on a monthly basis. The purpose of the List is to keep track of any reports that have been requested and the status of those reports.

A copy of the List is contained in Attachment A.

BACKGROUND

Nil

DISCUSSION

Nil

RECOMMENDATION

That the report be received and noted.

Cr Moore moved:

That the report be received and noted.

Seconded by Cr Minney and carried.
11.5 DRAFT ROAD TRAFFIC (BICYCLES ON FOOTPATHS) AMENDMENT BILL 2016

REPORT AUTHOR: General Manager, Urban Planning & Environment
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4501
FILE REFERENCE: S/00660
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to present the draft Road Traffic (Bicycles on Footpaths) Amendment Bill 2016 (the draft Amendment Bill), to the Council for its consideration.

BACKGROUND

New laws that encourage all road users to better share roadways and reduce the number of accidents involving and between cyclists and motorists, came into effect on 25 October 2015. The changes allow cyclists of all ages to ride on footpaths, unless a sign is posted that specifically prohibits cyclists from doing so. The changes also prescribe a ‘one metre rule’ as a safe distance for motorists when overtaking cyclists on the road.

These amendments reflect two (2) of the main recommendations of a State Government Citizen’s Jury which was held in 2015 on the issue of cyclists and motorists sharing the road. Public consultation undertaken by the State Government as part of the Citizen’s Jury consultation, revealed that over 70% of those surveyed supported these two (2) changes.

The Local Government Association of South Australia (LGA) provided comment on the new cycling proposals put forward by the Citizens’ Jury in November 2014.

The LGA raised a number of concerns including:

- allowing cyclists on footpaths would require additional infrastructure improvements which would be cost prohibitive for ratepayers;
- the need for Councils to have discretion to prohibit cyclists on footpaths where they were deemed inappropriate for cycling;
- that any issues of liability be addressed to ensure that Councils are not liable for cyclists on footpaths;
- that the phrase ‘when there is no safe alternative to riding on the road’ was too ambiguous and open to interpretation; and
- the implementation of the recommendations should be undertaken with significant consultation with Councils.

The State Government subsequently proposed to implement the cycling law, by introducing Clause 11A into the Road Traffic (Road Rules – Ancillary & Miscellaneous Provisions) Regulations 2014 (the Regulations), to allow for the ‘1 metre’ passing rule and repealing Clause 33 of the Regulations that limited cycling on footpaths to children under twelve (12) years of age and adults who accompanied them. As the Road Rules changes were proposed via Regulation, legislative change was not required.

In March 2015, the LGA provided comments on the State Government’s proposal to implement the rule changes, based on feedback from Councils. The key points of that advice are set out below.

- the speed of cycling on footpaths should be ‘walking pace’;
- cycling on footpaths should only be permitted where the footpath is paved and where the footpath is greater than 1.5 metres wide;
- surface requirements of footpaths should be taken into account before cycling is permitted;
- the need to implement signage at multiple locations and to balance that with the need for visual amenity;
the need for a risk assessment process for inclusion or exclusion of a footpath for any specific reasons;
the need for a risk assessment process to eliminate or minimise (at identified) impact points due to roadside furniture and/or vegetation;
liability issues arising from cycling on footpaths;
the need for exclusion zones for high use footpaths;
the need to consider the impact on the disabled; and
the uncertainty for Councils around enforcement issues.

The LGA’s concerns were not addressed prior to the introduction of the rule changes, which left Local Government in a state of uncertainty over their legal rights and obligations.

Since the introduction of the new cycling rules, the LGA has continued to liaise with the State Government to clarify a range of outstanding concerns. On 13 May 2016, the LGA hosted a cycling roundtable discussion to garner an understanding of the issues arising from the new cycling regulations permitting people of all ages to cycle on footpaths.

At the roundtable discussions, it was agreed that data needs to be collected to develop an evidenced-based approach in addressing concerns about cycling on footpaths and that a review period of two years from the date of introduction is warranted, to enable sufficient evidence to be gathered.

Notwithstanding this outcome, Mr David Pisoni MP, has introduced a draft Amendment Bill into Parliament, which provides for a 10 km/h default speed limit to be imposed on bicycles ridden on footpaths or shared paths, unless otherwise signposted and will allow Councils to change that speed limit without having to obtain approval from the Minister for Transport and Infrastructure.

A copy of the draft Amendment Bill is contained in Attachment A.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

The relevant Outcomes and Objectives contained in the Council’s Strategic Plan, CityPlan 2030, are set out below:

Outcome 1: Social Equity
“A connected, accessible and pedestrian-friendly community”

Objective 2. A people-friendly, integrated, sustainable and active transport and pedestrian network.
Strategy: Promote the use of alternative transport to motor vehicles.
Strategy: Provide improved and safer movement for cyclists, pedestrians and people using motorised personal vehicles.
Indicator: Percentage of residents riding bikes, walking or catching public transport at each Census.

Objective 4. A strong, healthy and resilient community.
Strategy: Encourage increased physical activity and healthier lifestyles.
Indicator: Percentage of residents participating in weekly physical exercise activity surveyed every two years.

Outcome 4: Environmental Sustainability
“A leader in environmental sustainability”

Objective 1. Sustainable and efficient management of water, waste, energy and other resources.
Strategy: Promote sustainable and active modes of transport.
Indicator: Annual amount of greenhouse gas emissions generated in the City.
The implementation of the new cycling rules is seeking to foster a safer and more convenient cycling environment and importantly, attract more women and younger riders, who traditionally have been less well represented in cycling participation rates. If cycling participation rates improve, then the rule changes will contribute to the achievement of healthier and more active communities, a goal of the State Public Health Plan and the Eastern Regional Public Health & Wellbeing Plan, entitled ‘Better Living, Better Health’.

The rule changes also support various State and Federal Government objectives and policies. At a Federal level, the National Cycling Strategy 2011-2016, aims to double the number of people cycling by 2016.

The State Government’s Road Safety Action Plan 2013 – 2016: Towards Zero Together, includes many priority actions that aim to improve cyclist safety and reduce trauma if they are involved in a road accident. Key to achieving this are education campaigns about sharing the road, grants and partnership programs that shift people towards safer, greener and more active travel and increasing the number of schools encouraging ‘Ride to School’ programs.

FINANCIAL AND BUDGET IMPLICATIONS

Nil.

EXTERNAL ECONOMIC IMPLICATIONS

A vibrant, active city is a prosperous city; the two go hand in hand. Creating a safer cycling environment will attract more people to the City, who may stay for longer periods and broaden the scope and long-term health of the local business sector. The annual value to the Australian economy from cycling tourism is estimated at $2.2 billion per year.

SOCIAL ISSUES

Whilst increased rates of cycling can contribute to a connected and healthy community, results from the Council’s community consultation undertaken on the then draft City wide Cycling Plan in 2013, revealed that the perceived unsafe nature of the existing road network was a significant barrier to increasing the number and frequency of people choosing to ride a bicycle. The rule changes will assist to reduce this barrier.

Use of the existing road network by bicycle riders benefits the whole community through easier, safer and faster movement for people. A City that people can access and easily move around by foot, bicycle or vehicle, is an attractive City.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Transport plays a vital role in our society with the private motor vehicle currently dominating the residential streetscape and how people choose to move. Cycling is an ecologically sustainable alternative form of transport that does not produce harmful particulate or greenhouse gas pollution, or congestion and offers a viable alternative to car use for many short or commuter journeys.

The creation of safer cycling environments and increased cycling participation rates, will have direct and indirect environmental benefits such as reducing consumption of fossil fuels and the generation of greenhouse gas emissions.

RESOURCE ISSUES

Nil.
RISK MANAGEMENT

The introduction of a default speed limit for riding bicycles on footpaths would not, of itself, introduce any significant risks. However, there is a real risk that the speed limit will not be enforced.

It is impossible to accurately enforce the speed of cyclists without a laser speed gun and it is unlikely that SA Police will dedicate resources to checking the speed of cyclists riding on footpaths or shared paths.

The risk can be managed to a limited extent through local sign-posting, the banning of cycling on designated footpaths and broad community education, however, the risk cannot be entirely mitigated.

CONSULTATION

- Elected Members
  Nil.

- Community
  Not Applicable.

- Staff
  General Manager, Governance & Community Affairs
  General Manager, Urban Services
  Manager, Urban Planning & Environment

- Other Agencies
  Not Applicable.

DISCUSSION

The draft Amendment Bill, provides for a 10 km/h default speed limit to be imposed on bicycles which are ridden on footpaths or shared paths, unless otherwise signposted and will allow Councils to change that speed limit without having to obtain approval from the Minister for Transport and Infrastructure.

The rationale underpinning the draft Amendment Bill is that the imposition of a default speed limit for cycling on footpaths or shared paths, makes it clear to cyclists that they must travel at low speeds and have enhanced consideration of pedestrians. It is also understood that the default speed limit of 10km/h was chosen to align with the speed that gophers are limited to in order to be classified as a pedestrian. It is also a speed at which cyclists can travel at a “leisurely pace” without the bike wobbling.

The draft Amendment Bill is supported by disability advocates including the Royal Society for the Blind and The Hon. Kelly Vincent MLC, who is the Dignity for Disability Party’s elected representative in the SA Parliament.

Whilst the draft Amendment Bill is well intentioned, the interaction between people cycling and pedestrians is already regulated through the Australian Road Rules. When cycling on a footpath or shared path, a person cycling must:

- keep to the left unless it is impracticable to do so;
- give way to any person walking on the footpath or shared path; and
- ring a bell or provide a verbal warning to alert people walking, if necessary, to avert danger. This could be just a friendly “hello” to make sure the person walking is aware that you are nearby.

In this context, ‘give way’ means the rider must slow down and if necessary, stop to avoid a collision.
Under the Australian Road Rules, enforced by SAPOL, a person cycling may be charged with an offence in the same way as a motorist. This includes demerit points against a person’s driver’s licence if they hold one or may prohibit someone from obtaining a licence in the future.

In conditions of low light, a person cycling on a road or footpath is required to display a white light at the front and a red light and reflector at the rear, so they can be seen by other road and path users.

Since the introduction of the new cycling laws, anecdotal evidence suggests that the use of footpaths by cyclists is selective to ‘pinch point’ locations of close proximity to vehicles and over short distances as part of a route. An example of this is the intersection of North Terrace and Hackney Road, where west bound cyclists riding on North Terrace and south bound cyclists riding on Hackney Road will often transition from the road to the footpath as they approach within 100 metres of the intersection. This is because the width of the road lane closest to the kerb is narrow and leaves no room on the road for a cyclist to ride safely and conveniently past stationary motor vehicles within the lane that are waiting for traffic signals to change at the intersection. Once the cyclists reach the intersection by riding on the footpath, they generally re-join the road carriageway.

Aside from the increased use of footpaths by cyclists at selective ‘pinch point’ locations, staff have not observed any significant increase in the use of footpaths by cyclists. This is likely to be because riding on footpaths is generally not attractive or convenient to cyclists because the ride is influenced and inconvenienced by many factors including the presence of pedestrians, variety of surface materials, undulating surfaces, trees and overhanging branches, vehicles and people egressing from driveways, poor lighting at night, etc.

Although the speed limit that applies to footpaths is that of the adjacent road or the default speed limit, people cycling moderate their speed (for their own safety as vulnerable road users) based upon the local conditions and environment.

With respect to the Retail Core on The Parade, the fact that the area carries relatively high pedestrian volumes, combined with the fact that the footpaths contain business signs, outdoor dining areas, displays of business merchandise and street furniture, makes the footpaths within this precinct very unattractive to cyclists, particularly commuter cyclists.

Anecdotal observations by Council staff suggests that since the introduction of the new cycling laws, there has not been a marked increase in cycling on footpaths within the Retail Core of The Parade, Norwood. The few cyclists who have been observed by staff have all ridden to local conditions and no conflicts, arguments or collisions between the cyclists and pedestrians were observed.

To date Council staff have not received any complaints regarding speeding cyclists on footpaths, since the regulation changes were introduced in 2015.

The cycling roundtable discussion hosted by the LGA in May 2016, involved a group of political representatives, government agencies, SAPOL, and peak bodies coming together to constructively discuss the issue of cycling on footpaths to determine if there is a problem, define what it is and consider any solutions worthy of further investigation. The discussion was facilitated by Mayor David O’Loughlin, immediate Past President of the LGA.

To garner an understanding of the thinking behind the regulatory amendments, representatives from the Department of the Premier and Cabinet provided the background of the Citizens’ Jury process. Although the Citizens’ Jury recommended that cycling on footpaths be legal only where no safe alternative was present, the Department for Planning, Transport and Infrastructure (DPTI) determined that “no safe alternative” was too subjective as it was dependent upon the individual rider and their immediate cycling experiences. As such, regulatory amendments saw cycling become legal on all footpaths.
During the roundtable discussion all attendees were requested to share their perspective on how the regulations allowing cycling on footpaths are working and any issues that need to be solved. The key concerns raised included:

- the community remains unclear of the legal responsibilities and liability of cyclists and pedestrians using footpaths;
- lack of recourse or insurance to rely on in the event of a collision or when one of the parties cannot be identified;
- pedestrians are being startled by cyclists as they pass, including and sometimes because of when bells are used;
- the speeds at which a cyclist is legally able to travel on a footpath; and
- the suitability of certain footpaths for the interaction of pedestrians and cyclists.

It was recognised that most of the issues associated with cycling on footpaths are perceived, with 95% of complaints received by the Adelaide City Council being in relation to linear pathways and not cycling on 'street' footpaths. The group agreed that the regulatory amendment enabling cycling on footpaths has not yet settled into South Australian culture as similar problems have not been experienced interstate with the introduction of cycling on footpaths.

The attendees of the roundtable agreed that a cultural shift needs to occur to develop mutual understanding of vulnerability of all footpath users, including cyclists and time for pedestrians to get used to expecting cyclists while walking along both linear and street footpaths.

It was agreed by the majority of participants at the round table discussions that:

1. all road and path users should feel safe;
2. an education campaign is required for the community to provide clear delineation of responsibilities for all footpaths users;
3. data needs to be collected to develop an evidence based approach in addressing concerns about cycling on footpaths;
4. a review period of two (2) years from the date of introduction is appropriate to enable sufficient evidence to be gathered; and
5. there was little support for interim measures, including introducing speed limits on footpath.

The LGA will continue to work with Councils and DPTI about when best to engage during this review period and to agree on a framework for data collection.

The provisions of the draft Amendment Bill that will allow Councils to change the default speed limit, without having to obtain approval from the Minister for Transport and Infrastructure are not supported by this Council’s Administration.

If a default speed limit is introduced and each Council is allowed to change the default speed limit for riding bicycles on footpaths and shared paths unfettered, this is likely to cause further confusion, as there is likely to be a range of speed limits apply to riding on footpaths and shared paths across the state, making it difficult for cyclists to know the rules with certainty as they ride through different jurisdictions.

If a default speed limit is introduced and an alternative speed limit can be justified, then an alternative speed limit may well be warranted, but this should be approved by exception, with oversight from the Minister (ie. retaining Ministerial control), rather than leaving such determinations at the whim of sixty eight (68) Local Government Authorities across the State.

**OPTIONS**

1. The Council can advise the LGA that it endorses the draft Amendment Bill (with or without suggested amendments). This option is not recommended as the draft Amendment Bill in its present form will be difficult to enforce, and is not evidence-based.

2. The Council can advise the LGA that it does not support the draft Amendment Bill. This is the preferred option as it will allow more time for the impacts of the new cycling regulations to be observed and understood.
CONCLUSION

The new cycling laws were introduced in 2015, to improve the safety of the existing road network for cyclists and have had an immediate impact on the way in which motorists and cyclists share roads. There has not been a significant shift by the majority of bicycle riders to the footpath following the regulatory change and there is no identified need for the Council to make changes to its existing footpath infrastructure, nor is there a need to prohibit cycling on footpaths across the Council area.

The draft Amendment Bill is well intentioned, but there is no sound justification to set a default speed limit for cyclists using footpaths and shared paths at this point in time. Whilst the proposed legislation is an attempt to legislate for common sense, it would introduce a piece of legislation that is almost impossible to enforce as Councils will not have the authority to enforce the default speed limit and SAPOL is highly unlikely to dedicate their important resources into the enforcement of speed limits for cyclists on footpaths, in an environment where there has not been a significant shift by the majority of bicycle riders to the footpath following the regulatory change.

There is undoubtedly a cultural shift that needs to occur to develop mutual understanding of vulnerability of all footpath users, including cyclists and to get used to expecting cyclists while walking along both linear and street footpaths. This will take time.

The dedication of resources by the State Government towards a community education campaign is a preferred approach, so as to provide clear delineation of responsibilities for all footpaths users.

In the absence of any evidence to suggest that the new cycling laws have created an actual problem with cyclists speed and given that the use of footpaths by cyclists has not significantly increased, it is recommended that the draft Amendment Bill not be supported.

COMMENTS

Nil.

RECOMMENDATION

That the Local Government Association be advised that the Council does not support the draft Road Traffic (Bicycles on Footpaths) Amendment Bill 2016, for the reasons set out in the body of this report.

Cr MacRae moved:

That the Local Government Association be advised that the Council does not support the draft Road Traffic (Bicycles on Footpaths) Amendment Bill 2016, for the reasons set out in the body of this report.

Seconded by Cr Whitington and carried unanimously.
11.6 LOCAL GOVERNMENT (DISABILITY ACCESS INSPECTIONS) AMENDMENT BILL 2016

REPORT AUTHOR: Manager, Community Care Services
GENERAL MANAGER: General Manager, Governance & Community Affairs
CONTACT NUMBER: 8366 4600
FILE REFERENCE: S/03602
ATTACHMENTS: A - B

PURPOSE OF REPORT

The purpose of the report is to present the draft Local Government (Disability Access Inspections) Amendment Bill 2016 (the draft Amendment Bill) to the Council for consideration and to provide feedback to the Local Government Association of South Australia (LGA).

BACKGROUND

The Hon Kelly Vincent MLC has released a Private Member’s Bill which seeks to improve the accessibility of buildings. The Private Member’s Bill is presented as a draft Amendment Bill to the Local Government Act (1999) which places responsibility on Councils to undertake mandatory inspections of buildings to determine whether the buildings are compliant with disability access requirements. If passed, the amendment will require Councils to develop, adopt and administer a policy which sets out a schedule for the regular inspection of buildings which are open to members of the public located within the various Local Government areas.

The Commonwealth Disability Discrimination Act 1992 (DDA), currently provides the broad legislative framework for ensuring that a citizen is not discriminated against due to his or her disability, or the disability of any associate. The DDA seeks to eliminate discrimination against citizens on a range of grounds which includes access to premises, facilities and services. The legislation is complaints driven and is subject to citizens directing their concerns to the relevant organisation concerned or the Commonwealth Human Rights Commission.

Local Government currently manages DDA compliance for associated with development approvals for new buildings or building upgrades under the Development Act 1993, which provides Councils with the authority to refuse Applications which do not comply with DDA requirements or to impose a condition of approval that building work or other measures be carried out to the extent necessary, to ensure that the affected part of the building will comply with the DDA requirements of the Building Code of Australia (BCA).

This draft Amendment Bill seeks to extend the scope of each Council’s responsibility in managing compliance of disability access only on new building applications and upgrades but to all buildings within their respective Local Government areas.

The Local Government Association of SA is now seeking feedback from Councils with respect to the draft Amendment Bill. A copy of the draft Amendment Bill is contained in Attachment A.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

The relevant Goals contained in City Plan 2030 are:

Outcome 1 Social Equity
Objective 1: Convenient and Accessible Services:
Strategy: Maximise access to services, information and activities.

The draft Amendment Bill seeks to improve the accessibility of all buildings throughout the State by proposing that disability access inspections are undertaken of buildings to ensure that they comply with the performance requirements of the BCA.
FINANCIAL AND BUDGET IMPLICATIONS

In the event that the draft Amendment Bill is passed by Parliament, Local Government will become responsible for undertaking disability access inspections. There is no indication in the draft Amendment Bill as to how the inspections will be financed. In the absence of this information, the implication is that Local Government (i.e. ratepayers) will be responsible for the cost associated with the completion of these disability access inspections.

In addition, there is no commentary regarding the expected frequency or extent of the inspections in the draft Amendment Bill. It is therefore difficult to estimate the likely cost implications however, in considering a policy position that would ensure that a diligent number of inspections are completed, it is estimated that several hours per week would need to be dedicated to undertake this work (including inspections and administrative follow up tasks, such as issuing Notices concerning noncompliance and completing reports). It is estimated that it would cost this Council, between $30,000 - $40,000 per year to either employ a part-time staff member or engage a contract consultant.

EXTERNAL ECONOMIC IMPLICATIONS

If the draft Amendment Bill is passed, owners of buildings within the City of Norwood Payneham & St Peters, whose buildings are deemed to be inadequate with respect to the disability access requirements of the BCA, may be required to address the disability access issues which may incur significant cost and create a financial burden for businesses located within the City.

SOCIAL ISSUES

It is estimated that in excess of 10,000 citizens living in the Norwood Payneham & St Peters Local Government area have specific access and inclusion needs. This includes:

- 18.5% of the population who live with a range of disabilities which restrict everyday activity;
- families of 1,706 children aged 0-4 years who are more likely to use strollers and prams; and
- 6,254 people aged over 65 years who would benefit from improved access.

Achieving accessible environments which this draft Amendment Bill seeks to support forms an important part of achieving socially inclusive outcomes.

CULTURAL ISSUES

There are no cultural issues associated with the consideration of the draft Amendment Bill.

ENVIRONMENTAL ISSUES

There are no environmental issues associated with the consideration of the draft Amendment Bill.

RESOURCE ISSUES

If the draft Amendment Bill is passed the Council will need to develop, adopt and implement a Policy to implement the intentions of the draft Amendment Bill, namely to carry out disability access inspections on the City’s buildings and the associated follow-up administrative tasks. The implementation of the intent of the legislation may have staff resource implications and consideration will need to be given as to how this additional responsibility will be resourced.

RISK MANAGEMENT

The draft Amendment Bill aims to assess compliance with respect to disability access, against the performance requirements of the Building Code of Australia (BCA). The performance requirements referred to are the Australian Standards. These standards are guidelines which are open to interpretation. This arrangement does not provide confidence in terms of compliance with the draft Amendment Bill as any notice issued by the Council will be open to challenge by building owners.
CONSULTATION

- **Elected Members**
  Not Applicable

- **Community**
  Not Applicable

- **Staff**
  General Manager, Governance & Community Affairs
  General Manager, Urban Planning & Environment
  Manager, Development Assessment

- **Other Agencies**
  Not Applicable

DISCUSSION

The draft Amendment Bill seeks to improve the accessibility of buildings for citizens living with disabilities across the State by placing the responsibility on Councils to carry out mandatory inspections of buildings to determine whether the buildings are compliant with disability access requirements. The draft Amendment Bill, states that the building inspections should occur in "buildings located in the area of the council that are open to members of the public." The scope of the draft Amendment Bill therefore applies to all buildings (public and commercially owned) in the City of Norwood Payneham & St Peters.

Current provisions set out in the Development Act 1993, allows the Council to refuse or impose conditions on Development Applications where the building itself or plan for a new building is deemed to be non-compliant with the accessibility performance indicators set out in the BCA.

The responsibility of ensuring that existing buildings have the appropriate disability access requirements, is presently covered by the Commonwealth Disability Discrimination Act 1992. The DDA stipulates that it is illegal to discriminate against citizens on a range of grounds which includes access to premises, facilities and services. The legislation is complaints driven and relies on organisations taking a proactive approach in addressing these disability access issues themselves to reduce the risk or incidence of disability discrimination complaints. Alternatively, issues may be dealt with through the Commonwealth Human Rights Commission, following a DDA complaint submitted by a disabled citizen or their representative. Therefore Councils presently do not manage the DDA compliance issues of existing buildings outside of their own, in their respective Local Government area.

The draft Amendment Bill, however seeks to place responsibility on Councils to undertake disability access inspections on all buildings within their respective Local Government area. The draft Amendment Bill, if passed, will in effect potentially place the responsibility of managing disability access compliance for all buildings to Local Government Authorities.

**Disability Access Inspections**

The draft Amendment Bill will require Councils to develop, adopt and administer a Policy which sets out a schedule for the regular inspection of all buildings. There is no guidance or minimum standard as to the expected frequency and scope of the disability access buildings inspections included in the draft Amendment Bill. The implications of this are that it leaves the development of the Policy by Councils open to interpretation.

Whilst the draft Amendment Bill focuses mainly on the requirement for Councils to undertake disability access inspections, there is also likely to be a significant amount of administration associated with the completion of the disability access inspections, which includes report writing and follow up on Notices and requests for reports from the building owners as stipulated in the Draft Amendment Bill. Therefore, a diligent inspection schedule will have significant resource implications with respect to how the inspections will be completed and by whom (i.e. Council staff, or contract consultant). Alternatively, a schedule that has too few inspections could create a risk with respect to disability access requirements compliance issues.

---

1 Local Government (Disability Access Inspections) Amendment Bill 2016 - pg.2
Compliance with respect to disability access requirements will be assessed against the performance requirements of the BCA (as defined by the Development Act 1993). The performance requirements referred to are the Australian Standards. These standards are guidelines which have been previously open to interpretation. As mentioned previously, this does not provide confidence in terms of compliance with the draft Amendment Bill, and will undermine the administration of any adopted Policy as any notice issued by the Council could potentially be open to challenge by building owners.

**The Financial Impact**

If the draft Amendment Bill is passed it will have financial implications for both Local Government and the community. As mentioned previously the implementation of the draft Amendment Bill could require the Council to employ either a part-time staff member or engage a Disability Consultant to undertake the inspections. There is no information in the draft Amendment Bill which provides the Council with the ability to charge a fee for the inspections. It is also unknown as to whether there will be any funding from the State Government for Councils to administer this function. Therefore, in its present form the cost of administering the draft Amendment Bill remains with Councils. It is estimated that in order to complete a diligent number of inspections and to carry out the administrative requirements of the draft Amendment Bill that, either a part-time staff (two (2) to three (3) days a week) or contract consultant will need to be engaged which could cost the Council an estimated $30,000 to $40,000 per annum.

An important component of the draft Amendment Bill is that it provides the Council with the authority to enter buildings to undertake the inspections and subsequently inform the owner as to whether the building satisfactorily meets disability access requirements. Where buildings are deemed to be non-compliant, the Council may require building owners to undertake a program of works to address the non-compliant areas. A significant concern with this is the potential requirement for a building owner to undertake a program of works which may pose a financial burden on businesses.

**Dealing with Financial Hardship**

Under the Commonwealth Disability Discrimination Act 1992, buildings with disability access issues may be exempt from making modifications should the cost of the works involve "unjustifiable hardship". This caveat provides some protection from the potential financial hardship that may be experienced by businesses and property owners from having to undertake a significant program of works they may not be able to afford. The draft Amendment Bill provides no guidance as to how financial hardship could be managed and in its present form conflicts with the Commonwealth Disability Discrimination Act (1992).

Whilst the draft Amendment Bill is well intentioned, it is recommended that the Council does not support it for the following reasons:

1. the draft Amendment Bill lacks clarity with respect to the frequency and scope of the Disability Access Building inspections, leaving the development of the Policy by Councils open to interpretation;
2. the draft Amendment Bill refers to compliance based on standards which are currently in the form of guidelines, which are currently not enforceable and will therefore make the Notices issued for non-compliance difficult to enforce and leave Councils open to challenges;
3. the additional responsibility of undertaking the disability access inspections and associated administration, will require additional resources (both human and financial). In the absence of information concerning the ability to charge a fee for inspections or the availability of grant funding, the implication is that Local Government (i.e. ratepayers) will be responsible for the cost associated with the completion of the disability access inspections.
4. the potential financial burden on businesses and building owners who may be required to carry out a program of works to address non-compliance disability access issues; and
5. unlike the DDA, the draft Amendment Bill provides no protection to building owners who may have financial difficulty in financing a program of works on buildings which may require significant modifications. The DDA currently allows for building owners to be exempt from making modifications, should the cost of the works involve “unjustifiable hardship”. In this regard, the draft Amendment Bill conflicts with the DDA and lacks clarity in respect to how to manage the potential financial hardship experienced by building owners.
OPTIONS

Option 1
The Council can determine to advise the LGA that it endorses the draft Amendment Bill.

This option is not recommended as the draft Amendment Bill in its present form will be difficult to administer and have a potentially significant financial impact on the Local Government Sector and the business community.

Option 2
The Council can determine to advise the LGA that it does not support the draft Amendment Bill in its present form.

This is the preferred option as it will communicate the Council’s concerns with respect to the issues that will be encountered as a result of the implementation of the draft Amendment Act and the impact on the business community.

CONCLUSION

Whilst the draft Amendment Bill is well intentioned with respect to improving access to buildings for citizens living with a disability and their Carers, the draft Amendment Bill cannot be supported in its present form due to the reasons set out in this report.

COMMENTS

Nil

RECOMMENDATION

That the Council endorses the submission to the Local Government Association in response to the Local Government (Disability Access Inspections) as contained in Attachment B.

Cr Dottore moved:

That the Council endorses the submission to the Local Government Association in response to the Local Government (Disability Access Inspections) as contained in Attachment B.

Seconded by Cr MacRae.

Amendment

Cr Moore moved:

That the Council endorses the submission to the Local Government Association in response to the Local Government (Disability Access Inspections) as contained in Attachment B, as amended by removing the section relating to the additional responsibility of undertaking the disability access inspections will require additional resources and funding by Councils.

Seconded by Cr Duke.

The amendment was put and carried and on becoming the motion was again put and carried unanimously.
11.7 APPOINTMENT OF INDEPENDENT BOARD MEMBERS TO THE EASTERN REGION ALLIANCE (ERA) WATER AUDIT COMMITTEE

PURPOSE OF REPORT

The purpose of this report is to obtain the Council's endorsement of the recommendation from Eastern Region Alliance (ERA) Water for the appointment of Independent Members to the ERA Water Audit Committee.

BACKGROUND

The ERA Water Charter requires the establishment of an Audit Committee which must be comprised of between three (3) and five (5) Members and must include two (2) Independent Members, who are not employees or Board Members of ERA Water or employees or Elected Members of the Constituent Councils.

Clause 6.4 of the ERA Water Charter sets out the conditions associated with the establishment of the Audit Committee:

6.4.1 Subject to clause 6.4.2 the Subsidiary must establish an Audit Committee to be comprised of between three (3) and five (5) persons determined or approved unanimously by the Constituent Councils.

6.4.2 The Audit Committee must include at least two (2) members who are not employees or Board Members of the Subsidiary, or employees or Elected Members of a Constituent Council.

6.4.3 The Members of the Audit Committee must be appointed for a two (2) year term and at the expiry of their term of office are eligible for re-appointment.

6.4.4 The Chairperson of the Audit Committee must not be an employee or Board Member of the Subsidiary or employee or Elected Member of a Constituent Council.

6.4.5 The Subsidiary may only pay a sitting fee to the members of the Audit Committee who are not employees or Board Members of the Subsidiary or employees or Elected Members of a Constituent Council as determined by the Subsidiary.

FINANCIAL AND BUDGET IMPLICATIONS

There are no financial implications for the Council associated with endorsing appointment to the ERA Water Audit Committee. The sitting fee which will be paid to each Independent Member of the Audit Committee has been factored into the ERA Water budget.

The Board has approved the following fee structure for the Presiding Member and other Members of the Audit Committee:

- Presiding Member - $420 per meeting.
- Members - $350 per meeting.

The Audit Committee is expected to meet quarterly.
RISK MANAGEMENT

The ERA Water Charter requires the establishment of an Audit Committee. As such, appointment of the Audit Committee in accordance with the Charter will ensure that compliance.

The process which has been undertaken by the Board does not present any risks to either ERA Water or its Constituent Councils.

DISCUSSION

At its meeting held on 5 February 2016, the ERA Water Board resolved to call for Registrations of Interest from the Independent Members of the Constituent Council’s Audit Committees, for consideration and appointment as Independent Members of the ERA Water Audit Committee.

The Board resolved to appoint three (3) Independent Members to the ERA Water Audit Committee.

The ERA Water Charter states that Members are to be appointed for a two (2) year term and are eligible for re-appointment at the conclusion of the term of appointment.

As such, Registrations of Interest were sought from all the Independent Members of each of the Constituent Councils’ Audit Committees.

This process was undertaken by the City of Burnside on behalf of the Constituent Councils.

As the Registration of Interests were sent to all of the current Independent Members of the respective Constituent Councils’ Audit Committees, interviews to select the successful candidates was not considered necessary as this process was undertaken by the respective Councils when making appointments to their Committees.

The Board considered all of the applications at its meeting held on 27 May 2016 and based upon the skills and experience of the candidates, resolved to recommend to the Constituent Councils the appointment of the following applicants:

- Mr Peter Holmes (City of Norwood Payneham & St Peters Audit Committee);
- Mr Roberto Bria (City of Burnside Audit Committee); and
- Ms Corrine Garrett (Town of Walkerville Audit Committee.

The Board also resolved to recommend to the Constituent Councils, the appointment of Mr John O’Brien (who is the Independent Chairperson of the ERA Water Board) to the Audit Committee.

The ERA Water Board is satisfied that the recommended candidates who have been presented to the Constituent Councils for endorsement, have the necessary skills, experience, background and understanding of the Constituent Councils’ financial frameworks and risk profile to fulfil the role and responsibilities of Independent Members of the ERA Water Audit Committee.

In order to progress this matter, the unanimous approval of the Constituent Councils is required.

The City of Burnside and Town of Walkerville have considered and approved the Board’s recommendation.

The Curriculum Vitae for each of the applicants listed above have not been provided with this report, however, Elected Members who wish to review a copy of the Curriculum Vitae for any or all of the applicants are invited to contact the General Manager, Governance & Community Affairs.

RECOMMENDATION

That the recommendation of ERA Water to appoint, Mr Roberto Bria, Mr Peter Holmes and Ms Corrine Garrett as Independent Members of the ERA Water Audit Committee and Mr John O’Brien as a Member of the ERA Water Audit Committee, be endorsed.
Cr Wormald left the meeting at 8.57pm.
Cr Wormald returned to the meeting at 9.01pm.

_Cr Duke moved:_

_That the recommendation of ERA Water to appoint, Mr Roberto Bria, Mr Peter Holmes and Ms Corrine Garrett as Independent Members of the ERA Water Audit Committee and Mr John O’Brien as a Member of the ERA Water Audit Committee, be endorsed._

_Seconded by Cr Moore and carried unanimously._
12. ADOPTION OF COMMITTEE MINUTES

Nil

13. OTHER BUSINESS

13.1 Solid Waste Levy

Cr Dottore moved:

That a letter be forwarded to the Minister for Sustainability and the Treasurer, to express the Council’s concerns regarding the increase to the Solid Waste Levy beginning 1 September 2016, from $62.00 per tonne to $76.00 per tonne.

Seconded by Cr Minney and carried unanimously.

13.2 Inter-War Housing Heritage Development Plan Amendment

Cr Moore moved:

That a letter be forwarded to the Minister for Planning, expressing the Council’s disappointment that the Minister has refused the Council’s request to progress the Inter-War Housing Heritage Development Plan Amendment, which sought to protect from demolition, four (4) examples of Art Deco Spanish Mission dwellings and other Inter-War buildings.

Seconded by Cr Whitington and carried.

14. CONFIDENTIAL REPORTS
14.1 TENDER SELECTION REPORT – KERBING CAPITAL WORKS PROGRAM 2016-2017

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:

(k) tenders for the supply of goods, the provision of services or the carrying out of works;

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.

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 Minney 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, Acting General Manager, Urban Services, Acting General Manager, Corporate Services, Manager, City Services, Project Officer, Civil and Executive Assistant, Urban Services], be excluded from the meeting on the basis that the Council will receive, discuss and consider:

(k) tenders for the supply of goods, the provision of services or the carrying out of works;

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 Dottore and carried.

Cr Minney 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.

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 Dottore and carried.
15. CLOSURE

There being no further business, the Mayor declared the meeting closed at 9.13pm.

Mayor Robert Bria

Minutes Confirmed on _____________________________

(date)