

# Council Meeting Minutes

**2 July 2018**

## **Our Vision**

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

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

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City of  
Norwood  
Payneham  
& St Peters

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**VENUE** Council Chambers, Norwood Town Hall

**HOUR** 7.00pm

**PRESENT**

**Council Members** Mayor Robert Bria  
Cr Christel Mex  
Cr Connie Granozio  
Cr Kevin Shepherdson  
Cr Mike Stock  
Cr Carlo Dottore  
Cr Kevin Duke  
Cr Evonne Moore  
Cr John Frogley  
Cr Garry Knoblauch  
Cr John Minney  
Cr Sue Whittington  
Cr Paul Wormald (entered the meeting at 7.15pm)

**Staff** Mario Barone (Chief Executive Officer)  
Peter Perilli (General Manager, Urban Services)  
Carlos Buzzetti (General Manager, Urban Planning & Environment)  
Lisa Mara (General Manager, Governance & Community Affairs)  
Sharon Perkins (General Manager, Corporate Services)  
Isabella Dunning (Manager, Governance, Legal & Property)  
Claude Malak (Manager, City Projects)  
Chris McDermott (Manager, City Services)  
John Zunis (Project Officer, Civil)  
Andrew Alderson (Financial Services Manager)  
Marina Fischetti (Executive Assistant, Urban Services)

**APOLOGIES** Cr Lucy Marcuccitti

**ABSENT** Nil

**1. KAURNA ACKNOWLEDGEMENT**

**2. OPENING PRAYER**

The Opening Prayer was read by Cr John Minney.

**3. CONFIRMATION OF THE MINUTES OF THE SPECIAL COUNCIL MEETING HELD ON  
13 JUNE 2018**

*Cr Minney moved that the minutes of the Special Council meeting held on 13 June 2018 be taken as read and confirmed. Seconded by Cr Knoblauch and carried unanimously.*

#### 4. MAYOR'S COMMUNICATION

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Monday, 4 June	<ul style="list-style-type: none"><li>• Presided over a Council Meeting, Council Chamber, Norwood Town Hall.</li></ul>
Tuesday, 5 June	<ul style="list-style-type: none"><li>• Presided over a Civic Reception for the 60<sup>th</sup> Anniversary of the St Peters Rotary Club, Banquet Hall, St Peters Town Hall Complex.</li></ul>
Wednesday, 6 June	<ul style="list-style-type: none"><li>• Attended a Workshop: Animal Management Plan, Mayor's Parlour, Norwood Town Hall.</li></ul>
Saturday, 9 June	<ul style="list-style-type: none"><li>• Attended the pre-match lunch followed by the West Adelaide versus Norwood football match, Richmond Oval.</li></ul>
Wednesday, 13 June	<ul style="list-style-type: none"><li>• Presided over Special Council Meeting, Council Chamber, Norwood Town Hall.</li></ul>
Saturday, 16 June	<ul style="list-style-type: none"><li>• Presided over a Citizenship Ceremony at Cooper's Stadium as part of 2018 Multicultural Round, followed by the Norwood versus Glenelg Football Match, Cooper's Stadium.</li></ul>
Sunday, 17 June	<ul style="list-style-type: none"><li>• Attended the Saint Anthony of Padua Feast Day Mass, Church of the Holy Name, Payneham.</li></ul>
Tuesday, 19 June	<ul style="list-style-type: none"><li>• Attended a Hoteliers Forum with the Chief Executive Office, General Manager, Urban Planning &amp; Environment; Manager, Development Assessment, Manager, Economic Development &amp; Strategic Projects and hoteliers within the City of Norwood Payneham &amp; St Peters, Kent Town Hotel.</li></ul>
Tuesday, 26 June	<ul style="list-style-type: none"><li>• Attended a meeting with Ms Jessica Mitchell (Communications Officer).</li></ul>
Tuesday, 26 June	<ul style="list-style-type: none"><li>• Attended a meeting with Chief Executive Officer and Mr Tony Franzon, Bath Hotel, Norwood.</li></ul>
Wednesday, 27 June	<ul style="list-style-type: none"><li>• Presided over an ERA Mayors and Chief Executive Officer's meeting, Mayor's Parlour, Norwood Town Hall.</li></ul>
Saturday, 30 June	<ul style="list-style-type: none"><li>• Attended the Syd Jones Reserve 'Open Day' community consultation, Syd Jones Reserve, Payneham South.</li></ul>
Sunday, 1 July	<ul style="list-style-type: none"><li>• Attended the Port Adelaide Magpies versus Norwood football match, Alberton Oval.</li></ul>

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- Mayor Bria thanked all Elected Members and staff who attended the Multicultural Round Citizenship Ceremony held on Saturday 16 June 2018 at Coopers Stadium. Mayor Bria advised that he received many positive comments from attendees.
- Mayor Bria thanked Elected Members and staff who attended the Syd Jones Reserve Upgrade Community Park Day held on Saturday 30 June 2018 at Syd Jones Reserve.
- Mayor Bria referred to the recent article on Council rates in The Advertiser on Saturday 30 June 2018 and advised that the article referred to rating figures for the Council, based on figures discussed at the Special Council meeting held on 13 June 2018.

#### 5. DELEGATES COMMUNICATION

- Cr Whittington advised that on Wednesday 27 June 2018, she attended and chaired the Eastern Health Authority Board meeting.
- Cr Knoblauch advised that on Monday 25 June 2018, 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**  
Nil

11. **STAFF REPORTS**

## **Section 1 – Strategy & Policy**

### **Reports**

## 11.1 STEPNEY MAYLANDS EVANDALE LOCAL AREA TRAFFIC MANAGEMENT (LATM) STUDY – DRAFT LATM REPORT

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**REPORT AUTHOR:** Manager, City Projects  
**GENERAL MANAGER:** Chief Executive Officer  
**CONTACT NUMBER:** 8366 4542  
**FILE REFERENCE:** S/04883  
**ATTACHMENTS:** A - B

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### PURPOSE OF REPORT

The purpose of this report is to provide for the Council's consideration, the key findings of the Stepney Maylands Evandale Local Area Traffic Management Study ("the LATM Study") and to seek endorsement of the Draft Report before it is released for community consultation.

### BACKGROUND

The Council has allocated \$60,000 in its 2017-2018 Budget to undertake the LATM Study.

The primary objective of the LATM Study is to identify the key traffic management and road safety issues which exist within the study area that is bound by Portrush Road, Payneham Road and Magill Road ("the Study Area") and to outline to the Council for its consideration, the possible treatments to address these issues.

Tonkin Consulting ("the Council's Consultant") has been engaged to undertake the LATM Study, which will be delivered in three (3) key stages, as set out below:

- Stage 1 involves the collation and analysis of traffic data (i.e. traffic volumes, speeds and crashes) and to seek input from citizens and the wider community, regarding what they consider to be the issues which they believe should be addressed;
- Stage 2 involves the development of draft recommendations which are aimed at addressing the issues which have been identified and undertaking community consultation on these draft recommendations; and
- Stage 3 involves analysis of the comments which are received on the draft recommendations and the development of a final LATM Plan for the Council's consideration and adoption.

The Council's Consultant has submitted a report titled *Stepney Maylands Evandale Local Area Traffic Management Study Draft Report* ("the Draft LATM Report"), which sets out the investigations which have been undertaken to date and the draft recommendations aimed at addressing the issues which have been identified.

A copy of the Draft LATM Report is contained in **Attachment A**.

Elected Members will recall that one of the reasons for establishing the Council's Traffic Management & Road Safety Committee ("the Committee"), is to consider and endorse proposals and recommendations which seek to enhance and improve road safety throughout the City and to provide advice to the Council with respect to such matters.

In this respect, at its meeting held on 19 June 2018, the Committee considered a report which set out the key findings of the LATM Study and the draft recommendations which have been made by the Council's Consultant.

Following consideration of the matter, the Committee resolved the following:

1. *That the Traffic Management & Road Safety Committee notes that a report will be considered by the Council at its meeting to be 2 July 2018, regarding the Stepney Maylands Evandale Local Area Traffic Management Study Draft Report which has been submitted by Tonkin Consulting and as contained in Attachment A to this report.*
2. *The Traffic Management & Road Safety Committee recommends that the Council endorses the Stepney Maylands Evandale Local Area Traffic Management Study Draft Report, for the purpose of undertaking the Stage 2 community consultation phase inviting comments on the draft recommendations.*
3. *The Traffic Management & Road Safety Committee recommends to the Council that in respect to Ann Street, a third option of 'No Entry' into Ann Street from Payneham Road whilst retaining two-way traffic along Ann Street be included as an option, for the purpose of undertaking the Stage 2 community consultation phase inviting comments regarding this as an option.*
4. *That a further report be considered by the Council outlining the results of the Stage 2 community consultation phase which is to be undertaken regarding the Stepney Maylands Evandale Local Area Traffic Management Study Draft Report, prior to the Council making any final determinations with respect to the implementation of any of the draft recommendations which are contained in the Draft Report.*

The key findings of the LATM Study and the advice which has been provided by the Committee are set out in this report. The Council's endorsement of the Draft LATM Report is now required for the purpose of undertaking community consultation.

## **RELEVANT STRATEGIC DIRECTIONS & POLICIES**

The relevant Outcomes and Objectives of the Council's **City Plan 2030, Shaping Our Future** are provided below:

### **Outcome 1: Social Equity**

**A connected, accessible and pedestrian-friendly community.**

#### **Objectives:**

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

The key traffic management and road safety issues which exist within the Study Area have been identified by the Council's Consultant and strategies which seek to address these are outlined in the Draft LATM Report.

The Council is now required to consider the draft recommendations which have been made by the Council's Consultant, the advice which has been provided by the Committee and decide whether it will endorse the Draft LATM Report for the purpose of undertaking the next and final phase of community consultation.

## **FINANCIAL AND BUDGET IMPLICATIONS**

All figures quoted herein are excluding GST.

The Council has allocated \$60,000 in its 2017-2018 Budget for this Project and at this time, it is envisaged that the LATM Study will be completed within budget.

HDS Australia Pty Ltd was engaged to undertake the collection and collation of the necessary and required traffic data (i.e. volumes and speeds) along all roads which are located within the Study Area. A total of 85 counts were undertaken at a cost of \$15,480.

The cost of engaging the Council's Consultant to undertake the LATM Study, inclusive of analysis of the traffic data collated, both community consultation phases and drafting the Draft LATM and Final LATM Reports, is \$43,070.

The Council has allocated \$100,000 in its draft 2018-2019 Budget for the purpose of implementing the recommendations which it adopts for the Study Area. This allocation may need to be adjusted through Budget Reviews, as required, once the Council has adopted the recommendations of the Final LATM Report and determined an implementation strategy and final cost estimates are prepared.



## **EXTERNAL ECONOMIC IMPLICATIONS**

Not Applicable.

## **SOCIAL ISSUES**

The LATM Study is being conducted in various stages as outlined in the Background Section of this report. This includes providing citizens and the wider community an opportunity to provide input into identifying the issues which are of concern to them and in providing comments on the draft recommendations proposed.

## **CULTURAL ISSUES**

Not Applicable.

## **ENVIRONMENTAL ISSUES**

Not Applicable.

## **RESOURCE ISSUES**

The Council's Consultant is undertaking the LATM Study, and Council staff are undertaking the project management responsibilities associated with the Project, including the preparation of reports for the Council and managing the Council's Consultant.

## **RISK MANAGEMENT**

A number of safety issues have been identified at various locations within the Study Area. The Council has a duty of care to consider how to address these issues and the Council's Consultant has recommended a range of treatments to address these issues.

## **CONSULTATION**

- **Elected Members**

At its meeting held on 20 September 2016, the Committee considered a report regarding this matter and resolved to recommend to the Council to endorse undertaking an LATM Study, subject to the allocation of funding in the 2017-2018 Budget. At its meeting held on 4 October 2016, the Council endorsed the Minutes from the Committee's Meeting and subsequently allocated funding in its 2017-2018 Budget to undertake the LATM Study.

On 13 November 2017, an Information Session was held with Elected Members at which the Council's Consultant outlined the proposed methodology for the LATM Study, the consultation phases and Project timeframes.

On 14 May 2018, an Information Session was held with Elected Members at which the Council's Consultant outlined the results of the traffic data which had been collated, a summary of the comments which had been received during the Stage 1 community consultation phase, the key issues identified and the proposed measures contained in the Draft LATM Report.

An Information Session will be held with Elected Members following the completion of the Stage 2 community consultation phase at which the Council's Consultant will outline the results of the community consultation and the key elements of the Final LATM Report.

- **Community**

All citizens located within the Study Area as well as the wider community, were invited as part of the Stage 1 community consultation phase to submit their comments to assist the Council's Consultant to identify the key issues which need to be considered as part of the LATM Study. The Stage 1 community consultation phase was undertaken throughout November 2017 and December 2017.

Comments were invited to be submitted to the Council's Consultant via the following:

- a letterbox drop of all properties which are located within the Study Area (approximately 3,500 information packages were sent) which included a cover letter outlining the background to the LATM Study, a map of the Study Area and a Feedback Form (with supplied reply paid envelopes) inviting comments on a number of issues;
- an online survey which consisted of the Feedback Form;
- advertisements placed in the Messenger Newspapers which are circulated throughout the City which provided background information regarding the LATM Study and details on how to submit comments;
- copies of all relevant documentation being provided at the Norwood Council Offices and the Council's three (3) Libraries, including Feedback Forms which could be completed and submitted at these locations; and
- copies of all relevant documentation being provided on the Council's website.

In response to the invitation for comments during the Stage 1 community consultation phase, a total of 420 written submissions were received.

The 420 written submissions were received via the following formats:

- completed Feedback Forms returned via reply paid envelopes (370);
- completed online Feedback Forms received via the online survey (40); and
- emails sent directly to the Council's Consultant (10).

The proposed Stage 2 community consultation phase will utilise the same methodology which was used to undertake the Stage 1 community consultation phase. In this respect, every citizen and property owner within the Study Area will be sent a copy of the relevant information and will be invited to submit their written comments.

The wider community will also be invited to provide comments through the Messenger Newspaper advertisements, displays which will be provided at the Council Offices at the Norwood Town Hall and Libraries and information provide on the Council's website.

- **Staff**

Chief Executive Officer  
General Manager, Urban Services  
Manager, Economic Development & Strategic Projects  
Manager, Urban Planning & Sustainability  
Team Leader, Customer & Regulatory Services  
Project Manager, Urban Design & Special Projects  
Sustainability Officer

- **Other Agencies**

Various issues have been raised regarding the arterial road network on the perimeter of the Study Area. The Council's Consultant will be raising and discussing these issues with the Department of Planning, Transport and Infrastructure ("DPTI") and all comments which are provided by DPTI, will be included in the Final LATM Report.

The Council's Consultant has recommended that the South Australia Police ("SAPOL") also be requested to provide comments, as part of the Stage 2 community consultation phase, regarding one of the key recommendations made by the Council's Consultant (i.e. a Study Area wide 40 kph speed limit).

The Committee and Council staff recommend to the Council that the Local Member for Dunstan also be consulted regarding the Study Area wide 40 kph speed limit, as the Stepney, Maylands and Evandale local areas are located within the Dunstan Electorate. Whilst this is not a requirement of the current DPTI 40 kph Speed Limit Guideline, it is considered appropriate and important in terms of the Council demonstrating good practice given the significant change that is being recommended.

## **DISCUSSION**

The Draft LATM Report is comprehensive and outlines in detail the various investigations which have been undertaken to date by the Council's Consultant, the issues which have been raised during the Stage 1 community consultation phase, the various options which have been considered to address these issues and the draft recommendations.

For the purpose of this report, only the recommendations which have been made by the Council's Consultant to address the issues which have been identified and as outlined in the Draft LATM Report are summarised below.

### **1. 40 kph Speed Limit**

#### **1.1 Background**

By way of background information, the current speed limit within the part of the Study Area which is bound by Nelson Street, Magill Road, Portrush Road and Payneham Road (except for the arterial roads) is 50 kph. However, the speed limit within the part of the Study Area known as the *Stepney Triangle*, which is bound by Payneham Road, Magill Road and Nelson Street (except for the arterial roads), is 40 kph.

Traffic counts have been undertaken along all roads which are located within the Study Area (except for the arterial roads) with a total of 85 counts being undertaken. The Council's Consultant has advised that in respect to travel speeds, the traffic count data which has been collated, reflects what would be typically expected within a residential area such as the Study Area with average speeds generally being less than 45 kph. However, several streets located in the eastern part of the Study Area (i.e. between Portrush Road and Frederick Street), have recorded average speeds of more than 40 kph.

#### **1.2 Concerns Raised During Stage 1 Community Consultation Phase**

The Council's Consultant has advised that during the Stage 1 community consultation phase, of the approximately 3,500 letters which were sent to citizens and property owners seeking comments, a total of only 36 written submissions raised concerns regarding speeding within the Study Area and proceeded to suggest reducing the speed limit to 40 kph.

The Council's Consultant has acknowledged that based on the analysis of the traffic data which has been collated, there is no warrant for the reduction in the current speed limit in the part of the Study Area, which is currently a 50 kph speed limit. However, the Council's Consultant is recommending that the Council, as part of the Stage 2 community consultation phase seek to establish the "*level of support*" for the implementation of a blanket 40 kph speed limit, in order to determine whether this should be pursued further.

### 1.3 Previous Consideration of a City-Wide 40 kph Speed Limit

Elected Members may recall that in 2015, the Council undertook a City-wide community consultation survey regarding the possibility of introducing a blanket 40 kph speed limit across the City along roads which are under its care, control and management.

At that time, approximately 24,000 Survey Forms were distributed to all citizens and property owners across the City. Approximately 6,000 (or 25%) completed Survey Forms were returned. Of those, approximately 4,000 (or 67%) indicated that they were satisfied with the current speed limits which applied across the City, approximately 840 (or 21%) were dissatisfied and approximately 480 (or 12%) were neutral, meaning they were neither satisfied nor dissatisfied with the current speed limit.

The information gathered at the time the 2015 survey was undertaken could not be collated based on locations in order to comply with relevant standards for statistical collation of surveys and in this respect, it is unknown what comments were received from citizens and property owners located within the LATM Study Area in 2015. On the basis of the results of the 2015 survey and given that a two-thirds (i.e. 66%) majority support was not obtained, as required under the DPTI 40 kph Guidelines at the time, the Council resolved not to proceed with the introduction of a 40 kph speed limit..

The Council's Consultant has considered the survey which was conducted in 2015, as part of this current LATM Study, but has recommended that the Council undertake community consultation for the introduction of a 40 kph speed limit within the Study Area.

The recommendation in the Draft LATM Report has been made by the Council's Consultant for three (3) reasons, namely that:

- concerns regarding speeding within the Study Area (albeit it is acknowledged by the Council's Consultant that this is not supported by the traffic data which has been collated as part of the LATM Study) was the number one issue of concern raised in the Stage 1 community consultation phase and in this respect, the Council's Consultant is of the opinion that the question of a Study Area wide 40 kph speed limit should at least now be asked as part of the Stage 2 community consultation phase;
- the DPTI 40 kph Speed Limit Guidelines have changed since 2015, with one key amendment being that there is now no requirement for a minimum level of community support which previously was a two-thirds (i.e. 66%) majority support; and
- that a 40 kph speed limit would seek to reinforce the "*local environment*" which already exists within the Study Area and is considered to more appropriate than the current 50 kph speed limit.

### 1.4 Benefits of a 40 kph Speed Limit in Study Area

The potential benefits of a 40 kph speed limit within the Study Area, as outlined by the Council's Consultant in the Draft LATM Report, are summarised below:

- an expectation that the average speeds along those streets with average speeds currently greater than 40 kph, would reduce but is unlikely to reduce speeds along those streets which currently experience average speeds already lower than 40 kph;
- expected road safety benefits to all road users, particularly pedestrians and cyclists;
- serve to reinforce the local residential precinct and improve the "*residential amenity*"; and
- serve to complement the existing traffic control measures which are currently in place rather than replace them, including the existing roundabouts and speed humps which are considered to be functioning appropriately and so their removal would be considered retrograde and is not supported.

## 1.5 Establishing Community Support

One obvious question for the Council, in respect to this draft recommendation, is that whilst the DPTI 40 kph Speed Limit Guidelines now do not require a minimum level of community support, how does the Council determine what is an appropriate level of community support.

The Council's Consultant has recommended to use a two-thirds (i.e. 66%) majority as an indication of an appropriate level of community support and that this should be based on a representative sample of responses which are received of between ten percent (10%) and fifteen percent (15%). In this respect, out of approximately 3,500 letters which will be sent to citizens and property owners located within the Study Area, as part of the Stage 2 community consultation phase, a minimum of between approximately 350 and 525 written responses would need to be received of which, a minimum of approximately between 230 and 350 would need to support the proposed introduction of a 40 kph speed limit.

It is important to note that the Council's Consultant is of the opinion that respondents to the next round of community consultation, who do not have a strong opinion either way regarding the introduction of a 40 kph speed limit (i.e. those who do not strongly support or strongly oppose the recommendation) would be included as being "*supportive*" of the recommendation. It must be stressed that this practice has not been used by the Council previously as the basis for this assumption is considered to be flawed. Comments which are provided as part of the Stage 2 community consultation phase should be collated and reported to the Council as they are received to enable the Council to make an informed decision with respect to whether or not it will pursue this draft recommendation further.

It is also important to note that given all citizens and property owners located within the Study Area as well as the wider community, will all be provided an opportunity to submit written comments regarding the proposed lower speed limit, the Council's Consultant is not recommending any further community consultation on the matter and in this respect, the Council should determine its position on the basis of the results of the Stage 2 community consultation phase and then proceed with the introduction of the 40 kph speed limit.

A copy of the draft Feedback Form which will be used to invite comments, as part of undertaking the Stage 2 community consultation phase, is contained in **Attachment B**.

## 1.6 Consultation with SAPOL and Local Member of Parliament

In addition to ascertaining the level of community support (or otherwise) for the introduction of a 40 kph speed limit, the Council's Consultant has also recommended that the Council seek comments from SAPOL with respect to this matter, given that SAPOL will need to enforce the proposed lower speed limit should this be introduced. As such, it is recommended by the Council's Consultant that consultation with SAPOL also be undertaken as part of the Stage 2 community consultation phase. This is supported by Council staff and the Committee.

The previous DPTI 40 kph Speed Limit Guidelines required support from the relevant Local Member of Parliament, in order for the Minister to approve any proposal to lower speed limits. The current DPTI Guidelines have changed and no longer require this as part of the approval process. However, Council staff and the Committee are of the opinion that the Local Member of Parliament for the Study Area should at least be consulted as part of the Stage 2 community consultation process given the significant change a lower speed limit would mean for the local Council. In this respect, it is recommended that the Local Member for Dunstan be consulted and invited to provide comment.

Once the Council has ascertained the level of community opinion/support (or otherwise), the comments which are received from SAPOL and the Local Member of Parliament regarding a 40 kph speed limit, it will be better placed to determine whether or not it will pursue this matter further. Should the Council decide to pursue the matter further, it is required to seek and obtain approval from the Minister prior to implementation.

In the event the Council introduces a 40 kph speed limit in the Study Area, Council staff recommend a "*before and after*" review of speeds within the Study Area be undertaken to determine the success or otherwise of the lower speed limit. Further information regarding this review will be provided to the Council for its consideration in the staff report which will outline a summary of the comments of the Stage 2 community consultation phase.

## 2. Ann Street

### 2.1 Background

Concerns have been raised as part of the Stage 1 community consultation phase, regarding difficulties which are experienced by motorists when travelling along Ann Street, due to its narrow carriageway width and the existence of on-street parking on both sides of the street, which results in congestion.

Ann Street has a carriageway width of approximately 7.0 metres to 7.5 metres and was found to be carrying approximately 1,500 (two-way) vehicle movements per weekday. On-street parking is provided via defined parking bays which are staggered on both sides of the street with No Parking yellow edge lines in some locations. Time-limit parking restrictions in the form of 2-hours apply 7:00am to 7:00pm, Monday to Friday and 7:00am to 12-midday, Saturday thereby allowing for only one (1) vehicle movement through at a time.

The Council's Consultant initially considered two (2) options to address the concerns which have been raised regarding congestion. The first option involves trialling a one-way traffic movement system which would apply in a north westerly direction (i.e. from Magill Road to Payneham Road). The second involves the introduction of on-street parking controls.

When the Committee considered the Draft LATM Report at its meeting held on 19 June 2018, it recommended a third option namely the installation of a "No Entry" sign at Payneham Road. The Council's Consultant has considered the Committee's recommendation in order to determine the viability of this option for the Council's consideration. Following the undertaking of further analysis of the traffic data which has been collated along Ann Street, the Council's Consultant has concluded that this is its preferred option.

### 2.2 Trial One-Way Movement

The Council's Consultant considered undertaking consultation regarding the one-way movement system, which would apply in a north westerly direction (i.e. from Magill Road to Payneham Road), as part of the Stage 2 community consultation phase.

The Council's Consultant considered that the one-way movement system should be implemented on a trial basis for a period of six (6) months, following which an assessment of traffic condition (i.e. a before and after assessment) be undertaken to establish what impact this has had on Ann Street and surrounding streets. Based on the results of this review, the Council would then determine if it would seek to maintain the one-way restriction system on a permanent basis.

By way of background information, in 2001, the Council commissioned an LATM Study in this Study Area. At that time, a one-way traffic movement trial was recommended for Ann Street, albeit the direction in which it would or should apply was not specified. The Council endorsed the recommendation "*in principle*" for the purpose of community consultation however a consensus was not reached through the consultation process. As such, the Council resolved not to pursue the implementation of the trial.

As is the case with the 2001 LATM Study, a trial one-way movement system is unlikely to be supported by the residents of Ann Street, and it is more than likely that opinions and views will be split. In this respect, this is not considered to be the most viable option for the Council in terms of addressing the concerns which have been raised regarding congestion in Ann Street.

### 2.2 On-Street Parking Restrictions

The Council's Consultant has considered the introduction of on-street parking restrictions on the northern side of Ann Street and staggered on-street parking on the southern side of the street. However, on-street parking is considered to already be at a premium at this location and as such, the proposed removal of any existing parking provisions is unlikely to be supported by residents of Ann Street. As such, this is not considered to be the most viable option for the Council in terms of addressing the concerns which have been raised regarding congestion in Ann Street.

### 2.3 No Entry at Payneham Road

The Council's Consultant has considered the installation of "*No Entry*" into Ann Street from Payneham Road. This would prohibit motorists from entering Ann Street whilst still allowing motorists to exit onto Payneham Road and still retain two-way movements along Ann Street. The installation of signage would need to be accompanied with a half-road closure and associated modifications to physically prevent motorists from entering Ann Street.

The traffic data which has been collated along Ann Street indicates that approximately 1,500 (two-way) vehicle movements per day occur at the Payneham Road end of the street comprising of approximately 900 vehicle movements in a southerly direction and approximately 600 vehicle movements in a northerly direction. This suggests that the majority of movements at this northern end of Ann Street are entering from Payneham Road.

The installation of a "*No Entry*" at this location would reduce southbound movements and in turn is expected to reduce congestion. However, the Council's Consultant has identified that this measure would also have a number of other impacts.

These impacts are summarised below:

- accessibility into the Avenues Shopping Centre from Payneham Road would be reduced albeit this is not considered to be a significant issue given that access is provided via Nelson Street;
- egress from the Avenues Shopping Centre to Payneham Road would be retained;
- internal traffic movements along Ann Street, between Olive Road and Nelson Street, would be retained so there would not be any likely impact on Henry Street traffic volumes;
- access to and egress from the Avenues Shopping Centre would be retained; and
- accessibility to Ann Street from Payneham Road for some local residents would be restricted and they will need to find alternative routes which may marginally increase traffic volumes along those streets.

The installation of a "*No Entry*" sign and the associated half-road closure which would be required to prevent motorists from ignoring the signage and enter Ann Street from Payneham Road, requires approval from DPTI as it is affecting arterial road traffic movements.

Taking all of the relevant issues into account, the Council's Consultant has recommended the installation of a "*No Entry*" sign (and by implication, modifications to the intersection of Ann Street and Payneham, Road) as the preferred option to address the concerns regarding congestion which have been raised during the Stage 1 community consultation phase. In this respect, the Council's Consultant is recommending that as part of the Stage 2 community consultation phase, the Council ascertain the level of support from the community and DPTI, with respect to the installation of this treatment at this location.

### 2.4 Olive Road Intersection

Concerns have been raised during the Stage 1 community consultation phase, regarding driver sightlines at the Ann Street and Olive Road intersection.

Drivers who are exiting Olive Road have reduced sightlines due to vehicles being parked on Ann Street. The Council's Consultant has recommended that should changes be made to Ann Street through a lower speed limit (i.e. 40 kph speed limit) or the changes proposed to the Ann Street and Payneham Road intersection, then no changes are required to be made to current conditions at the Ann Street and Olive Road intersection, as traffic congestion will be reduced and this will assist with navigating the intersection and improving driver sightlines.

However, the Council's Consultant has recommended that in the event that no changes are made to the current conditions along Ann Street, then the issue of driver sightlines would need to be addressed and the Council should reassess the need to install a "*Stop*" sign at the intersection to address this issue.

## 2.5 Flora Street Intersection

Concerns have been raised during the Stage 1 community consultation phase, regarding driver sightlines at the Ann Street and Flora Street intersection.

Drivers who are exiting Flora Street have reduced sightlines due to vehicles being parked on Ann Street. The Council's Consultant has recommended that should changes be made to Ann Street through a lower speed limit (i.e. 40 kph speed limit) or the changes proposed to the Ann Street and Payneham Road intersection, then no changes are to be made to current conditions at the intersection as traffic congestion will be reduced and this will assist with navigating the intersection and improving driver sightlines.

However, the Council's Consultant has recommended that in the event that no changes are made to the current conditions along Ann Street, then the issue of driver sightlines would need to be addressed and the Council should reassess the need to install a "Stop" sign at the intersection to address this issue.

## 3. Lindas Lane

Traffic management and safety along Lindas Lane has been the subject of detailed investigations which were undertaken by the Council in 2012. The Council implemented various recommendations which it received to address the issues which were determined at the time. Given the LATM Study involves an holistic review of all traffic management matters within the Study Area, the Council's Consultant was requested to review traffic conditions along Lindas Lane, as part of its consideration of the Study Area as a whole.

In short, following consideration of all the relevant data, the Council's Consultant does not support the implementation of a one-way restriction (as an option) along Lindas Lane, given that this could have various negative impacts, including an increase in travel speeds, impact on rear property access and shifting vehicle movements to adjoining streets (i.e. traffic would impact another street). However, the Council's Consultant has recommended the installation of a "No Entry" sign at the Morcomb Street intersection, to restrict entrance into Lindas Lane at that point given the 'blind corner' nature of the intersection but still maintain two-way movement along Lindas Lane.

## 4. Laura Street and Frederick Street Intersection

Concerns have been raised during the Stage 1 community consultation phase regarding motorists "cutting the corner" when entering Laura Street from Frederick Street. Site observations undertaken by the Council's Consultant have confirmed this to be of concern.

The Council's Consultant has recommended the installation of raised pavement bar median (i.e. rumble bar strip) along Laura Street, at its intersection with Frederick Street to prevent corner cutting. The proposed rumble bar strip is expected to result in the loss of approximately three (3) on-street parking spaces along Laura Street.

## 5. Henry Street

### 5.1 Stepney Street Intersection

Concerns have been raised regarding safety at the Henry Street and Stepney Street intersection, where there have been four (4) reported right angle crashes between 2012 and 2016. Currently, "Stop" signs are installed along both sides of Henry Street requiring drivers to give way to traffic travelling along Stepney Street. This is somewhat unusual as Stepney Street is considered to be the "main" traffic movement at this intersection, as it is carrying marginally more traffic movements.

In attempting to reduce crashes at this intersection, the Council's Consultant has considered various traffic management options, namely; installation of a roundabout, installation of a raised plateau along the carriageway of Henry Street, installation of a raised plateau along all four (4) approaches to the intersection and re-prioritising traffic movements to require drivers travelling along Stepney Street to give way to drivers travelling along Henry Street (i.e. reversing the Stop sign control).



In respect to the introduction of physical devices, the geometry and layout of the intersection would make the installation of these options very challenging and cost prohibitive. In this respect, the option of re-prioritising traffic flow is the preferred option and is the one which has been recommended to the Council in order to address safety at this intersection.

## 5.2 Ann Street Intersection

Concerns have been raised regarding safety at the Henry Street and Ann Street intersection where there have been four (4) reported right angle crashes between 2012 and 2016. Currently, there are “*Stop*” signs along both sides of Ann Street requiring drivers to give way to traffic traveling along Henry Street.

In attempting to reduce crashes at this intersection, the Council’s Consultant has considered various traffic management options, namely; installation of a mini roundabout, installation of a raised plateau along the carriageway of Henry Street and installation of a raised plateau along all four approached of the intersection.

With respect to the option of installing a mini roundabout, it is considered that this could be implemented with minimal difficulties, albeit several infrastructure design parameters need to be confirmed. However, the options involving the installation of the raised plateaus are likely to pose significant stormwater management challenges which are not easily overcome and as such, the installation of a mini roundabout is the preferred option.

The Council’s Consultant has recommended an engineering design feasibility be undertaken, in order to establish whether it is possible to install the mini roundabout.

## 5.3 Blind Bend

Concerns have been raised during the Stage 1 community consultation phase, regarding safety at the “*blind bend*” in Henry Street, between Frederick Street and Morcomb Street.

The carriageway varies in width along this section of Henry Street and is approximately 5.3 metres wide at its narrowest point, which does not allow two-way traffic and parking on both sides of the street. In this respect, the Council’s Consultant has recommended the installation of a solid white dividing line to provide lane separation. The recommended line marking will result in the removal of approximately four (4) on-street parking spaces.

## 6. Morris Street and Bakewell Road Intersection

Concerns have been raised during the Stage 1 community consultation phase regarding motorists “*cutting the corner*” when entering Morris Street from Bakewell Road. Site observations which have been undertaken by the Council’s Consultant, have confirmed this.

The Council’s Consultant has recommended the installation of a raised pavement bar median (i.e. rumble bar strip) along Morris Street, at its intersection with Bakewell Road to prevent corner cutting. The proposed rumble bar strip is expected to result in the loss of approximately two (2) to four (4) on-street parking spaces along Morris Street.

## 7. Adelaide Street and Dover Street Intersection

There have been two (2) reported right angle crashes at the Adelaide Street and Dover Street intersection. It is unclear why these crashes have occurred but suffice to say, the intersection is quite “*open*” and the carriageway width is very generous.

The Council’s Consultant has recommended an engineering design feasibility be undertaken, in order to establish whether it is possible to install a standard roundabout.

## 8. Narrow Streets

There are a number of narrow streets which exist within the Study Area, where on-street parking on both sides of these streets, does not allow for the convenient two-way traffic. In this respect, concerns have been raised during the Stage 1 community consultation phase, regarding the narrowness of such streets throughout the Study Area and the associated difficulties such as congestion being which are experienced.

Whilst the Council has guidelines for the marking of solid yellow edge lines adjacent driveways, there is currently no formal Council policy or procedure for the purpose of managing on-street parking versus traffic congestion along narrow streets.

In this respect, the Council's Consultant has recommended that the Council consider the development of a policy or procedure to manage this situation. This would ensure a consistent and holistic way by which the Council would consider and address this matter not only within the Study Area but throughout the City.

These aspects are summarised below:

- establish the minimum required carriageway width within a residential street in order to permit on-street parking on both sides of the street and allow for two-way traffic movements at a time;
- develop and adopt a standard procedure for implementing “no stopping” on-street parking restrictions and how these would apply which could include such matters as complaints received, residents’ support for removal of on-street parking provisions, etc; and
- determine an appropriate review process for considering further change to on-street parking controls within a street.

As Elected Members are aware, on-street parking is not part of the scope of the LATM Study, given that the Council is undertaking a City-Wide Parking Review as a separate Project. However, given the concerns which have been raised during the Stage 1 community consultation phase, the Council's Consultant has recommended that the Council consider the development of a policy or procedure, to manage on-street parking versus traffic in narrow streets as outlined above.

## 9. Arterial Roads

One of the key concerns which have been raised during the Stage 1 community consultation phase, is the extent of “cut-through” traffic which may be using the Study Area to avoid the arterial road network on the perimeter of the Study Area (in particular Portrush Road and Magill Road).

The Council's Consultant has considered a number of options in order to reduce the extent of “cut-through” traffic within the Study Area, including roads closures, the installation of traffic control devices and prohibiting turning movements during the AM and PM peak periods (refer to Draft LATM Report for details). The introduction of these measures could be effective but have not been recommended by the Council's Consultant, as these restrictions are considered to impact negatively on local residents and their access to the Study Area.

Notwithstanding this, it is difficult for the Council to address congestion and the inefficiencies of the arterial road network adjacent the Study Area, as these roads are under the care, control and management of DPTI. However, the Council's Consultant has collated the various issues which have been raised during the Stage 1 community consultation phase regarding the arterial roads and will refer these to DPTI as part of the Stage 2 community consultation phase and seek comments from DPTI on these matters. This will include requesting DPTI to undertake a formal review of the capacity and efficiency of the Portrush Road and Magill Road intersection. The information which is received from DPTI, will be included in the Final LATM Report which is to be considered by the Council.

## OPTIONS

The issues which have been raised during the Stage 1 community consultation phase and those which have been identified by the Council's Consultant based on the investigations which have been undertaken, have been outlined in the Draft LATM Report. The recommendations which have been made to the Council in the Draft LATM Report have been summarised in this report.

The Committee has considered the issues and has provided its advice to the Council, as resolved by the Committee at its meeting held on 19 June 2018. In this respect, the Committee was not required to endorse the Draft LATM Report, but has provided its advice to the Council. The Council is now required to consider all of the issues and decide whether it will endorse the draft recommendations as outlined in the Draft LATM Report before it is released and placed on community consultation.

It is recommended that the Council endorse the draft recommendations which have been made by the Council's Consultant for the purpose of undertaking the Stage 2 community consultation phase, but then consider in detail the results of that process prior to making any decisions with respect to which recommendations it will adopt for implementation within the Study Area. It is also intended, as part of the Final LATM Report, that an implementation strategy be developed for the Council's consideration and adoption with respect to ensuring the delivery of the final recommendations which the Council adopts for the Study Area.

## CONCLUSION

As the relevant issues which are associated with traffic management and safety within the Study Area have been identified and addressed the Council is now in a position to make an informed decision with respect to whether it will endorse the draft recommendations as submitted by the Council's Consultant in the Draft LATM Report, for the purpose of undertaking the Stage 2 community consultation phase.

## COMMENTS

The majority of the draft recommendations which have been made by the Council's Consultant are supported.

However, it is the view of Council staff that the draft recommendation which have been made by the Council's Consultant regarding the 40 kph speed limit, is considered to be somewhat "*theoretical*" and based on a "*belief*" that the concerns which have been raised during the Stage 1 community consultation phase should be addressed rather than having established an actual problem or issue which needs to be addressed. In other words, there appears to be no traffic management or road safety "*warrant*" for putting forward the Study Area wide 40 kph speed limit recommendation.

The Council's experience has shown that traffic management matters are often emotive and difficult to address and hence there is a need for the Council to be very clear about the problem/issue which it is seeking to address and equally be clear about the manner in which it is seeking to address it. A very good example of this has been the very successful Schools Review Project which was recently undertaken by the Council and which has been implemented in a very structured and effective manner. The key to the success of the Schools Review Project was the ability to clearly demonstrate and articulate the issues and the possible solutions which made implementation of the recommendations easier to achieve.

Notwithstanding this, the Study Area wide 40 kph speed limit draft recommendation is supported, only insofar as the Council endorsing it as part of the Draft LATM Report for the purpose of undertaking the Stage 2 community consultation phase. This will enable the Council to establish support or otherwise for this particular recommendation and the Council can then make an informed decision as to what action (if any) it will take regarding this recommendation.

A report outlining the results of the Stage 2 community consultation phase will be presented to the Council. At that time, the Council can consider the issues, taking into account the comments which are received from the community and make informed decisions regarding what recommendations it will pursue.

## RECOMMENDATION

1. That the Council notes the recommendations which have been made by the Council's Traffic Management & Road Safety Committee, at its meeting held on 19 June 2018, regarding the Stepney Maylands Evandale Local Area Traffic Management Study Draft Report which has been prepared by Tonkin Consulting.
  2. That the Council endorses the Stepney Maylands Evandale Local Area Traffic Management Study Draft Report, which has been prepared by Tonkin Consulting and as contained in Attachment A of this report, for the purpose of undertaking the Stage 2 community consultation phase and inviting comments on the draft recommendations.
  3. The Council notes that Tonkin Consulting will write to the Department of Planning, Transport and Infrastructure (DPTI), regarding the various issues which have been identified during the Stage 1 community consultation phase and which are associated with roads under its care, control and management, including a request to undertake a formal review of the Portrush Road and Magill Road intersection and invite DPTI to make comments with respect to these matters.
  4. The Council notes that Council staff will write to the South Australia Police (SAPOL) and the Member for Dunstan and invite their respective comments regarding the draft recommendation concerning the introduction of a 40 kph speed limit within the local area which is bound by Portrush Road, Payneham Road, Nelson Street and Magill Road.
  5. The Council notes that the Stage 2 community consultation phase regarding the Stepney Maylands Evandale Local Area Traffic Management Study Draft Report, which has been prepared by Tonkin Consulting and as contained in Attachment A of this report, will now be undertaken as outlined in this report.
  6. That a report be prepared and presented to the Council for its consideration outlining the results of the Stage 2 community consultation phase which is to be undertaken regarding the Stepney Maylands Evandale Local Area Traffic Management Study Draft Report, prior to the Council making any final determinations with respect to the implementation of any of the draft recommendations which are contained in the Draft Report.
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Cr Moore declared a conflict of interest in this matter, as she is a resident of the area in which this Study has taken place and left the meeting at 7.08pm.

Cr Dottore declared a perceived conflict of interest in this matter as he is a resident of the area in which this Study has taken place, however, he had not provided comments as part of this Study. Cr Dottore advised that he would remain in the meeting and take part in the decision-making process with an open mind.

Cr Wormald entered the meeting at 7.15pm.

Cr Duke moved:

1. That the Council notes the recommendations which have been made by the Council's Traffic Management & Road Safety Committee, at its meeting held on 19 June 2018, regarding the Stepney Maylands Evandale Local Area Traffic Management Study Draft Report which has been prepared by Tonkin Consulting.
2. That the Council endorses the Stepney Maylands Evandale Local Area Traffic Management Study Draft Report, which has been prepared by Tonkin Consulting and as contained in Attachment A of this report, for the purpose of undertaking the Stage 2 community consultation phase and inviting comments on the draft recommendations.
3. The Council notes that Tonkin Consulting will write to the Department of Planning, Transport and Infrastructure (DPTI), regarding the various issues which have been identified during the Stage 1 community consultation phase and which are associated with roads under its care, control and management, including a request to undertake a formal review of the Portrush Road and Magill Road intersection and invite DPTI to make comments with respect to these matters.
4. The Council notes that Council staff will write to the South Australia Police (SAPOL) and the Member for Dunstan and invite their respective comments regarding the draft recommendation concerning the introduction of a 40 kph speed limit within the local area which is bound by Portrush Road, Payneham Road, Nelson Street and Magill Road.
5. The Council notes that the Stage 2 community consultation phase regarding the Stepney Maylands Evandale Local Area Traffic Management Study Draft Report, which has been prepared by Tonkin Consulting and as contained in Attachment A of this report, will now be undertaken as outlined in this report.
6. That a report be prepared and presented to the Council for its consideration outlining the results of the Stage 2 community consultation phase which is to be undertaken regarding the Stepney Maylands Evandale Local Area Traffic Management Study Draft Report, prior to the Council making any final determinations with respect to the implementation of any of the draft recommendations which are contained in the Draft Report.

Seconded by Cr Stock.

#### Amendment

Cr Frogley moved:

1. That the Council notes the recommendations which have been made by the Council's Traffic Management & Road Safety Committee, at its meeting held on 19 June 2018, regarding the Stepney Maylands Evandale Local Area Traffic Management Study Draft Report which has been prepared by Tonkin Consulting.
2. That the Council endorses the Stepney Maylands Evandale Local Area Traffic Management Study Draft Report, which has been prepared by Tonkin Consulting and as contained in Attachment A of this report, for the purpose of undertaking the Stage 2 community consultation phase and inviting comments on the draft recommendations.
3. That in seeking comments on the proposed 40kph speed limit, the Council highlights the benefits of a 40kph speed limit as set out in the Stepney Maylands Evandale Local Area Traffic Management Study Draft Report.
4. The Council notes that Tonkin Consulting will write to the Department of Planning, Transport and Infrastructure (DPTI), regarding the various issues which have been identified during the Stage 1 community consultation phase and which are associated with roads under its care, control and management, including a request to undertake a formal review of the Portrush Road and Magill Road intersection and invite DPTI to make comments with respect to these matters.

5. *The Council notes that Council staff will write to the South Australia Police (SAPOL) and the Member for Dunstan and invite their respective comments regarding the draft recommendation concerning the introduction of a 40 kph speed limit within the local area which is bound by Portrush Road, Payneham Road, Nelson Street and Magill Road.*
6. *The Council notes that the Stage 2 community consultation phase regarding the Stepney Maylands Evandale Local Area Traffic Management Study Draft Report, which has been prepared by Tonkin Consulting and as contained in Attachment A of this report, will now be undertaken as outlined in this report.*
7. *That a report be prepared and presented to the Council for its consideration outlining the results of the Stage 2 community consultation phase which is to be undertaken regarding the Stepney Maylands Evandale Local Area Traffic Management Study Draft Report, prior to the Council making any final determinations with respect to the implementation of any of the draft recommendations which are contained in the Draft Report.*
8. *The Feedback form (Attachment B) be reworded to indicate ‘subject to community support’ rather than specifying a minimum two thirds majority.*

*Seconded by Cr Minney.*

Variation

*Cr Frogley, as the mover of the amendment, with the consent of Cr Minney as the seconder of the amendment, sought leave of the meeting to vary point 8 of the amendment as follows:*

8. *The Feedback form (Attachment B) be reworded to indicate ‘subject to majority support’ rather than specifying a minimum two thirds majority.*

*Mayor Bria put the request for leave to the meeting.*

*The meeting granted leave and the amendment was varied as set out above.*

*The amendment (as varied) was put and carried and on becoming the motion was again put and carried.*

*Cr Moore returned to the meeting at 7.35pm.*

## 11.2 OUTDOOR DINING POLICY REVIEW

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**REPORT AUTHOR:** General Manager, Urban Planning & Environment  
**GENERAL MANAGER:** Chief Executive Officer  
**CONTACT NUMBER:** 8366 4501  
**FILE REFERENCE:** S.410 S.04058  
**ATTACHMENTS:** A - C

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### PURPOSE OF REPORT

The purpose of this report is to present to the Council the submissions, which have been received in response to the draft Outdoor Dining Policy and to present the draft Policy for consideration and final endorsement.

### BACKGROUND

The Council considered a report on the draft Outdoor Dining Policy at its meeting held on 5 March 2018 and resolved the following:

*That consideration of this matter be deferred to allow staff to clarify the relationship between the Kerbside Buffer Zone and the Dining Zone and that this matter be re-presented to the Council for consideration at its April 2018 Council meeting.*

The Council subsequently considered the draft Policy further at its meeting held on 3 April 2018 and resolved the following:

- 1. That the draft Outdoor Dining Policy contained in Attachment B, be endorsed for community consultation.*
- 2. The Council notes that following community consultation, a report to Council will be prepared outlining any submissions which are received through the community consultation process and any recommendations on the content of the Outdoor Dining Policy.*

A copy of the reports previously considered by the Council are contained in **Attachment A**.

Subsequent to the Council's decision, the draft Outdoor Dining Policy was placed on community consultation for a period of five (5) weeks between 14 May and 15 June 2018. Comments on the draft Outdoor Dining Policy were sought from traders and the community. All existing Outdoor Dining Permit Holders and relevant property owners were advised in writing of the consultation process and the draft Policy.

At the conclusion of the consultation period, four (4) submissions on the draft Policy were received. A copy of the submissions is contained in **Attachment B**.

### RELEVANT STRATEGIC DIRECTIONS & POLICIES

The following Goals contained in *City Plan 2030*, have been identified as relevant to outdoor dining in the Council area.

#### **Outcome 1: Social Equity**

##### **Objectives:**

1. Convenient and accessible services, information and facilities.
2. A people-friendly, integrated, sustainable and active transport and pedestrian network.

#### **Outcome 2: Cultural Vitality**

##### **Objectives:**

1. An artistic, creative, cultural and visually interesting City.
4. Pleasant, well designed and sustainable urban environments.
5. Dynamic community life in public spaces and precincts

### Outcome 3: Economic Prosperity

#### Objectives:

1. A diverse range of business and services.
2. Cosmopolitan business precincts contributing to the prosperity of the City.
5. A local economy supporting and supported by its community.

### Outcome 4: Environmental Sustainability

#### Objectives:

3. Sustainable and attractive streetscapes and open spaces.

Outdoor dining on the footpath adds to the cosmopolitan culture of the City by creating dynamic, vibrant street frontages.

Well planned and maintained outdoor dining areas add to the amenity of the City, contributing to urban life and providing a link between businesses, patrons and visitors, enabling all people to feel as though they are participating in the street activity. In addition, outdoor dining encourages activity beyond daytime commercial trading hours, providing increased levels of safety and passive surveillance within the area.

It is for these reasons that the Council has traditionally supported outdoor dining in appropriate locations throughout the City.

Notwithstanding the positive aspects of outdoor dining, successful footpath outdoor dining localities must provide a balance between the commercial benefits obtained by traders and consequently the “City” and the local community generally, safety to patrons and motorists and the preservation of the public access role of the footpath area (the public realm).

### FINANCIAL AND BUDGET IMPLICATIONS

The annual outdoor dining permit fees are based on the number of seats which are provided within an outdoor dining area, as opposed to fees based on area (square metres). The schedule of fees applicable in the 2017-2018 financial year, are set out in Table 1 below:

**TABLE 1: SCHEDULE OF OUTDOOR DINING FEES 2017-2018**

LOCATION AND CIRCUMSTANCES	FEE PER CHAIR PER ANNUM
Application Fee	\$50.00 Per Application
The Parade Core Sydenham to Portrush – Enclosed/Licensed	\$109.50
The Parade Core Sydenham to Portrush - Open/Licensed	\$72.50
The Parade Core Sydenham to Portrush – Enclosed/Unlicensed	\$72.50
The Parade Core Sydenham to Portrush - Open/Unlicensed	\$36.50
Other Areas – Enclosed/Licensed	\$72.50
Other Areas - Open/Licensed	\$52.50
Other Areas – Enclosed/Unlicensed	\$52.50
Other Areas - Open/Unlicensed	\$23.00
Installation of New Outdoor Dining Bollards	10% of cost per annum for 10 years
Replacement of Existing Outdoor Dining Area Bollards	5% of cost per annum for 10 years

One submission was received from the operator of Bravo’s kitchen, located on the corner of The Parade and Edward Street, Norwood, raising concern that the Council’s objective to create vibrancy along The Parade is being undermined by the high fees it charges for outdoor dining permits, as the fees make it very difficult for traders to maintain financially viable outdoor dining areas and food businesses.

The Bravo submission raises concern that if the fee structure is unsustainable for operators of food premises, then there is a real risk that eateries will close, which in turn will significantly erode the vibrancy of The Parade. The submission also highlights that operating a restaurant in 2018 is not the same as it was in 2008, referencing that there is far more competition now, extremely higher wages, high rent and utility costs and so many other costs placed on the owner to bear, that the majority of restaurant owners have *‘bought themselves a job rather than a business that makes a profit’*.



The Bravo submission also highlights that the City of Prospect charges a set fee of \$1500 a year for each cafe, irrespective of the amount of chairs provided or whether or not the chairs are located within an undercover area and calls on the Council to introduce a similar approach of charging a set low fee for each cafe.

Recent enquiries with staff from the City of Prospect have revealed that their Council does not currently charge any fees for outdoor dining permits and has placed greater weight and importance on stimulating economic development and vibrancy within their streetscapes rather than seeking to recover costs for administering outdoor dining permits or raising revenue from the issuing of such permits. That said, the City of Prospect is currently issuing four year outdoor dining permits free of charge in the first two years of the permit period, but has yet to determine whether fees will be charged in the third or fourth year of the permit period. As such, it is possible that the City of Prospect may revert to charging outdoor dining fees in the medium to long term.

Calculating the fee based on the number of chairs was introduced by the City of Norwood Payneham & St Peters in 2013 and is considered to be a better method and advantageous to charging a fee per square metre or charging a flat fee for each cafe, as it results in greater consistency and transparency and ease of fee calculation and enforcement. In addition, it is considered appropriate that the fee paid by a trader for outdoor dining be commensurate to the economic benefit gained from using that area of the public realm. Where a trader is receiving relatively little economic benefit, by using a footpath area in low intensity manner, the fee should be reflective of that fact and conversely, if they are using a footpath in an intensive manner and gaining greater economic benefit as a result, it is considered reasonable that the fee be commensurately higher.

Notwithstanding the concern which has been raised in the submission from Bravo, the fees charged by this Council for outdoor dining permits is commensurate with other Councils including the Adelaide City Council, City of Holdfast Bay and City of Unley, albeit that those Councils charge fees based on a rate per square metre. This Council's methodology is considered to be fair and equitable to all outdoor dining permit holders. In addition, the Council invests heavily in stimulating the local economy through public realm improvement projects, the implementation of master plans, place making, hosting of community events, implementing economic development strategies and the like, all of which need to be funded through revenue streams such as revenue received through, among other things, the issuing of permits for outdoor dining areas.

The Council could determine to reduce its outdoor dining fees or abolish the fees entirely. However, the case for change has not been made. Outdoor dining fees represent one cost factor that influences the financial sustainability of a food premises. The maximum fee the Council charges is \$109.50 per chair per annum for enclosed, licensed outdoor dining areas located in the heart of The Parade, which is a highly popular and highly pedestrianised area and destination for dining and recreation.

It should also be noted that the ability to have an Outdoor Dining Area represents the use of public spaces. Outdoor Dining Areas increase capacity and hence turnover. Provided the fees charged are reasonable and not excessive, there should not be an issue. Based upon the fees which are charged by other Councils, this Council's fees are considered to be fair and reasonable.

The fee structure reduces commensurately to a minimum charge of \$23 per chair per annum for open, unlicensed outdoor dining areas anywhere in the City, except for The Parade, which provides equity for traders who operate outdoor dining areas in other parts of the City.

This fee structure and current rates are considered to be relatively modest given the economic return that can reasonably be anticipated for traders from each chair within an outdoor dining area over a twelve month period. As such, no change to the current fee structure or fee methodology is recommended.

## **EXTERNAL ECONOMIC IMPLICATIONS**

Outdoor dining is an important component of the mix of shops, facilities and services, which together create a sense of place and attract people to the various retail precincts in the Council area.

In this way, as well as providing a direct economic benefit to the traders who operate the outdoor dining areas by accommodating customers, they also benefit the economy of other businesses in the precinct.

## **SOCIAL ISSUES**

The draft Policy addresses the issue of smoking in outdoor dining areas, based on legislative changes introduced on 1 July 2016 to ban smoking in all outdoor dining areas in South Australia.

Four (4) submissions have been received in relation to smoking in outdoor dining areas and those submissions have been addressed in the discussion section of this report.

## **CULTURAL ISSUES**

Cafes, restaurants and associated outdoor dining has been a long standing component of the cultural identity of the Norwood Payneham & St Peters Council area. It is considered important that the Outdoor Dining Policy supports rather than constrains this cultural identity, a notion which is supported by the Council's Strategic Management Plan, *CityPlan 2030*.

## **ENVIRONMENTAL ISSUES**

Nil.

## **RESOURCE ISSUES**

Nil.

## **RISK MANAGEMENT**

Nil.

## **CONSULTATION**

- **Elected Members**

Nil.

- **Community**

Community consultation comprised:

- providing each trader with outdoor dining facilities and relevant property owners with a copy of the current Policy and draft Policy and inviting feedback; and
- an advertisement within the Messenger newspaper inviting community feedback.

Consultation was undertaken over a five (5) week period.

- **Staff**

General Manager, Urban Services;  
Manager, Development Assessment; and  
Strategic Projects Coordinator.

- **Other Agencies**

Nil.

## DISCUSSION

The Council's Outdoor Dining Policy was significantly revised in 2012, again revised in 2015 and has been operating effectively for the past three (3) years. As such, no major changes have been proposed as part of the 2018 review of the Policy. Rather, general feedback on the operation of the existing Outdoor Dining Policy was sought from traders and the community, to assist in finalising the review.

The Council received four (4) submissions in response to the consultation process, prepared by the following persons or traders:

- Mr Daniel Milky, Argo Deli (verbal submission);
- Ms Susan Collinson;
- Ms Robyn Handrek; and
- Nick from Bravo's Kitchen.

A summary of the issues raised in the submissions and discussion on the implications for the draft Policy is set out below.

### *Issue 1 – Outdoor Dining Fees*

*(See Financial & Budget Implications Section of this report).*

### *Issue 2 - Smoking*

- Some cafe operators appear to be allowing smoking in Outdoor Dining Areas, separated only by a plastic blind, which does not stop the smoke affecting adjacent diners and other cafe operators do not appear to be sufficiently informed about the State Government ban smoking in Outdoor Dining Areas, which was introduced in 2016. – *raised by Ms Susan Collinson.*
- The draft Outdoor Dining Policy does not provide sufficient guidance on protecting diners from people smoking in adjacent public spaces. – *raised by Ms Robyn Handreck.*

### *Comments*

The draft Policy released for public consultation includes an update to Section 1.6.5 of the existing Policy to reflect legislative changes introduced by the State Government on 1 July 2016 to ban smoking in all outdoor dining areas in South Australia, under section 52 of the *Tobacco Products Regulation Act 1997*.

The Regulations ban smoking in outdoor dining areas at any time that food is being offered for purchase, or otherwise provided for the purpose of consumption in the area (whether or not a person is, in fact, dining in the area). For example, if a hotel or cafe offers meals between 12pm and 2 pm in an outdoor dining area, then smoking will be banned in the area during that period, regardless of whether anyone is actually eating in the area.

It should also be noted that the ban does not include snack food, which for the purposes of the legislation means pre-packaged food of a kind generally intended to be eaten between meals. SA Health Guidelines stipulate that snack food includes foods such as potato crisps, nuts, chocolate bars and pre-packaged biscuits. Sandwiches, pizza, hot chips, cakes, muffins and the like are not considered to be snack foods according to SA Health guidelines.

If an unenclosed public space is separated from the part in which dining occurs, by a wall or other solid barrier, such as a blind of not less than two (2) metres in height, then this area is not included as part of the outdoor dining area.

Essentially, the legislation allows for an unenclosed outdoor space to be separated into two areas by a two (2) metre high barrier such as a non-permeable plastic blind, with one section designated for outdoor dining where meals are served and consumed and the other section designated as an area where smoking is permitted, provided that only beverages and snack foods are served and consumed in that area where smoking is permitted.

It is also possible under the regulations to separate dining from smoking areas by having two completely separate areas, separated by a continuous footpath, in which outdoor dining is permitted in one area and smoking is permitted in the other completely separate area, providing that only beverages and snack foods are consumed in the area where smoking is permitted.

The most likely scenario in which this could occur is at premises that enjoy the benefit of having two street frontages, albeit that if the trader were to permit smoking in one of the areas, then he or she would be forgoing the opportunity to serve meals in the area where smoking is permitted, as only beverages and snack food could be served.

This 'quirk' in the legislation may be the source of some community misunderstanding about the State Government's banning of smoking in outdoor dining areas. For example, a patron may legitimately be consuming a coffee and eating a chocolate bar whilst smoking in what appears for all intents and purposes to be an outdoor dining area, where it is assumed that meals can be served, even though in reality the area in which the patron is sitting may be an area designated (and separated from a dining area) by the cafe owner as an area where smoking is permitted and where only beverages and snack foods can be consumed. In such circumstances, it is understandable that a passer-by could easily (but incorrectly) assume that the patron is breaking the law by smoking in an outdoor dining area. It should also be noted that under the *Tobacco Products Regulation Act 1997*, traders are not permitted to provide signage to advise where smoking is permitted', which may add to the confusion.

The Council's recent adoption of a 'smoke free' area on the highly pedestrianised 'heart' of The Parade, between the eastern side of Osmond Terrace and the western side of Portrush Road (excluding the adjoining side streets) means that smoking is entirely banned within outdoor dining areas fronting The Parade between Osmond Terrace and Portrush Road (but excluding side streets), irrespective of the legislative changes regarding smoking in outdoor dining areas introduced in 2016.

It is understood that the Council excluded side streets adjacent to The Parade 'heart' from the smoking ban in light of the responses which were received from the community as part of the consultation process associated with the proposal to create a 'smoke free' area along The Parade, Norwood.

For cafes located on corner sites within The Parade 'heart', such as Caffe Buongiorno, or Bravo's Kitchen, it is possible for patrons to smoke at outdoor tables in designated areas on the side streets, provided that only beverages and snack foods are served and consumed at those tables and that the area is suitably screened from adjoining dining areas or entirely separated by a continuous footpath. In the case of Caffe Buongiorno, it is understood that all of the outdoor seating available on the Edward Street frontage has been designated by the Caffe owners as an area where smoking is permitted. Bravo's Kitchen has similar arrangements in place, albeit with a smaller designated smoking area.

The Council could introduce a total ban on smoking in all areas that are subject to an outdoor dining permit without exception, which would restrict traders from providing a separately screened or separate area for patrons to smoke, whilst only being permitted to consume beverages and snack food. However, such a complete ban would go beyond the parameters of the State Government ban which was introduced in 2016 and could be perceived as 'heavy handed' by the community as a whole, especially in light of the position Council recently adopted with respect to the smoking ban on The Parade, in which side streets were excluded from the ban.

In order to avoid any doubt or ambiguity in the interpretation of the Council's Outdoor Dining Policy, it is recommended that the wording of Section 1.6.5 of the draft Policy be amended to include the following underlined text:

#### *Section 1.6.5 Smoking*

*The designation of outdoor dining areas as smoke-free environments is designed to protect the community from exposure to potentially harmful tobacco smoke. It also increases the comfort and enjoyment of outdoor dining areas for all patrons.*

From 1 July 2016, all outdoor dining areas in South Australia are designated as smoke-free environments at any time that food is being offered for purchase, or otherwise provided, by or on behalf of the occupier of the outdoor dining area for the purpose of consumption in the area (whether or not a person is, in fact, dining in the area). The ban on smoking in outdoor dining areas applies to all smoking products.

This includes:

- cigarettes;
- cigars; and
- pipes, including shisha, hookah and water-pipes.

If an unenclosed public area is separated from the part in which dining occurs, by a wall or other solid barrier of not less than two (2) metres in height, then this is not included as part of the outdoor dining area and smoking may be permitted in the separated area, provided that only beverages and snack foods are served in that area. No meals are permitted to be served in an area where patrons can smoke under any circumstances.

For the purposes of the Tobacco Products (Smoking Bans in Public Areas – Longer Term) Variation Regulations 2015, snack food means pre-packaged food of a kind generally intended to be consumed between meals. For example this would include foods such as potato crisps, nuts, chocolate bars and pre-packaged biscuits. Foods such as, but not limited to, sandwiches, pizza, hot chips, cakes and muffins are not considered to be snack foods and therefore cannot be served to patrons in an area where smoking is permitted.

It may also be possible under the regulations to separate dining from smoking areas by having two completely separate areas, separated by a continuous footpath, in which outdoor dining is provided in one area and smoking is permitted in the other completely separate area, providing that only beverages and snack foods are consumed in the area where smoking is permitted. However, confirmation of the suitability of such arrangements, should be obtained from the Health Protection Operations Branch of SA Health.

Smoking is not permitted under any circumstances in public spaces on The Parade (including any outdoor dining area directly fronting The Parade), between the eastern side of Osmond Terrace and the western side of Portrush Road (excluding the adjoining side streets).

Both the occupier of the premises and the person smoking can be fined. Maximum fines are:

- individuals - \$200
- occupier - \$1250

Authorised officers under the Tobacco Products Regulation Act 1997 are responsible for enforcing this law.

For more information on smoke-free outdoor dining, please contact Health Protection Operations, SA Health on (08) 82267100, or visit the SA Health Website [www.sahealth.sa.gov.au/tobaccolaws](http://www.sahealth.sa.gov.au/tobaccolaws).

If the Council has a preference to introduce a smoking ban for all public areas that are subject to an outdoor dining permit, without exception, then it is recommend that further consultation be undertaken with outdoor dining permit holders, as this would constitute a significant change to the existing Policy that has not been tested as part of the community consultation process undertaken to date.

Ms Handreck has raised concern that the draft Outdoor Dining Policy does not provide sufficient guidance on protecting diners from people smoking in adjacent public spaces. Aside from the designated section of The Parade, where the Council has implemented a smoking ban, it is not possible for the Council to restrict a person smoking in a public space adjacent to an outdoor dining area. As such, the concern cannot be addressed through the provision of guiding principles in the Council's Outdoor Dining Policy.

### *Issue 3 – Use of Servery Windows*

Does the Council allow the serving of food and beverages through servery windows that face directly onto an adjacent footpath. – raised verbally by Mr Daniel Milky of Argo Café.

### Comments

Historically, traders have not been permitted to serve food and beverages through servery windows so as to minimise the risk of pedestrian and patron congestion on footpaths. However, this approach is not specified within the Outdoor Dining Policy and in light of the issue being raised, it is considered timely for the Council to consider this issue.

A review of Outdoor Dining Policies across various Local Government Authorities within South Australia and interstate, has revealed that many Policies are silent on the issue of serving of food and beverages through servery windows. In other cases, where the issue is addressed within a Policy, it is generally stipulated that *'serving of food and beverages to patrons standing on the footpath is not permitted, except for take away sales'*.

Interestingly, a significant number of cafes on The Parade already have servery window facilities fronting The Parade within their shopfronts, even though the facility is not actively used.

Arguments in favour of allowing the serving of food and beverages through servery windows, is that the activity creates visual interest, activity and vibrancy within the public realm, may be more convenient for some customers and may stimulate additional revenue for the cafes who offer the service as passers-by may be tempted to purchase food and beverages where such a convenient accessible option is available.

The main argument against allowing the serving of food and beverages through servery windows, is that such an arrangement has the potential to cause congestion between pedestrians and cafe patrons waiting to order or collect their order, especially in highly pedestrianised locations such as The Core of The Parade, between Queen Street and Edward Street. Allowing the use of servery windows directly onto footpaths also has the potential to interfere with the maintenance of a clear and unimpeded footpath adjacent a building line for persons with a vision and or mobility impairment.

The congestion and potential conflict between pedestrians and cafe patrons waiting to order or collect their order could be minimised by only allowing the use of servery windows, where the cafe is able to provide an alternative source to order food and beverages. In other words, if patrons can order food and beverages from inside the cafe or via a servery window, then this is likely to split patron numbers waiting for their order as some patrons will have ordered and be waiting for the their order inside the cafe as opposed to waiting on the footpath.

If the use of servery window is the sole method patrons can order and wait for their order, then it follows that this could potentially cause significant congestion on the adjacent footpath, albeit that the extent of congestion would be influenced by many factors including, but not limited to, weather conditions, the extent of food and beverage offerings, the operating hours of the business, the popularity of the business and whether or not the business is located within a highly pedestrianised area.

Congestion could be further minimised if the serving of food and beverages to patrons standing on the footpath is restricted to take away sales only and that no formal queuing barriers such as retractable ropes be allowed to be used for patrons waiting on the footpath.

The latter restriction would ensure that any 'queuing' of patrons remains relatively fluid and flexible. Such arrangements would also ensure that shore lining by pedestrians with a vision impairment would not be compromised as patrons waiting for food and beverages on the footpath can simply move out of the way.

Having weighed up the pros and cons, it is recommended that the Council allow the serving of food and beverages through servery windows that face directly onto a footpath, provided that:

- the trader is able to provide an alternative location to order food and beverages within the associated shop;
- the serving of food and beverages to patrons standing on the footpath is restricted to take away sales only; and
- that no formal queuing barriers such as retractable ropes etc. or delineation of a queuing areas be permitted for patrons ordering and/or waiting to collect food and/or beverages from a servery window.

A new provision reflecting the above requirements (Section 1.5.8) has been included in the draft Policy contained in **Attachment C**.

#### *Issue 4 – Maintenance of Footpaths*

As the Council owns the land upon which it grants Outdoor Dining permits, the Council should be responsible for steam cleaning and maintaining the paving adjacent to Outdoor Dining Areas in good condition. The condition of the footpaths adjacent Bravo's Kitchen are "*quite disgusting at the moment*" and two customers have tripped on the pavers outside the café in the last nine (9) months. – *raised by Nick from Bravo's Kitchen.*

Section 1.6.2 of the Council's Outdoor Dining Policy states:

*The operator of the outdoor dining area is to maintain the area, including the footpath, in a clean, hygienic and tidy state at all times.*

*Operators are required to sweep and spot mop the area frequently during trading hours to ensure that spillage of food and beverages does not cause staining to the footpath and litter does not escape within or outside the designated outdoor dining area.*

*Waste and sweepings are not to be allowed to enter into the gutter or any garden areas and are to be disposed of by the operator. Hosing should be avoided. The disposal of waste and wastewater into the gutter constitutes an offence.*

*Operators will also be responsible for steam cleaning the area as required and in no less frequently than once every six (6) months.*

Section 1.6.2 does not require permit holders to maintain the footpath areas located adjacent to the permit areas, aside from any cleaning required from food and or beverage spills. In the case of The Parade, the footpaths are predominantly concrete pavers and are not steam cleaned as regular steam cleaning of concrete pavers creates increases sub surface moisture levels given their permeable nature and the pressure of regular steam cleaning would severely reduce the overall lifespan of the pavers.

The Parade Masterplan will, among other things, consider the introduction of new footpath surfaces and materials along The Parade and as part of this consideration, the nature of adjacent land uses and the highly pedestrianised nature of the Core of The Parade will be taken into account as part of the selection process.

The implementation of the Masterplan may address the issue raised by Bravo's Kitchen in the medium to long term. However, in the short term, the condition of the pavers adjacent Bravo's Kitchen and will be assessed to ensure that any safety issues associated with the pavers is rectified.

A copy of a revised version of the draft Outdoor Dining Policy, incorporating the recommended amendments resulting from the consultation, is contained in **Attachment C**.

#### **OPTIONS**

There are many different approaches which could be taken to the various issues which are addressed in the draft Outdoor Dining Policy, including those which have been amended and those which have been carried over from the current Policy. The draft Policy has been developed having regard to experience in the assessment and review of existing outdoor dining areas, as well as benchmarking a range of other Council's, reviewing relevant standards and considering advice from Traffic Consultants.

The draft Policy is considered to provide appropriate flexibility and practicality with respect to most issues and the necessary degree of certainty with respect to safety.

The Council has the option of not endorsing the draft Policy or any aspects of it, should it wish any matters to be further investigated. However, the Council must be mindful of the need to address any risk exposure in a timely and appropriate manner.

## CONCLUSION

The current Outdoor Dining Policy addresses a comprehensive range of issues related to outdoor dining and in this respect has served the Council and traders reasonably well since its introduction in 2001.

The draft Outdoor Dining Policy has been revised to address some shortcomings raised through the consultation process.

The minimal number of submissions received, suggests that the Council's Outdoor Dining Policy strikes an appropriate balance between the commercial benefits obtained by traders and consequently the "City" and the local community generally, safety to patrons and motorists and the preservation of the public access role of the footpath area (the public realm).

## COMMENTS

Nil.

## RECOMMENDATION

1. That the draft Outdoor Dining Policy contained in Attachment C be endorsed.
  2. That all persons who lodged a submission on the draft Outdoor Dining Policy be advised in writing of the Council's decision and thanked for their submission.
  3. That the next scheduled review of the Outdoor Dining Policy be undertaken in July 2021.
- 

*Cr Wormald moved:*

1. *That the draft Outdoor Dining Policy contained in Attachment C be endorsed, with an amendment to Section 1.6.2 to stipulate that hosing of outdoor dining areas not be permitted.*
2. *That all persons who lodged a submission on the draft Outdoor Dining Policy be advised in writing of the Council's decision and thanked for their submission.*
3. *That the next scheduled review of the Outdoor Dining Policy be undertaken in July 2021.*

*Seconded by Cr Whittington and carried unanimously.*



### 11.3 URBAN DESIGN AWARDS

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**REPORT AUTHOR:** General Manager, Urban Planning & Environment  
**GENERAL MANAGER:** Chief Executive Officer  
**CONTACT NUMBER:** 8366 4501  
**FILE REFERENCE:** S/01087  
**ATTACHMENTS:** Nil

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#### PURPOSE OF REPORT

The purpose of this report is to update the Council on the status of the Council's Urban Design Awards Program and for the Council to determine the future of the Awards Program.

#### BACKGROUND

At its meeting held on April 2002, the Council established a program for rewarding excellence in Urban Design within the City. The Program, known as the *Awards for Development Excellence* Program, was implemented in 2003 and 2004 without success, as the Awards Program failed to generate sufficient community interest and nominations.

At its meeting held on 13 October 2003, the Council resolved that the existing Awards Program be 'resurrected' to at least acknowledge those participants who had earlier entered submissions. Accordingly, awards for the 2002 Development Excellence Awards were conferred in December 2003.

In May 2004, nominations were called for the 2004 Development Excellence Awards and only three nominations were received. Given the low number of nominations which were received, the Awards program was held in abeyance until 2006.

At its meeting held on 6 February 2006, the Council resolved to initiate a revised Awards Program and endorsed a change to the Program name to the City of Norwood Payneham & St Peters Urban Design Awards. The revised Awards Program included a simplified nomination process, a reduction in the number of Award Categories and a commitment to run the Awards biennially.

The Urban Design Awards were conducted successfully in 2007 and 2010.

In June 2012, the Urban Design Awards Program was launched and the call for nominations, resulted in the submission of seven (7) nominations in total across the five (5) Award Categories. Given the small number of nominations, the Council subsequently considered whether to confer Awards in 2012 or hold the Awards Program in abeyance. The Council ultimately determined to confer awards and accordingly, awards were presented to the successful nominees on 11 February 2013.

In December 2013, the scope of the Urban Design Awards was reviewed to enable greater community participation through the introduction of a *'People's Choice Award'* and an on-line nomination process.

A Workshop was held with Elected Members on 12 May 2014, at which a range of potential options for revising the scope of the Urban Design Awards were presented and discussed.

At its meeting held on 6 October 2015, the Council endorsed the following changes to the Awards Program:

1. *That the Council's Urban Design Awards categories be amended to comprise the following categories:*
  - *Best Residential Development*
  - *Best Commercial Development*
  - *People's Choice.*

2. That the judging criteria for the Urban Design Awards be amended to comprise:
  - Sympathy and respect with the built form context surrounding the development
  - Degree of innovation
  - Quality of materials and finishes
  - Functionality of the development for the user/occupier
  - The quality of outdoor living spaces and their relationship with indoor living
  - The environmental sustainability of the development
  - The cost efficiency of the development.
3. That nominations for the Urban Design Awards and judging for the People's Choice Award be undertaken electronically via an on-line portal on the Council's website.
4. That an Expert Judging Panel be established for the evaluation of all Urban Design Award nominations, comprising:
  - Mr Peter Dungey;
  - Mr Peter Jensen of Jensen Planning & Design;
  - Mr David Brown of BB Architects; and
  - the Council's General Manager, Urban Planning & Environment.

In February 2016, the revised Urban Design Awards Program was launched and the call for nominations resulted in the submission of fourteen (14) nominations in total, including eleven (11) nominations for the *Best Residential Development Award* Category and three (3) nominations for the *Best Commercial Development Award* Category.

Notwithstanding the low number of nominations for Commercial developments, the 2016 Urban Design Awards Program were considered relatively successful with the simplified nomination process and People's Choice Award receiving positive feedback from participants.

In February 2018, the Urban Design Awards Program was launched and the call for nominations resulted in the submission of two (2) nominations, one for a residential development and one for a mixed use development.

Given the level of community and development industry interest in the Awards Program, it is considered timely for the Council to determine the future of the Awards Program.

## **RELEVANT STRATEGIC DIRECTIONS & POLICIES**

The Urban Design Awards Program seeks to recognise excellence in Urban Design across the City. The Awards Program is relevant to *Outcome 2 Cultural Vitality* in *CityPlan 2030* and specifically *Objectives 2.1 and 2.4*, which promote a visually interesting, artistic and creative City and pleasant, well designed and sustainable urban environments.

## **FINANCIAL AND BUDGET IMPLICATIONS**

The Awards Program costs approximately \$10,000-\$13,000 to conduct. This includes the cost of promoting the Awards in the electronic and print media, the commissioning of professional photographs of the Award Category winning entries, hire and catering for the Award presentation venue, an advertorial promoting the winners and the procuring of a small art prize for the winner of the People's Choice Award.

## **EXTERNAL ECONOMIC IMPLICATIONS**

Nil.

## **SOCIAL ISSUES**

A successful Urban Design Awards Program fosters increased awareness of good and sustainable design practices and environmental management, within the community.

## CULTURAL ISSUES

Nil.

## ENVIRONMENTAL ISSUES

The Urban Design Awards Program is one way in which the Council promotes sustainable development.

## RESOURCE ISSUES

Nil.

## RISK MANAGEMENT

Nil.

## CONSULTATION

- **Elected Members**  
Not Applicable.
- **Community**  
Not Applicable.
- **Staff**  
Chief Executive Officer  
Manager, Development Assessment
- **Other Agencies**  
Not Applicable.

## DISCUSSION

### Current Status of the Urban Design Awards

The call for nominations for the 2018 Urban Design Awards generated very little interest, despite a robust promotional strategy being put in place.

Nominations for the Awards were called via the Council's website, a media release and advertisements in the *InDaily* and *City Mag* on-line publications. Banners were also displayed at the Norwood Town Hall and Council Libraries and promotional 'postcards' were distributed with rates notices.

In addition to calling for nominations, thirty letters promoting the Awards Program and inviting nominations were sent to Architects, Designers, Builders and Planners who were particularly active in this City over the preceding two year period, as well as all the Residents Associations and several peak industry bodies including the Planning Institute of Australia (South Australia Division), the National Trust of South Australia, the Australian Institute of Architects (South Australian Division) and the Australian Institute of Urban Studies. Despite the extensive call for nominations, only two (2) nominations were received.

It is difficult to determine the reasons why the Awards Program does not always generate sufficient interest from the community and developers, particularly given that the call for nominations undertaken in 2018, was identical to the call for nominations which was undertaken in 2016, which resulted in fourteen Award nominations.

Given that the Urban Design Awards Program has been reviewed and amended on numerous occasions since 2002, with limited long term success, it is considered timely for the Council to consider the future of the Awards Program.

### Should the Council Run a Development Excellence Awards Program?

The key objectives of the Urban Design Awards Program are to encourage and recognise locally responsive development and renovations which improve the quality of the City's built environment, represent good urban design and contribute to the revitalisation of the City as an attractive place in which to live, do business and spend leisure time.

Whilst the intent of the concept is commendable, the Awards Program has failed to capture consistent and long term community and development industry support.

In a positive sense, the Awards Program has been designed to:

- recognise meritorious work by designers and developers at the local level;
- focus awareness of good design practices and environmental management and sustainability; and
- foster a sense of community.

Notwithstanding these positive attributes, the success or failure of the Awards Program hinges on many factors, some of which include:

#### ***The pool of eligible nominations***

On average, the Council processes around 1100 Development Applications in any given year, down from approximately 1200 in 2002. Of these, approximately 700 Applications involve minor residential development (ie. alterations and additions, outbuildings etc.), 100 involve major residential development, 150 involve commercial/industrial development, 50 involve significant tree removal/pruning and 100 involve demolition.

To be eligible for a nomination, a project must have been completed in the two year period preceding the date nominations are called. Unfortunately many projects take longer than two years to complete, thus it does not necessarily follow that the number of Development Applications processed by the Council in a given two year period will equate to the number of eligible projects for the Awards. Nevertheless, an analysis of the types of Development Applications which are processed by the Council may provide a guide as to the likely pool of eligible projects for each of the Award categories.

The Awards for *Best Residential Development* and *Best Commercial Development* need to be conferred from a maximum pool of around 500 eligible Development Applications in any two year period. This figure factors in around 200 major residential developments and 300 commercial developments.

Whilst a nomination pool of 500 Development Applications appears to represent a reasonable pool of projects from which to confer Awards of this kind, the reality is that the majority of commercial developments which are processed by the Council, are 'run of the mill' developments such as offices, consulting rooms, medical centres and light industrial developments such as warehousing, stores and the like. The overwhelming majority of these developments are unlikely to contain sufficient merit to be worthy of an Urban Design Award. This is also true of a large proportion of residential Development Applications processed by the Council and especially true of Residential Code compliant developments, which rarely include architecturally commissioned designs.

In reality, the pool of eligible Development Applications in any given Awards period, is typically in the order of 100-200 Development Applications, which is minimal when considering that the Awards seek to reward outstanding Urban Design. In any given Awards period, none of the eligible Development Applications may be worthy of receiving an Urban Design Award.

If the eligible pool was greater, then it is more likely that the Council would receive more nominations and nominations of high quality that would be worthy of receiving an Urban Design Award.

It should also be noted that in some years, the pool of eligible Development Applications in each Award category, will fluctuate significantly because many development projects take longer than two years to complete. This 'unknown' factor may result in the Council receiving a high number and quality of nominations in one Awards period and low number or quality of nominations in the following Awards period, notwithstanding the level of promotion undertaken.

The above rationale is supported when considering the size and scale of other Councils that confer Urban Design Awards. Generally, councils of a similar size to the City of Norwood Payneham & St Peters do not run Urban Design Award Programs. Rather, larger cities of a scale more akin to Sydney, Melbourne and the Gold Coast operate successful Award Programs of this kind.

Anecdotal evidence suggests that if the size of the pool of eligible Development Applications is minimal, Urban Design Awards more often than not, do not generate enough community interest to warrant running such a Program on an on-going basis.

### ***Interest from the Community and Industry***

Many people simply may not have the time or have enough interest in the Awards Program to submit a nomination, even with a simplified on-line nomination process available.

There also appears to be a general reluctance from people from putting forward a nomination, other than those who have a direct interest in a project (ie. the landowner, developer, builder or architect).

In a recent LinkedIn article published on 29 September 2017, Paul McCann, the Chief Executive Officer of CDG, an International Brand Design and Digital Marketing Company, penned some interesting observations on the pros and cons of entering Design Awards. In this regard, Mr McCann observed that whilst there are many positives in submitting nominations, including public relations exposure for projects and clients, credibility, increased company profiles and improved staff morale when Awards or commendations are received, he also opined that there are several cons for submitting nominations, including:

- ***Time*** - It takes time to write up for nominations and apply for Awards and most design Awards require strong proposals for the judges to read and ascertain the validity of a nomination.
- ***Gathering of Evidence*** - Usually part of the application process is to gather statistics and quotes from clients and third parties to underpin the validity of an application.
- ***Deadlines*** - Deadlines for the submission process can lead to stress and a team and maybe your clients to the brink of “oh I wish I had not started this”.
- ***Morale Downside*** - Just as an Award can boost morale not winning can also deflate morale to the level that teams can go into a downward spiral and feel negative. When a team is riding high, a little low might not be as problematic as when a team is struggling and needs a win. Sometimes it's better to win at being good and getting self-recognition first and look to Awards later when a company is making its own luck.

Mr McCann also opined that companies consider a range of additional factors before making submissions including, the relative level of prestige associated with the Awards Program, previous winners, transparency of the judging process, the return on investment from preparing submissions versus the exposure gained from winning an Award, how many years the Awards have been in place, whether the Awards provide International, National or Local exposure, entry costs and whether the company is in ‘good stead’.

### ***Incentives for Nominators***

Given the low response rate to the 2002, 2004, 2012 Awards Program from the community and development industry, the Council introduced a financial incentive for the 2016 Awards Program, in which every person voting in the People's Choice Award was entered into a draw to win a handcrafted piece of art valued at \$250, as well as the winning entries being featured in an advertorial in SA Life magazine. Whilst this same incentive was on offer in 2018, it does not appear to have influenced the number of nominations which were received.

### **Other Award Programs**

Perhaps the most pertinent factor that influences interest in the Council's Urban Design Awards Program, is that the development industry has the opportunity to participate in similar Award Programs which are conducted by industry, State or federal bodies, some of which are listed below:

- Planning Institute of Australia – South Australian and Australian Urban Design Awards;
- Urban Development Institute of Australia – Awards for Development Excellence;
- Australian Institute of Architecture – National and South Australian Architecture Awards Program, including the Gavin Walkley Award for Urban Design;
- Master Builders Australia Inc. – National Building and Construction Awards Building Excellence Awards (South Australia); and
- Housing Industry Association Ltd – South Australian Housing Awards and Australian Home of the Year Award.

Given the number of Urban Design and Development Excellence Award Programs that are available and the prestige associated with receiving an Urban Design Award from a Peak Industry Body as well as State, National or International level exposure and credibility, it is reasonable to expect that the development industry will not be responsive about participating in too many Programs of this kind or programs at the local level.

The only distinguishing feature of the Council's Program is that nominations are limited to a local pool of eligible projects, which is of course a positive attribute of the Awards Program. However, given its limitation to projects undertaken within the City of Norwood Payneham & St Peters, the Council's Program may well be viewed by many people as having relatively minimal prestige and status and this is considered to be a major factor that influences the low participation rate.

### **OPTIONS**

The Council can discontinue the Urban Design Awards Program for the reasons outlined in the body of this report, namely that there is insufficient community and development industry interest in the Awards Program.

Alternatively, the Council can hold the Awards Program in abeyance and run the Urban Design Awards Program in its current format or in a modified format at some time in the future. In this regard, some alternative approaches are discussed below:

#### *Deferring the Awards Program*

The Council could hold the Awards Program in abeyance for twelve months or some other period of time. Whilst this would increase the eligible pool of Development Applications, it does not guarantee that more nominations will be received and would be the third time that the Awards Program would be held in abeyance since its inception in 2002.

In addition, if the Awards Program was again held in abeyance, it would undermine the continuity of the Awards Program and makes it difficult to sustain promotional momentum for the Program.

#### *Offering More Incentives for Award Winners*

The Council could introduce a major prize for the People's Choice Award winner or prizes for the winner of each Award Category, beyond the current incentives on offer, which include a certificate and framed photograph of the development (including a small engraved plaque) and a promotional article profiling the development in the *CityMag* print publication and the Council's *Look East* publication.

From 2002 to 2010, the Council did offer a \$5,000 major art prize for the winner of the *Brian Polomka Design Award*, (conferred to the most outstanding development from among the Award Category winners) as part of the Awards Program. Notwithstanding the substantial prize that was offered between 2002 and 2010, the incentive did not significantly influence the number of nominations received during that period. As such, re-introducing a substantial prize or cash incentive is unlikely to generate substantially greater interest in the Awards Program.

#### Increasing Marketing and Promotion

The Council could extend the nomination period again, either with the same or a different promotional strategy. This option is not recommended on the basis that the resourcing and cost involved in continuing with the Awards Program is not likely to significantly increase the pool of nominations. Given that the direct mail out to Architects, Designers, Builders and Planners that have been particularly active in the Council area over the past two years as well as all Residents Associations and several peak industry bodies did not generate sufficient nominations, it is considered doubtful that an alternative promotional strategy would be any more successful.

Even direct marketing of the program to the development industry and homeowners by the Council's planning staff has not translated into Award nominations.

#### Regional Awards Program

The Council could consider expanding the Awards Program to a Regional basis, with other Eastern Region Alliance (ERA) Councils.

The level of interest from other ERA Councils has not been tested at this point in time. However, given the lack of interest in this Council's Awards Program, a shift to a Regional Awards Program is unlikely to generate more local interest. In addition, a shift to a Regional Awards Program would undermine the core objective of the Awards Program, which is to promote local developments that improve the quality of this City's built environment.

#### Council Led Nominations

The Council could shift the focus of the Awards Program from community led nominations to Council led nominations. Whilst this would obviate the need to call for nominations, such a process would be resource intensive and depending on the format of the judging process, could lead to 'politicised' Award outcomes if the Awards are conferred by persons without extensive Urban Design experience.

In addition, the concept of staff nominating developments is not supported as it does not align with the 'spirit' of the Awards Program, which is to, among other things, encourage community participation and pride in Urban Design. Also, if staff nominate a development and that development subsequently wins an Award, this may lead to the perception of bias in the community – albeit unfounded as the Awards would likely be conferred by a Committee of the Council and not Council staff.

Having regard to the range of available options, discontinuing the Awards Program is recommended.

### **CONCLUSION**

The Urban Design Awards Program has merit and advances the collective conversation about urban design; even criticism of the Awards Program and winning developments has value. However, the reality is that historically the Awards Program has generated minimal community and development industry interest for various reasons, some of which are canvassed in this report.

Unfortunately, only two (2) nominations were received following the recent call for nominations, notwithstanding the extensive and targeted promotional campaign and previous amendments to the Urban Design Awards Program aimed at streamlining the Program and encouraging greater participation from the Community have not achieved long term success.

On balance, it is recommended that the Council discontinue the Awards Program on the basis that the effort, resource and financial allocations do not provide sufficient community benefit nor do the awards generate sufficient community and development industry interest, even with a simplified nomination process and direct requests from staff to developers and owners to submit nominations.

## COMMENTS

Nil.

## RECOMMENDATION

1. That the Council notes the level of community and development industry interest in the Urban Design Awards Program and that on this basis, no Awards be conferred for the 2018 Urban Design Awards Program.
  2. That the Council's Urban Design Awards Program be discontinued.
  3. That the persons who submitted nominations for the 2018 Urban Design Awards Program be thanked for their time and effort in submitting nominations and provided with double pass movie tickets, as a token of the Council's appreciation.
- 

*Cr Whittington moved:*

1. *That the Council notes the level of community and development industry interest in the Urban Design Awards Program and that on this basis, no Awards be conferred for the 2018 Urban Design Awards Program.*
2. *That the Council's Urban Design Awards Program be discontinued.*
3. *That the persons who submitted nominations for the 2018 Urban Design Awards Program be thanked for their time and effort in submitting nominations and provided with double pass movie tickets, as a token of the Council's appreciation.*

*Seconded by Cr Duke and carried unanimously.*



**Section 2 – Corporate & Finance**  
**Reports**

## 11.4 MONTHLY FINANCIAL REPORT – MAY 2018

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**REPORT AUTHOR:** Financial Services Manager  
**GENERAL MANAGER:** General Manager, Corporate Services  
**CONTACT NUMBER:** 8366 4585  
**FILE REFERENCE:** S/00697  
**ATTACHMENTS:** A

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### **PURPOSE OF REPORT**

The purpose of this report is to provide the Council with information regarding its financial performance for the period ended May 2018.

### **BACKGROUND**

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

### **RELEVANT STRATEGIC DIRECTIONS AND POLICIES**

Nil.

### **FINANCIAL AND BUDGET IMPLICATIONS**

Financial sustainability is an ongoing high priority for the Council. The Council adopted a Budget which forecast an Operating Surplus of \$3.081 million for the 2017-2018 Financial Year.

Year-to-date to 31 May 2018, the Council's Operating Surplus is \$3.186 million against a budgeted Operating Surplus of \$2.737 million, resulting a favourable variance of \$1.343 million.

### **EXTERNAL ECONOMIC IMPLICATIONS**

Not Applicable.

### **SOCIAL ISSUES**

Not Applicable.

### **CULTURAL ISSUES**

Not Applicable.

### **ENVIRONMENTAL ISSUES**

Not Applicable.

### **RESOURCE ISSUES**

Not Applicable.

### **RISK MANAGEMENT**

Not Applicable.

## CONSULTATION

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

## DISCUSSION

Year-to-date to 31 May 2018, the Council's Operating Surplus is \$3.186 million against a budgeted Operating Surplus of \$1.494 million, resulting a favourable variance of \$1.691 million. The favourable result is caused by timing variances in the following areas:

- Employee expenses (\$13.515 million year-to-date spend) are favourable to Budget by \$0.556 million or 4%. The drivers of this variance are set out below:
  - Lower than anticipated hours of contractor labour being utilised to cover vacancies in Depot Field staff (\$0.050 million). The vacant positions have recently been filled with permanent staff.
  - Vacancies, which have been unfilled from 1 July 2017, pending a review of the method of service delivery and staffing required (\$0.154 million). As part of the Mid-Year Budget Review the Budget was adjusted in respect to these positions for the six months to December 2017.
  - Swimming Centre Staff actual hours were slightly lower than Budget estimates over the season resulting in a favourable variance of \$0.043 million.
  - During 2017-2018, there has been a higher than average amount of Long Service Leave. This permanent difference is resulting in a \$0.150 million favourable impact of Employee Expenses.
- Expenditure on contracted services (\$7.395 million year-to-date spend) is reporting a favourable variance of 5% or \$0.370 million. The major drivers for this variance are:
  - Fewer variations to the Street Sweeping Program than allowed for in the Budget have resulted in a \$0.055 million favourable variance.
  - A variance in the Line Marking Budget due to inclement weather conditions impeding the completion of works has resulted in a favourable variance of \$0.058 million.
  - A reduction in requests for Home Maintenance Services in the Over 65 age group has resulted in a favourable variance of \$0.045 million
  - Timing variations to budget with completion of the inspection and testing programs has resulted in a favourable variance in Building Maintenance expenditure of \$0.070 million.
- Total revenue is \$0.322 million or 0.8% favourable compared to Budget. The contributing factors to this favourable variance are:
  - User charges are \$0.088 million unfavourable against the budget primarily due a timing variance in the number of days the St Peters Child Care Centre has been open compared to the budgeted days (\$0.064 million).
  - Investment income is \$0.075 million favourable due to increased funds held on deposit with the Local Government Financing Authority.
  - Un-budgeted Grant Funding was received for Age Friendly Signage project to improve age friendly signage and enable older people to walk to key locations and places of interest in the City.
  - Rate Revenue is \$0.127 million favourable primarily due to a delay in the transfer of properties from the Housing SA to a community housing provider resulting in a lower rebate being granted \$0.073 million.

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

**OPTIONS**

Not Applicable.

**CONCLUSION**

Nil.

**COMMENTS**

Nil.

**RECOMMENDATION**

That the Monthly Financial Report – May 2018, be received and noted.

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Cr Wormald left the meeting at 8.07pm.

*Cr Minney moved:*

*That the Monthly Financial Report – May 2018, be received and noted.*

*Seconded by Cr Stock.*

Cr Wormald returned to the meeting at 8.09pm.

*The motion was put and carried unanimously.*

## 11.5 ADOPTION OF ANNUAL BUSINESS PLAN, BUDGET AND DECLARATION OF RATES FOR 2018-2019

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**REPORT AUTHOR:** Financial Services Manager  
**GENERAL MANAGER:** Acting General Manager, Corporate Services  
**CONTACT NUMBER:** 83664585  
**FILE REFERENCE:** S.5218  
**ATTACHMENTS:** A - H

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### PURPOSE OF REPORT

The purpose of this report is to present to the Council, the Draft 2018-2019 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 2018-2019 Annual Business Plan and Budget, have been considered by the Council at meetings held on 9 April 2018, 17 April 2018, 23 April 2018 and 13 June 2018.

Public submissions were sought in relation to the Draft 2018-2019 Annual Business Plan and two (2) written submissions were received and have been considered by the Council at its meeting held on 13 June 2018. Following the Council’s consideration of the public submissions, the Council resolved that no amendments be made to the Draft 2018-2019 Annual Business Plan and Budget.

This report presents to the Council the Draft 2018-2019 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 2018-2019 Annual Business Plan and supporting Draft 2018-2019 Budget, set out the proposed services and programs and initiatives for the 2018-2019 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 Council’s Long Term Financial Plan (LTFP), is a key document in the Councils Planning Framework. It is the primary financial management tool which links the Councils Strategic Plan, *City Plan 2030 – Shaping our Future*, Whole-of-Life Assets Management Plans and the Annual Business Plan and Budget.

The adoption of the Draft 2018-2019 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

The Draft Budget has been prepared in line with the Budget Guidelines that were endorsed by the Council and incorporates the decisions made by the Council at its meetings held on 9 April 2018, 17 April 2018, 23 April 2018 and 13 June 2018.

The Draft Budget has been developed based on a Rate Revenue increase of 2.5% which is inclusive on New Development Growth. New Development Growth for 2018-2019 is 1.9%, which equates to \$569,796 of the proposed increase in Rate Revenue.

A summary of the key elements of the Draft Budget which have been considered by the Council is detailed in Table 1 below.

**TABLE 1: DRAFT 2018-2019 BUDGET**

	<b>Draft 2018-2019 Budget</b>
<b>Rate Revenue Increase</b>	<b>2.50%</b>
Average Residential Rate Increase (based on Week 50 valuations)	0.9%
Operating Surplus * <i>* Includes Roads-to-Recovery Grant Funding(\$0.260m) and Net loss on Joint Ventures (\$0.120m)</i>	\$1.430 million
<b>Underlying Operating Surplus *</b> <i>* excluding Roads-to-Recovery Grant Funding(\$0.260m) and Net loss on Joint Ventures (\$0.120m)</i>	\$1.290 million
Expenditure on continuing services and programs	\$30.382 million
Expenditure on new initiatives and strategic operating projects (including 2017-2018 Carry-forward projects)	\$0.733 million
Total Capital Works Program (including 2017-2018 Carry-forward projects)	\$28.606 million
Non- Rate Operating Revenue (excluding Roads-to-Recovery)	\$8.632 million
Net General Rate Revenue (excluding NRM Levy)	\$33.292 million
NRM Levy **	\$1.280 million
Capital Grant Funding	\$3.415 million

*\*\* 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.*

The State Government recently introduced a draft Bill for the introduction of Rates Capping. While, if passed, the Rates Capping legislation will not come into effect until the 2019-2020 Financial year, the Council does need to be aware of the potential implications of this new legislation if adopted in the form it has been presented, when considering and adopting the Draft 2018-2019 Budget. The State Governments Rate Capping legislation is discussed further in the Discussion Section of this report.

### **EXTERNAL ECONOMIC IMPLICATIONS**

The Draft 2018-2019 Annual Budget is based on a rate revenue increase which will be 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 2018-2019 Annual Business Plan and Budget process and have considered the various components of the Draft 2018-2019 Annual Business Plan and Budget at Special Council meetings held on 9 April 2018, 17 April 2018, 23 April 2018 and 13 June 2018 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 2018-2019 Annual Business Plan were sought. Two (2) written submissions were received and considered by Council at its meeting held on 13 June 2018.

- **Staff**

The review of 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**

Not Applicable.

## DISCUSSION

The focus when developing the Draft 2018-2019 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: Shaping Our Future* and that those services and initiatives 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, but also ensure that the Budget is, at a minimum, cash neutral after principal loan repayments.

As detailed in Table 2 below, the Draft 2018-2019 Operating Surplus is \$1.430 million, which is based on a Recurrent Operating Surplus of \$2.052 million and an Operating Deficit, relating to Operating & Capital Projects, of \$0.623 million. It should be noted that the Draft Operating Surplus includes \$0.260 million Roads-to-Recovery Grant income and the Council's share of the Net loss (\$0.120million) from its Regional Subsidiaries. Adjusting for the Roads-to-Recovery Grant income and the Net Loss from Regional Subsidiaries, the underlying Draft Operating Surplus for the provision of continuing services and programs and new initiatives, is projected to be \$1.290 million.

With a proposed rate revenue increase of 2.5%, combined with the proposed Capital Works Renewal Program, the Draft 2018-2019 Budget will, deliver a Cash Deficit of \$4.837 million, after Principal loan repayments of \$1.858 million. The cash deficit is the result of utilising existing cash reserves to fund Capital Projects in preference to Borrowings. The closing cash balance at the 30 June 2018 is projected to be \$4.031 million, which is required to fund large expenditures due in the September 2018 Quarter.

**TABLE 2: 2018-2019 PROPOSE BUDGETED STATEMENT OF COMPREHENSIVE INCOME**

	Recurrent Operating 2018-2019	Operating Projects 2018-2019	Capital 2018-2019	Proposed 2018-2019
	\$	\$	\$	\$
<b>INCOME</b>				
Rates	34,782,219	-	-	34,782,219
Statutory charges	1,730,000	-	-	1,730,000
User charges	3,609,636	-	-	3,609,636
Grants, subsidies and contributions	2,430,302	260,837	-	2,691,139
Investment income	119,344	-	-	119,344
Other income	743,511	-	-	743,511
Net Gain- Joint Ventures & Associates	7,295	-	-	7,295
<b>Total Income</b>	<b>43,422,307</b>	<b>260,837</b>	<b>-</b>	<b>43,683,144</b>
<b>EXPENSES</b>				
Employee costs	15,338,029	-	-	15,338,029
Materials, contracts & other expenses	16,324,336	733,353	-	17,057,689
Finance costs	881,326	-	150,000	1,031,326
Depreciation, amortisation & impairment	8,699,443	-	-	8,699,443
Net Loss- Joint Ventures & Associates	127,029	-	-	127,029
<b>Total Expenses</b>	<b>41,370,163</b>	<b>733,353</b>	<b>150,000</b>	<b>42,253,516</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>2,052,144</b>	<b>(472,516)</b>	<b>(150,000)</b>	<b>1,429,628</b>
Net gain (loss) on disposal or revaluation of assets	-	-	20,000	20,000
Amounts specifically for new or upgraded assets	-	-	3,415,193	3,415,193
Physical assets received free of charge	-	-	5,431,426	5,431,426
<b>NET SURPLUS (DEFICIT)</b>	<b>2,052,144</b>	<b>(472,516)</b>	<b>8,626,619</b>	<b>10,206,247</b>

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 2.5% increase in rate revenue on the Average Residential Rate, after allowing for the impact of new development, is an additional \$14 per annum (or a 0.93% increase), with the impact on the Average Commercial Rate, after allowing for the impact of new development being a decrease of \$26 per annum (or a 1.05% decrease).

#### **Budgeted Capital Projects Including Capital Works**

At the Special Council Meeting held on 17 April 2018, the Council endorsed that the Draft 2018-2019 Annual Business Plan which includes new Capital Projects with a combined value of \$17.979 million. The funding allocation includes \$6.753 million for the Whole-of-Life Capital Works Program as detailed in Table 3 below.



**TABLE 3: CAPITAL WORKS**

	<b>Expenditure</b>
Drainage Works	\$4.100 million
Road Resealing	\$1.267 million
Footpath Reconstruction	\$0.811 million
Kerbing Reconstruction	\$0.765 million
Recreation & Open Space	\$0.632 million
Building	\$0.951 million
<b>TOTAL Whole-of Life</b>	<b>\$8.526 million</b>

In addition to the current years proposed Capital Projects, the Draft 2018-2019 Budget includes a funding allocation for Capital Projects which were adopted as part of the 2016-2017 Annual Business Plan and Budget and which were not to be completed by 30 June 2017. The actual value of projects yet to be completed will not be determined until after 30 June 2018, however an estimate of the projects to be carried forward to the 2018-2019 Financial year has been determined based on the 2017-2018 Third Quarter Budget Update. The value of carried forward Capital Projects included in the Draft 2018-2019 Budget is \$10.403 million, with the following major projects being carried forward;

- Drainage Program (\$0.898 million);
- Felixstow Reserve Redevelopment (\$0.600 million)
- River Torrens Linear Park Path Upgrade (\$0.700 million)
- Norwood Oval Clubrooms and Members Facilities (\$5.300 million) ;
- Payneham Oval Clubrooms Redevelopment (\$0.800 million); and
- Beulah Road Bicycle Boulevard (\$0.850 million).

The overall funding allocation required for the proposed 2018-2019 Capital Projects and 2017-2018 Capital Project Carry Forwards, is \$28.606 million. The 2018-2019 Capital Budget is offset by Grant Funding and Other Capital income of \$8.777 million, resulting in a net cost to Council of \$19.829 million.

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 which is received and relates 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** – Endorsed Capital and Operating Projects.
- **Attachment D** – Capital Works Program.

### **Borrowings**

Proposed net capital expenditure of \$19.829 million is proposed to be funded as follows:

- |  |                  |
|--|------------------|
| • Use of depreciation recovered through rate revenue | \$8.700 million. |
| • Long Term Borrowings                               | \$6.500 million. |
| • Roads-to Recovery Grant Funding                    | \$0.260 million. |
| • Accumulated Cash Reserves                          | \$4.369 million. |

In determining the level of borrowings required to fund the capital program, consideration has been given to the cashflow requirements and to intergenerational equity between current and future users. Whilst these considerations have formed part of the budget model they will be reviewed and reconsidered before the decision to commit to any borrowings.

Of the total borrowings of \$6.5 million, \$4.0 million relates to the Norwood Oval Members Facilities, Clubrooms and Women's Facilities. Due to the timing of the Norwood Oval Project, the borrowing will be required to be taken out in the first half of the 2018-2019 Financial year. To minimise the impact on the annual interest expense, the balance of the borrowings (\$2.5 million) will be taken out in the latter half of the 2018-2019 Financial Year.

In addition, given the anticipated cash reserves, there is no expectation that the Council will be required to take out short term borrowings to cover periods of negative cash flow.

As detailed in the Budgeted Cash Flow Statement (**Attachment B**), the closing cash balance is projected to be \$4.032 million at the end of the financial year, after the loan principal repayments of \$1.858 million.

### Fees and Charges

At the Council Meeting held on 5 March 2018, the Council adopted "in-principle" the Fees and Charges to be applied for 2018-2019.

The 2018-2019 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 23 April 2018, was based on valuations at 6 April 2018. Valuations at 15 June 2018 (**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 2.5%.

Table 4 provides a summary of the Rating Strategy.

**TABLE 4: RATING STRATEGY**

	2017-2018	2018-2019
<b>Proposed Rate Revenue Increases</b>	<b>2.00%</b>	<b>2.50%</b>
	<b>\$'000</b>	<b>\$'000</b>
Net General Rate Revenue	32,352	33,230
Net Increase on Previous Year	634	878
<b>Operating Surplus/(Deficit) after rate revenue increases</b>	<b>3,081</b>	<b>1,430</b>
<b>Residential Rate</b>		
Average Rate (inclusive of new development) (\$)	1,454	1,468
Average Rate Difference ( \$)	37	\$14
Increase from previous year (%)	2.65%	0.93%
Rate-in-the-Dollar	0.0023929	0.0022187
<b>Commercial Rate</b>		
Average Rate (inclusive of new development) (\$)	2,497	2,471
Average Rate Difference ( \$)	(\$52)	(\$26)
Increase from previous year (%)	(2.0%)	(1.05%)
Rate-in-the-Dollar	0.002872	0.0026625
<b>Minimum Rate</b>	<b>958</b>	<b>982</b>
<b>Percentage of Assessment on Minimum Rate</b>	<b>27.8%</b>	<b>29.5%</b>

The positive impact on the average residential rate is predominately due to the impact of the strong new development through-out the City in the past twelve months, with 272 new assessments being created to the value of \$140.4 million. The breakdown of the new assessments is detailed in Table 5 below.

**TABLE 5: NEW ASSESSMENTS**

Land Use	Number of New Assessments	Valuation of New Assessments
Residential	236	118,455,000
Commercial	7	23,785,000
Industry	1	(10,515,000)
Primary Production	0	0
Vacant Land	28	8,655,000
<b>Total</b>	<b>272</b>	<b>140,380,000</b>

In addition, to the new assessments, significant growth has resulted from new development (improvements) to existing assessments. The value of improvements across all land uses is \$109.5 million, with most of this growth occurring within the residential land use class.

Information on rate revenue increases for 2018-2019 is not available for all metropolitan Council's, however the proposed Rate Revenue increases for the Eastern Region Councils are listed in Table 6 below. It should be noted that in undertaking consultation on the budget, most Council's consult on a rate revenue increase exclusive of new development growth. This Council's approach is to consult on Rate Revenue increases inclusive of new development growth. The City of Norwood Payneham & St Peters increase is the lowest amongst these councils.

**TABLE 6: RATE REVENUE INCREASES**

Council Area	Rate Revenue Increase	Growth	Overall Rate Revenue Increase
City of Prospect	3.50%	0.75%	4.25%
City of Unley	2.80%	0.50%	3.30%
City of Mitcham	2.67%	0.30%	2.97%
City of Campbelltown	2.90%	1.46%	4.36%
City of Burnside	2.70%	1.00%	3.70%
Town of Walkerville	2.49%	1.30%	3.79%
<b>City of Norwood Payneham &amp; St Peters</b>	<b>0.60%</b>	<b>1.90%</b>	<b>2.50%</b>

#### **Natural Resources Management (NRM) Levy**

In 2018-2019, the Council will be required to collect \$1.280m (a 8.2% increase on the amount collected in 2017-2018) on behalf of the NRM Board for the payment of the State Government Natural Resources Management Levy. The Council is acting as the revenue collector for the Adelaide and Mount Lofty Ranges Natural Resources Board in this regard and does not retain this revenue. The property owners within the City of Norwood Payneham & St Peters will continue to contribute 4% of the total of the Levy (\$30.7 million) which is collected on behalf of the board for 2018-2019 Financial year.

As Elected Members may recall, the Council considered the proposed increase of the NRM Levy and resolved not support the proposed increase, on the basis that the increase exceeds the June 2017 Adelaide CPI index of 1.6%.

A final determination on this issues has yet to be received.

## Draft 2018-2019 Rating Policy

As part of its Annual Business Plan, the Council is required to adopt a Rating Policy, which formally documents the Council's Rating Strategy. The Draft 2018-2019 Rating Policy (based on a rate revenue increase of 2.5%), which has been updated for the proposed rate-in-the-dollar is contained in **Attachment G**.

For 2018-2019, the Capital Value has increased (as advised by the Valuer-General) across the City of Norwood, Payneham & St Peters by 8.89%. Table 8 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 2017-2018 BY LAND USE**

Land Use	2017-2018 Capital Value \$	2018-2019 Capital Value \$	% Increase/ (Decrease)
Residential	10,334,486,379	\$11,399,719,409	10.31%
Commercial	1,896,734,443	\$2,037,136,368	7.40%
Industrial	127,187,546	\$124,660,482	(1.99%)
Vacant Land	102,398,000	\$138,878,000	35.63%
Other	297,975,132	\$323,526,741	8.58%
Primary Production	630,500	\$663,000	5.15%
Non-Rateable	262,968,800	\$286,059,700	8.78%
<b>Total</b>	<b>\$13,022,380,800</b>	<b>\$14,310,643,700</b>	<b>9.89%</b>

As set out above, last week, the State Government introduced draft legislation, *The Local Government (Rate Oversight) Amendment Bill 2018*, into Parliament for the introduction of Rates Capping. If passed, the Legislation will come into effect in the 2019-2020 Financial year.

The Bill provides the framework for the establishment of:

- Primary Rate cap determinations;
- Variation Applications; and
- Monitoring and Reporting.

The Essential Services Commission of South Australia (ESCOSA) will be responsible for determining the rate cap, assessing variation application and the reporting and monitoring of compliance to the system.

To date, details of the operation of the systems has yet to be released, with the ESCOSA having the responsibility of providing guidance material to assist councils to ensure compliance with each element of the system.

The information that is available is detailed below.

### Primary Rate Cap

- The Primary Rate Cap (Rate Cap) will be determined by ESCOSA, not later than 31 December each year or by another date set by ESCOSA;
- The Primary Rate Cap does not need to be linked to an index like the Local Government Price Index (LGPI) or the Consumer Price Index (CPI);
- The Primary Rate Cap may include an efficiency or productivity element;
- The Primary Rate Cap applies to General Rates only, i.e. Separate Rates such as the Parade Rate and the NRM Levy are not subject to the Primary Rate Cap; and
- The Council's standard rate for a specified financial year, must not exceed the base standard rate by more than the primary rate cap, where the base standard rate is the Council's annualised rate revenue divided by the number of rateable properties at the end of the base year.

## Rate Cap Variations

- Applications for variation to the Primary Rate Cap must be lodged with ESCOSA by 31 March of the year before the capped year (i.e. March 2019, for the 2019-2020 Financial year);
- The Community must be consulted of the proposed variation to the Primary Rate Cap;
- The Variation application must include:
  - The proposed varied rate cap and what years that the Council proposes that it applies to, up to a maximum of five (5) years;
  - The reasons for the variation;
  - The community engagement process the Council undertook, to inform and engage with the community on the proposed rate variation. The Council does not have to demonstrate community support for the variation is not required;
  - The likely impact of the proposed variation on ratepayers;
  - How the Council considered alternatives to the proposed rate variation, i.e. spending priorities, alternative funding sources etc.;
  - How the proposed variation represents value for money for the Council and its citizens and promotes efficient use of resources; and
  - How the proposed rate cap variation is consistent with the Council's Long Term Financial Plan and Asset and Infrastructure Management Plan; and
- Rate Cap Variations applications must be published on the Council's website.

In setting the 2018-2019 Rating Strategy, the Council needs to consider the future implications of the rate capping legislation in terms of its ability to continue to deliver and improve the services, programs and activities it provides to the community.

A summary of the key consideration prepared by Kelledy Jones Lawyers, is contained in **Attachment H**.

Based on the current information available on the operation of the proposed legislation the potential impact on future rate revenue increases for this Council is detailed in Table 9 below.

**TABLE 9: POTENTIAL IMPACT OF PRIMARY RATE CAPPING**

	2018-2019 Base Year	2019-2020 Capped Year				
		March 2018 Quarter			10 year Average	
		LGPI	CPI	Average of CPI and LGPI	CPI	LGPI
<b>Primary Cap</b>		3.20%	2.30%	2.75%	2.30%	2.78%
Gross Revenue	34,129,674	35,569,946	35,255,953	35,416,363	35,255,953	35,426,602
Number of Rateable Properties	19,922	20,121	20,121	20,121	20,121	20,121
Assessment growth	1%					
Standard Base rate	1,713					
Maximum Rate Revenue Increase		4.22%	3.30%	3.77%	3.30%	3.80%
<b>Standard Capped Rate</b>		<b>1,768</b>	<b>1,752</b>	<b>1,760</b>	<b>1,752</b>	<b>1,761</b>
<i>Variance from base rate</i>		3.20%	2.30%	2.74%	2.30%	2.77%

It should be noted that the above analysis is based on the interpretation of the proposed legislation and is subject to change. As demonstrated above, the Council would be well within the target rate revenue increase of 2.5% as set out in its Long Term Financial Plan should the Bill be passed in its current form.

## OPTIONS

The Council has a number of options in respect to the Draft 2018-2019 Budget. For the purposes of simplicity, the following options are put forward:

1. Adopt the Draft 2018-2019 Annual Business Plan and Budget, which plans to deliver an Operating Surplus of \$1.430 million (inclusive of Roads-to-Recovery funding of \$0.261 million) and an overall Net Surplus (including Capital Income) of \$12.206 million, 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 9 April 2018, 17 April 2018, 23 April 2018 and 13 June 2018;
  - incorporates the adjustments proposed at those meetings; and
  - is based on a rate revenue increase of 2.5%, resulting in an increase in the average residential rate of 0.9% (inclusive of the impact of new development).
2. Amend the Draft 2018-2019 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 2018-2019 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

Nil

## 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 2019, the following recommendations be adopted by the Council.

### 1. Adoption of 2018-2019 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 2018-2019 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 2018-2019 Annual Business Plan as contained within **Attachment A** prior to the final publication.

## 2. Adoption of 2018-2019 Annual Budget

That having adopted the Annual Business Plan 2018-2019 and having considered the Budget for the 2018-2019 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 2018-2019 Financial Year totalling \$14,311,353,700 - (an increase of 9.93%) and that 1 July 2019, 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 of two (2) times the upper limit of the increase in Rate Revenue target as set in the Long Term Financial Plan or two (2) times the Rate Revenue increase as set in the Annual Budget (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 2019. For the purpose of the 2018-2019 this means that the maximum increase will be set at 8%.

## 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 2019, as follows:

Residential	0.22187 cents-in-the-dollar
Commercial – Shop	0.26625 cents-in-the-dollar
Commercial – Office	0.26625 cents-in-the-dollar
Commercial – Other	0.26625 cents-in-the-dollar
Industry – Light	0.26625 cents-in-the-dollar
Industry – Other	0.26625 cents-in-the-dollar
Primary Production	0.26625 cents-in-the-dollar
Vacant Land	0.26625 cents-in-the-dollar
Other	0.26625 cents-in-the-dollar.

## 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 \$982 as the minimum amount payable by way of general rates for the Financial Year ending 30 June 2019.

## 7. The Parade Precinct Development Separate Rate

For the Financial Year ending 30 June 2019, pursuant to the provisions of Section 154 of the *Local Government Act 1999* and Regulation 14 of the *Local Government (General) Regulations 2013*, 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 0.0540 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; and
- 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 0.00934 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 2019.

## 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 2019, shall be payable in four (4) equal or approximately equal instalments, falling due on 14 September 2018, 3 December 2018, 4 March 2019 and 3 June 2019, 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 2018-2019 Financial Year up to a maximum of \$6,500,000 for the purposes of capital expenditure funding.
- (b) 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.
- (c) 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 2018-2019 Financial Year detailed in **Attachment E** be adopted.

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*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 2019, the following recommendation be adopted by the Council.*

### 1. Adoption of 2018-2019 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 2018-2019 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 2018-2019 Annual Business Plan as contained within Attachment A prior to the final publication.*

*Seconded by Cr Whittington and carried unanimously.*

*Cr Minney 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 2019, the following recommendations be adopted by the Council.*

### 2. Adoption of 2018-2019 Annual Budget

*That having adopted the Annual Business Plan 2018-2019 and having considered the Budget for the 2018-2019 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 2018-2019 Financial Year totalling \$14,311,353,700 - (an increase of 9.93%) and that 1 July 2019, 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 of two (2) times the upper limit of the increase in Rate Revenue target as set in the Long Term Financial Plan or two (2) times the Rate Revenue increase as set in the Annual Budget (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 2019. For the purpose of the 2018-2019 this means that the maximum increase will be set at 8%.

### **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 2019, as follows:

Residential	0.22187 cents-in-the-dollar
Commercial – Shop	0.26625 cents-in-the-dollar
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Commercial – Other	0.26625 cents-in-the-dollar
Industry – Light	0.26625 cents-in-the-dollar
Industry – Other	0.26625 cents-in-the-dollar
Primary Production	0.26625 cents-in-the-dollar
Vacant Land	0.26625 cents-in-the-dollar
Other	0.26625 cents-in-the-dollar.

### **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 \$982 as the minimum amount payable by way of general rates for the Financial Year ending 30 June 2019.

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

*For the Financial Year ending 30 June 2019, pursuant to the provisions of Section 154 of the Local Government Act 1999 and Regulation 14 of the Local Government (General) Regulations 2013, 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 0.0540 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; and*
- *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 0.00934 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 2019.*

## **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 2019, shall be payable in four (4) equal or approximately equal instalments, falling due on 14 September 2018, 3 December 2018, 4 March 2019 and 3 June 2019, 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**

- The Council of the City of Norwood Payneham & St Peters approves Loan Borrowings for the 2018-2019 Financial Year up to a maximum of \$6,500,000 for the purposes of capital expenditure funding.*
- 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.*
- 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 2018-2019 Financial Year detailed in Attachment E be adopted.*

*Seconded by Cr Dottore and carried unanimously.*

## 11.6 ERA WATER DRAFT 2018-2019 BUDGET & LONG TERM FINANCIAL PLAN

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**REPORT AUTHOR:** General Manager, Corporate Services  
**GENERAL MANAGER:** Chief Executive Officer  
**CONTACT NUMBER:** 8366 4585  
**FILE REFERENCE:** S4501  
**ATTACHMENTS:** A

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### **PURPOSE OF REPORT**

The purpose of this report is to present to the Council the ERA Water Draft 2018-2019 Budget and Long Term Financial Plan for endorsement.

### **BACKGROUND**

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

Pursuant to Clause 5.1.1 of the ERA Water Charter (the Charter), prior to 31 March of each year, ERA Water must prepare and submit the ERA Water Draft Budget to the Constituent Councils for approval. ERA Water advised the Council that it would not be in a position to present the Draft Budget to Constituent Councils by 31 March 2018.

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

The Budget and Long Term Financial Plan can only be adopted by the ERA Water Board, following unanimous approval of the Constituent Councils.

Upon completion of the Draft Budget, pursuant to Clause 6.1 of the Charter, ERA Water must prepare and provide the draft Annual Business Plan to Constituent Councils. The Annual Business Plan can only be adopted by the ERA Water Board, with absolute majority approval of the Constituent Councils.

### **RELEVANT STRATEGIC DIRECTIONS & POLICIES**

Not Applicable.

### **FINANCIAL AND BUDGET IMPLICATIONS**

The Draft 2018-2019 Budget is forecasting an Operating Deficit of \$0.375m. This Council's share of the Deficit, which will be required to be included in the Council 2018-2019 Budget is \$0.125m. While ERA Water is budgeting for a Deficit, ERA Water has sufficient access to cash to fund the expenditure shortfall and therefore there will be no capital contributions required to be made by the Council.

### **EXTERNAL ECONOMIC IMPLICATIONS**

Not Applicable.

### **SOCIAL ISSUES**

Not Applicable.

## **CULTURAL ISSUES**

Not Applicable.

## **ENVIRONMENTAL ISSUES**

Not Applicable.

## **RESOURCE ISSUES**

Not Applicable.

## **RISK MANAGEMENT**

Not Applicable.

## **CONSULTATION**

- **Elected Members**  
Cr John Minney is a Member of the ERA Water Board.
- **Community**  
Not Applicable
- **Staff**  
Nil
- **Other Agencies**  
Not Applicable

## **DISCUSSION**

### **Draft 2018-2019 Budget**

Construction of the scheme has been completed and is due to be commissioned in the 2018-2019 Financial year. The Draft Budget assumes that 270ML of water will be produced in the 2018-2019 Financial year (subject of course to rainfall), with 214ML of the available water being sold to the Constituents Councils. The water sold will be priced at the SA Water price, which is forecast at \$3.38/kl. Forecast income from Constituent Councils is \$0.714 million. Due to the timing of the commissioning of the Scheme and as the Scheme needs to be in operation and producing sufficient volumes of water no further water sales are forecast in 2018-2019.

Operating costs are forecast to be \$0.598 million which includes Employee Expenses of \$0.190 million and \$0.408 million to operate and maintain the Scheme. The Scheme's operational costs include mechanical and electrical operations and maintenance support provided by an external contractor, licence fees, water testing, utilities costs and administration costs such as insurances, audit fees and general administrative costs.

ERA Water Draft Budget includes Capital Expenditure of \$0.456 million to expand the network to provide connectivity to other customers. A further \$0.267million of maintenance and finance cost will be capitalised prior to commissioning the Scheme.

Assuming water is available for sale to Constituent Councils, total borrowings will be within the borrowing limit of \$13 million.

## Long Term Financial Plan

The Long Term Financial Plan (the 'Plan') contained in **Attachment A** is based on the financial model prepared by BRM Holdich as part of the Prudential Report.

The key assumption within the Plan relates to the availability of water for sale to the Constituent Councils and other customers (i.e. schools and other Councils). It is assumed that water will be available for sale from December 2018.

ERA Water has committed to the following financial objectives:

1. Lower water prices – deliver water to Constituents at a lower price than SA Water pricing.
2. Price Stability – price increase will be stable in the medium term
3. Infrastructure & Asset Management – Infrastructure & Assets be maintained in line with Whole-of-life Infrastructure & Asset Management plans
4. Debt Management – Prudent use of debt to invest in Long Term Assets
5. Equitable distribution of surplus – surplus's will be distributed in accordance with the contribution made by each constituent Council

A copy of the Plan; including the assumption adopted in developing The Plan is contained in **Attachment A**.

## OPTIONS

The Council can choose not to endorse the Draft 2018-2019 Budget and Long Term Financial Plan, however, there are no specific issues or activities which present a financial or risk management issue for this Council to take this course of action.

## CONCLUSION

As with any Long Term Financial Plan, the financial projections contained within the Plan are meant to provide an indication of the Scheme direction and financial capacity, rather than predicting the future financial performance and position of the Scheme.

Notwithstanding this, at a recent workshop held with the ERA Water Board, discussions took place on the need to review and reduce the projected operating costs in order to reduce the projected deficit for 2018-2019. It is important that the Board progress these efforts and seek to reduce operating expenses where possible. To assist in this process, the Constituent Councils recently met and resolved to assist ERA Water through the provision of 'back office/ assistance, such as provision of office space, accounting, and administration.

Given the ERA is in its establishment phase, like any new 'start-up' business, it is important to keep operating expenditure as low as possible until the Scheme is fully operational.

## COMMENTS

Nil

## RECOMMENDATION

1. That ERA Water be advised that pursuant to Clause 5 of the Charter, the Council has considered and hereby approves the Draft 2018-2019 Budget and the 2019-2028 Long Term Financial Plan.
2. That ERA Water be advised that the Council requests that the Board review the current operational costs which are projected for 2018-2019 and in the Long-Term Financial Plan with a view to reduce and limit such costs and to keep focus on these costs over the next 12 months.

*Cr Minney moved:*

- 1. That ERA Water be advised that pursuant to Clause 5 of the Charter, the Council has considered and hereby approves the Draft 2018-2019 Budget and the 2019-2028 Long Term Financial Plan.*
- 2. That ERA Water be advised that the Council requests that the Board review the current operational costs which are projected for 2018-2019 and in the Long-Term Financial Plan with a view to reduce and limit such costs and to keep focus on these costs over the next 12 months.*

*Seconded by Cr Duke and carried.*



## **Section 3 – Governance & General Reports**

## 11.7 REPORTS OUTSTANDING

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**REPORT AUTHOR:** Chief Executive Officer  
**GENERAL MANAGER:** Chief Executive Officer  
**CONTACT NUMBER:** 83664520  
**FILE REFERENCE:** Nil  
**ATTACHMENTS:** A

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### 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.

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*Cr Wormald moved:*

*That the report be received and noted.*

Cr Minney left the meeting at 8.30pm.  
Cr Minney returned to the meeting at 8.31pm.

*Seconded by Cr Moore and carried.*

## 11.8 LEASE – NORWOOD FOOTBALL CLUB, NORWOOD OVAL

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**REPORT AUTHOR:** Manager, Governance, Legal & Property  
**GENERAL MANAGER:** General Manager, Governance & Community Affairs  
**CONTACT NUMBER:** 8366 4507  
**FILE REFERENCE:** S/00381  
**ATTACHMENTS:** A - B

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### PURPOSE OF REPORT

The purpose of this report is to advise the Council that the Leases between the Council and the Norwood Football Club Incorporated (the Club) in relation to the Norwood Oval premises have expired, and to present to the Council the Lessee's request to extend the existing Leases while negotiations for a new longer-term lease are finalised.

### BACKGROUND

In 2000, the Council entered into two (2) Leases with the Club in relation to the Norwood Oval Premises.

The first Lease was for an original term of ten (10) years, commencing on 1 January 1997 and expiring on 31 December 2007, and related to areas 'A' (Oval), 'B' (Mayor's Parlour), 'C' (Council Reserved Grandstand Seating) and Car Parking 'F', as shown on the attached Plan contained in **Attachment A**.

The second Lease was for an original term of just over seven (7) years, commencing on 7 September 2000 and expiring on 31 December 2007, and related to areas 'G', 'G1' and 'H', (telecommunications infrastructure), as shown on the attached Plan contained in **Attachment A**. An Underlease of this area was put in place between the Club and Hutchison 3G Australia Pty Limited (formerly Lucent Technologies), for the purpose of installation, testing, operation, maintenance and replacement of equipment for a mobile telephone network. This Underlease expired on 31 December 2007.

Both Leases to the Club were on the same terms and conditions, and both were renewed for a further term of ten (10) years, commencing on 1 January 2008 and expiring on 31 December 2017. Both Leases and the Underlease have now expired and are in holding over on a monthly basis. No further options to renew are provided for in the existing Lease documents. That is, the total aggregate term was 20 years.

The Club and the Council commenced the process of re-negotiating the Leases, with a view to entering into a new, long-term lease commencing in 2020, following completion of the Norwood Oval Members Facilities and Clubrooms Project.

In the meantime, the Club has requested that the existing Leases are extended for a five (5)-year term on the same terms and conditions, commencing on 1 January 2018 and expiring on 31 December 2022. This will allow discussions to continue and consultation (as required under the *Local Government Act 1999*) to be undertaken.

Copies of the existing Leases and Underlease are contained within **Attachment B**.

### RELEVANT STRATEGIC DIRECTIONS & POLICIES

The relevant Goals contained in *CityPlan 2030: Shaping Our Future* are:

#### **Outcome 1: Social Equity**

*A connected, accessible and pedestrian friendly community.*

#### **Objectives**

*Convenient and accessible services, information and facilities.  
A strong, healthy, resilient and inclusive community.*

## **FINANCIAL AND BUDGET IMPLICATIONS**

It is proposed that any short-term extension of the Leases will be on the same terms and conditions as the existing Leases. As such, there are to be no additional financial implications for the Council. The Council will be made aware of proposed rent arrangements under any new long-term lease to be entered into between the parties (including with respect to any lease to Hutchison 3G) by way of a separate report at that time.

Under the existing Leases to the Club, a peppercorn rental of \$10 per annum (if demanded), is provided for. In practice, the Club is responsible for the maintenance and upkeep of the Oval and, on this basis, is not charged an annual rent for use of the premises.

Rent is charged for the telecommunications infrastructure under the Underlease at an amount of \$1,476.91 per month (increased annually by CPI). This amount is paid by Hutchison 3G to the Club and the Club is then invoiced by the Council. It is proposed that this arrangement would continue in the interim under a short-term extension of the Underlease.

Rent payments from the Club to the Council in respect of the Underlease are currently outstanding from February 2018, amounting to \$7,384.55 in total.

## **EXTERNAL ECONOMIC IMPLICATIONS**

Not Applicable.

## **SOCIAL ISSUES**

The Norwood Football Club provides sporting and recreational services and facilities to sporting clubs and the broader community through making available the use of Norwood Oval for football training, games and special events.

## **CULTURAL ISSUES**

Not Applicable.

## **ENVIRONMENTAL ISSUES**

Not Applicable.

## **RESOURCE ISSUES**

Not Applicable.

## **RISK MANAGEMENT**

From a risk management perspective, it would be suitable for the Council to remain in the existing holding over arrangement with the Club until a new longer-term lease is finalised. Under a holding over arrangement, the lease continues to operate on the same terms and conditions.

However, from the Club's perspective, entering into a formal short-term extension of the Leases provides the Club with greater security of tenure and assurance of the Council's intention to continue to lease the Oval to the Club moving forward.

As such, the Council can choose to agree to the Club's requested extension of the existing Leases for a term of five (5) years, on the same terms and conditions, subject to the parties continuing to negotiate the terms of a new long-term lease over the next 18 months.

## CONSULTATION

- **Elected Members**

Not Applicable.

- **Community**

Community consultation is not proposed to be undertaken in respect of the short-term extension of the existing Leases and Underlease.

The Norwood Oval Community Land Management Plan authorises the current Leases to the Club and the Underlease to Hutchison 3G. The Plan additionally provides for the Oval to continue to fulfil its role of providing the Club with a home for the playing, practising and watching of Australian Rules Football as a key objective.

The proposed extension of the Leases and Underlease is not for a term of greater than five (5) years, and is to be on the same terms and conditions as the existing Leases and Underlease.

The proposal to enter into a new, longer-term lease with the Club commencing in 2020 is to be considered separately and will be subject to community consultation.

- **Staff**

General Manager, Governance & Community Affairs  
General Manager, Urban Services  
Manager, Governance, Legal & Property  
Acting Manager, City Assets

- **Other Agencies**

Not Applicable.

## DISCUSSION

The Leases currently in place between the Council and the Club, and the Underlease to Hutchison 3G, expired on 31 December 2017. They are now in a monthly holding over arrangement pursuant to Clause 9.5 of the Leases and Clause 2.2 of the Underlease.

A new longer-term Lease is proposed to be entered into with the Club following completion of the Norwood Oval Members Facilities and Clubrooms Project. It is intended that this new lease will accurately reflect the intentions of the parties moving forward (as the current leases are over twenty (20) years old) and will take into account any new arrangements as a result of the Project (eg maintenance obligations of both parties).

It is proposed that a new lease directly from the Council to Hutchison 3G is also entered into following completion of the Norwood Oval Members Facilities and Clubrooms Project, to take into account the proposed relocation of telecommunications infrastructure and to simplify the current rent payment arrangements under the Underlease.

Negotiation of these new lease arrangements with the Club and Hutchison 3G may take some time and should be given careful consideration, considering that the new arrangements will likely be in place between the parties for some years and will need to take into account the use and maintenance obligations of the new Members Facilities and Clubrooms at the Oval.

In discussions with the Club, it was proposed that the current Leases (and Underlease) could remain in holding over until a new long-term lease was finalised.

The purpose of a “holding over” arrangement is to ensure that a lease continues to operate on the same terms and conditions, where a Lessee remains in occupation of the Leased Premises beyond the expiry date of the Lease, with the consent of the Lessor. It is a safeguard to ensure maintenance of the status quo (and payment of rent) on a temporary basis while the parties negotiate a new Lease term or the Lessee vacates the premises.

During a holding over period operating on a monthly basis (as is the case here), either party may terminate the lease with one (1) month's notice at any time. This provides flexibility for the parties to end the arrangement with short notice, however, the Lessee has less security of tenure.

The Club has, however, requested a formal extension of the existing Leases for a term of five (5) years as an interim measure, while negotiations for a new long-term lease continue. This would provide the Club with greater security of tenure than continuing the existing "holding over" arrangement, and may provide them with some assurance of the Council's intention to continue to lease the Oval to the Club.

Additionally, entering into a formal extension of the Leases would assist the Club with securing both existing and future Commonwealth grant funding and sponsorships for the Members Facilities and Clubrooms Project, as a "holding over" arrangement does not provide sufficient security for such financial investment.

In practice, the terms and conditions of the Club's use of the Oval would remain the same under either arrangement (continuation of the holding over, or a formal extension of the Leases).

The Permitted Use of the Oval under the existing Leases is:

*'use by the Club for playing Australian Rules Football League Matches and for training and for any other sporting, social and cultural purposes previously approved by the Council, with the Council agreeing not to unreasonably withhold its consent'.*

This Permitted Use, together with other existing arrangements with respect to the Club's use of the Oval (eg maintenance, hiring out to other groups) would continue for the proposed five (5)-year extension of the existing Leases. Any changes to such arrangements would be negotiated between the parties and presented to the Council for its consideration as part of the new long-term term lease to be entered into in 2020.

On the above basis, the Council can determine to extend the Leases and Underlease for the requested period of five (5) years, commencing on 1 January 2018 and expiring on 31 December 2022, on the same terms and conditions. The proposed extension would be effected by a Deed of Variation and Extension of Lease to be executed by all of the parties.

## **OPTIONS**

The current Leases between the Council and the Club with respect to the Norwood Oval, along with the Underlease to Hutchison 3G, have expired and are in a monthly "holding over" arrangement.

### **Option 1 – Continue the existing holding over arrangement, until a new long-term lease is finalised**

The Council can determine to continue the existing "holding over" arrangement with the Club, whereby the existing Leases and Underlease continue to operate on the same terms and conditions, until a new long-term lease is finalised between the parties, following completion of the Norwood Oval Members Facilities and Clubrooms Project.

### **Option 2 – Extend the existing Leases for a short-term period, while negotiations for a new long-term lease are finalised**

Alternatively, as requested by the Club, the Council could determine to formally extend the existing Leases and Underlease by way of a Deed of Variation and Extension for the five (5)-year period, on the same terms and conditions, subject to the parties continuing to negotiate the terms of a new long-term lease over the next 18 months.

In practice, the Club's use of the Oval remains the same under either of the above options. Nevertheless, a formal Deed of Variation and Extension of Lease provides the Club with greater security of tenure, greater security for securing financial investment in the Oval, and a positive indication of the Council's intention to continue to lease the Oval to the Club moving forward.

It is recommended that no amendments are made to the terms and conditions of the Leases, by way of the Deed of Variation and Extension, at this time. Negotiations between the Council and the Club are not yet finalised, and any new arrangements are intended to be covered in the new longer-term lease to be entered into between the Council and the Club following completion of the Norwood Oval Members Facilities and Clubrooms Project, and will be presented to the Council for its consideration at that time. The Club is supportive of this approach.

## **CONCLUSION**

The Leases between the Council and the Club with respect to Norwood Oval, along with the Underlease to Hutchison 3G have expired and are currently in a monthly “holding over” arrangement.

The Club and the Council are in the process of discussing issues which are relevant to a new Lease, with a view to entering into a new, long-term Lease commencing in 2020 following completion of the Norwood Oval Members Facilities and Clubrooms Project. In the meantime, the Club has requested an extension of the existing Leases for a five (5)-year term, commencing on 1 January 2018 and expiring on 31 December 2022, on the same terms and conditions.

The extension would provide the Club, and Hutchison 3G, with security of tenure while the parties continue to negotiate the terms of a new longer-term Lease over the next 18 months. It is proposed that any changes to the existing Lease arrangements be taken into account in the new longer-term Lease, to be presented to the Council for its consideration at that time.

Notwithstanding this, it is important to have a schedule of actions prepared and approved so that Council staff and representatives of the Club can work to agreed timeframes and so that a new Lease is in place following completion of the Members Facilities and Clubrooms Project. As community consultation is required to be undertaken for the new Lease, the schedule will include where and how community consultation and engagement will be undertaken. A report detailing this schedule will be prepared and provided for the Council’s consideration.

## **COMMENTS**

Nil.

## **RECOMMENDATION**

1. That the Council advises the Norwood Football Club Incorporated that it agrees to extend the existing Leases and Underlease in respect of Norwood Oval for a further term of five (5) years, on the same terms and conditions, subject to the parties continuing to negotiate the terms of a new long-term lease over the next 18 months.
2. That the Mayor and Chief Executive Officer be authorised to sign and seal a Deed of Variation and Extension of Lease with the Norwood Football Club Incorporated and Hutchison 3G Australia Pty Limited, for a further lease term of five (5) years on the same terms and conditions.

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Mayor Bria declared a perceived conflict of interest in this matter on the basis that he is the No. 1 Ticket Holder of the Norwood Football Club and his daughter is a Member of the Norwood Football Club. Mayor Bria advised that he would remain in the meeting.

Cr Stock declared an interest in this matter as he is a Member of the Norwood Football Club.

Cr Duke declared an interest in this matter as he is a Member of the Norwood Football Club.

Cr Dottore declared an interest in this matter as he is a Member of the Norwood Football Club.

Cr Minney declared an interest in this matter as he is a Member of the Norwood Football Club.

*Cr Duke moved:*

- 1. That the Council advises the Norwood Football Club Incorporated that it agrees to extend the existing Leases and Underlease in respect of Norwood Oval for a further term of five (5) years, on the same terms and conditions, subject to the parties continuing to negotiate the terms of a new long-term lease over the next 18 months.*
- 2. That the Mayor and Chief Executive Officer be authorised to sign and seal a Deed of Variation and Extension of Lease with the Norwood Football Club Incorporated and Hutchison 3G Australia Pty Limited, for a further lease term of five (5) years on the same terms and conditions.*

*Seconded by Cr Frogley.*

#### Amendment

*Cr Wormald moved:*

- 1. That the Council advises the Norwood Football Club Incorporated that it agrees to extend the existing Leases and Underlease in respect of Norwood Oval for a further term of three (3) years plus a further two (2) years, on the same terms and conditions, subject to the parties continuing to negotiate the terms of a new long-term lease over the next 18 months.*
- 2. That the Mayor and Chief Executive Officer be authorised to sign and seal a Deed of Variation and Extension of Lease with the Norwood Football Club Incorporated and Hutchison 3G Australia Pty Limited, for a further lease term of five (5) years on the same terms and conditions.*

*The amendment lapsed for want of a seconder.*

*The original motion was put and was carried.*

Cr Stock left the meeting at 9.01pm.

Cr Stock returned to the meeting at 9.03pm.



## 11.9 WOMEN'S COMMUNITY CENTRE – NEW MEAL SERVICE PROPOSAL & EXPANSION OF PERMITTED USE

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**REPORT AUTHOR:** Manager, Governance, Legal & Property  
**GENERAL MANAGER:** General Manager, Governance & Community Affairs  
**CONTACT NUMBER:** 8366 4507  
**FILE REFERENCE:** S/02402  
**ATTACHMENTS:** A

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### PURPOSE OF REPORT

The purpose of this report is to advise the Council of a proposal by the Women's Community Centre (SA) Inc to provide a new community meal service under their existing Lease for the premises located at 64 Nelson Street, Stepney, and to propose an expansion of the permitted use under the Lease, for the Council's consideration.

### BACKGROUND

In August 2017, the Council entered into a Lease with the Women's Community Centre (SA) Inc (the Centre) for a term of five (5) years commencing on 1 July 2017 and expiring on 30 June 2022, with respect to the premises at 64 Nelson Street, Stepney.

The Centre is one of the oldest Community Centres in South Australia and has leased the premises at 64 Nelson Street since 1977.

The Permitted Use under the Lease is as follows:

*'The provision of information, programs and services to women, incorporating services such as child care and pre-school experiences and ancillary purposes including offices for administration.'*

Over time, the Centre's use of the premises and the services which it offers have evolved in order to generate funds for the Centre to continue to operate. Some of these activities fall outside the Permitted Use under the Lease – in particular, the operation of an op-shop from the premises. Details of this change in use are set out in the Discussion section of this report.

The Centre has now approached the Council with a proposal to provide a new community meal service to the general public, to be operated as the 'Village Kitchen' café.

The Centre has advised that the meal service will be operated out of the Centre's existing kitchen by members of the Centre, and will make use of the outdoor lawn area between the premises at 64 and 66 Nelson Street. The Lessee of 66 Nelson Street, No Strings Attached Theatre of Disability Incorporated, is supportive of this proposal and use of this space for this purpose.

A copy of the Centre's proposal and an email of support from the General Manager of No Strings Attached Theatre of Disability Incorporated is contained within **Attachment A**.

### RELEVANT STRATEGIC DIRECTIONS & POLICIES

The relevant Goals contained in *CityPlan 2030: Shaping Our Future* are:

#### **Outcome 1: Social Equity**

#### **Objectives**

*Convenient and accessible services, information and facilities.  
A strong, healthy, resilient and inclusive community.*

**Outcome 2: Cultural Vitality  
Objectives**

*Dynamic community life in public spaces and precincts.*

**FINANCIAL AND BUDGET IMPLICATIONS**

The Centre is a registered charity that relies upon donations, fundraising and income from the programs and services that it runs from the premises to remain financially viable.

At present, the Centre obtains some income from the sale of food as part of its daily lunchtime meal service and the charging of fees for various programs run from the premises. Lunchtime meals are generally \$5 or a gold coin donation, while fees for programs on offer in Term 2, 2018 range from \$9 per day for an art workshop, to \$120 for an 8-week French conversation course. Reduced pricing or payment plans are available for concession holders or those who cannot afford to pay for the above services. The Centre also obtains some income from the sales of clothing and items from its 'op-shop' at the premises.

This 'non-core' income provides around 22 per cent of the Centre's total income, with donations making up around 70 per cent.

The proposed 'Village Kitchen' may provide the Centre with some additional income for the operation of its community programs and services at the premises. Under the new proposal, the Centre would charge the women running the service a small fee for the use of the kitchen to prepare and serve meals to cover electricity costs. Additionally, a small portion of any income received from the sale of food itself, may be kept by the Centre, with the majority (if not all) of the income to be kept by the women running the 'Village Kitchen' to support their own financial sustainability.

It is proposed to retain similar pricing options for food sold as part of the 'Village Kitchen' café as is done for the existing lunchtime meal service at the Centre.

The Centre's proposal also contains a request for Council assistance in carrying out works at the premises to facilitate the 'Village Kitchen' proposal – namely, alteration to the existing side fence and gate to improve access (particularly for the serving of food in the new area), paving of the outdoor lawn area between the two buildings, and provision of a padlock for the gate.

The provision of a padlock and alteration to the fence and gate will be at the Lessee's cost, as per the Maintenance Schedule to the Lease. The Council's Acting Manager, City Assets has confirmed that the paving works between 64 and 66 Nelson Street can be completed at the Council's cost as part of the 2018-2019 Budget, at a cost of approximately \$1000. This is consistent with the paving works previously undertaken between the premises at 66 and 68 Nelson Street, on the basis of engineer recommendations relating to stormwater surface drainage and longevity of the buildings.

**EXTERNAL ECONOMIC IMPLICATIONS**

Not Applicable.

**SOCIAL ISSUES**

The Centre's primary focus is the provision of services and information to women in the local community, particularly those in vulnerable or disadvantaged circumstances. The expansion of the Centre's use of the premises for an op-shop and proposed 'Village Kitchen' café remains consistent with this, despite providing services to all members of the community (ie not exclusively women) and for a fee. It is recognised that the reason for this expansion of services and charging of fees is to provide the Centre with ongoing funds to operate.

The Centre has advised that the Village Kitchen will be run by women who are members of the Centre to enable them to develop their skill-set and obtain a small income from the sale of their food. The Village Kitchen is a social enterprise that aims to support individual women who may not have the means to operate a café from their own premises daily due to family and financial constraints. It also supports and connects the broader community by providing an affordable meal service and gathering place.

The Village Kitchen proposal is consistent with the Council's Social Equity Objectives, as set out in *CityPlan 2030*, namely, provision of convenient and accessible services and facilities to members of the community, and promoting a strong, healthy, resilient and inclusive community.

### **CULTURAL ISSUES**

Not Applicable.

### **ENVIRONMENTAL ISSUES**

The kitchen located at the premises is currently approved by the Eastern Health Authority (EHA) for operation under a 'P2' rating. The type and/or volume of food prepared as part of the new Village Kitchen proposal may require a change in EHA's assessment of the premises to a higher-risk rating. The Centre is responsible for advising EHA of these details and arranging any required inspections by EHA Environmental Health Officers.

If food is to be prepared at the home addresses of members of the Centre for the purposes of the Village Kitchen, those premises will also require EHA inspection and approval. This is the responsibility of those individual members and the Centre to ensure the required approvals are in place. The Centre has been advised that EHA's preference is for all food to be prepared on-site at 64 Nelson Street in the Centre's existing kitchen.

### **RESOURCE ISSUES**

Not Applicable.

### **RISK MANAGEMENT**

At present, the Centre is operating outside of the Permitted Use as set out in the Lease for the premises, due to the carrying-on of business-related activities through the op-shop. The charging of fees for its regular programs and services, may also fall outside the Permitted Use, if it becomes a profit-making activity. Should the Council endorse the Centre's new 'Village Kitchen' café proposal, this will also fall outside the existing Permitted Use, in that it enables the conduct of business activities by members of the Centre from the premises.

The Village Kitchen proposal will also involve the use of a small portion of Council-owned community land between the premises at 64 and 66 Nelson Street, which does not form part of the leased premises. However, the Centre does maintain implied access rights over this land under the Lease, to enable access to the building and rear garden from the footpath.

Should the Council resolve to approve the Village Kitchen proposal, it is recommended that an exchange of letters be arranged between the Council and the Centre clearly setting this out. This written exchange may also outline the expansion of the permitted use under the Lease more broadly (in relation to the op-shop).

In respect of insurance, the Centre is already required to maintain public liability insurance for the premises at 64 Nelson Street to the value of \$20 million under the terms of its Lease. Should the Council determine to approve the Village Kitchen proposal, the Centre's insurance would need to be extended to cover the proposed use of the outdoor lawn area between the premises at 64 and 66 Nelson Street.

### **CONSULTATION**

- **Elected Members**  
Not Applicable.
- **Community**  
Community consultation is not proposed in respect of the proposed expansion of the Permitted Use under the Lease.

Given the minor nature of the change to the Permitted Use, and its consistency with the purpose and objectives of the Dunstone Grove – Linde Reserve Community Land Management Plan, community consultation is not required under the *Local Government Act 1999*.

- **Staff**  
General Manager, Governance & Community Affairs  
Acting Manager, City Assets
- **Other Agencies**  
Not Applicable.

## **DISCUSSION**

### **Permitted use**

The Permitted Use under the Lease for the premises at 64 Nelson Street, is as follows:

*'The provision of information, programs and services to women, incorporating services such as child care and pre-school experiences and ancillary purposes including offices for administration.'*

Clause 3.4 of the Lease also prevents the Centre from using the premises, or allowing another person to use the premises, for any activity outside of this, without Council approval and prevents it from carrying-on a business.

Over time, the Centre's use of the premises and the services it offers have evolved, with some activities falling outside the Permitted Use of the Lease, and involving elements of carrying-on of a business.

In particular, the premises now incorporates an op-shop with items of clothing for sale for women and men. Additionally, the Centre obtains some income from the regular programs and services that are run from its premises (including the existing lunchtime meal service run daily by Volunteers). These programs and services are now made available to both men and women in the community. Reduced pricing or payment plans are available for concession holders or those who cannot afford to pay.

Carrying-on a business is generally understood to involve activities that are commercial in purpose, are regularly carried out in a businesslike manner, with the aim of making a profit. The conduct of the op-shop, in particular, could be characterised in this manner, aside from its community-minded purpose.

It is worth noting that for the 2016-17 Financial Year, the Centre reported an operating surplus of \$5,128. The cash position of the Centre was \$59,296, up from \$39,524 in 2015-16. Over the last 12 months, the Centre's financial position and liquidity has also improved, with the Centre's Working Capital (Current Assets less Current Liabilities) increasing from \$30,697 to \$42,561.

The Centre is up-to-date with their rent payments under their Lease.

The above points simply draw to the Council's attention the nature of the activities currently being carried out at the premises by the Centre, and the Centre's financial position. It is recognised, nevertheless, that the reason for the Centre's expansion of services over time and the charging of fees is to ensure the Centre's ongoing financial sustainability and ability to provide services to the community.

### **'Village Kitchen' proposal**

The Centre has now approached the Council with a proposal to provide a new community meal service from the premises, to be run as a 'Village Kitchen' café by female members of the Centre.

The key elements of the proposal are set out below:

- A group of women (members of the Centre) will prepare and serve meals from the Centre's kitchen to members of the general public as a 'Village Kitchen' café.
- Meals will be available for purchase at a small cost (or for free, as needed) by any member of the general public who wishes to attend. Most (if not all) of the profits are to be kept by the women running the Kitchen.

- This will be in addition to the Centre's existing lunchtime meal service provided by other Volunteers at the Centre.
- The Centre will charge the women operating the 'Village Kitchen' a small fee for the use of the Centre's kitchen to prepare and serve the meals, to cover electricity costs.
- Meals will be served inside the Centre, in the outdoor courtyard area and in the outdoor lawn area between 64 and 66 Nelson Street.
- The Centre will be responsible for managing the 'Village Kitchen' and will provide (and remove) its own tables, chairs and all-weather cover as required.
- Meals will be served between 9am–3.30pm daily (ie during school hours, as many of the women are mothers with young children).
- The 'Village Kitchen' could also be operated outside of these hours with Council approval (eg during the evening, or as part of fundraisers for the Centre and local community groups). For instance, Monday nights when the Hillbilly Hoot event is held adjacent in Linde Reserve.
- The Centre's existing kitchen is approved by EHA, but the increased meal preparation and service from the premises as part of the 'Village Kitchen' (including the potential for some food to be prepared in the homes of members) may require additional inspection and approval. This is to be arranged by the Centre with EHA.
- The Centre envisages this proposal continuing as an ongoing service at the Centre.

As previously stated, this proposal falls outside the existing Permitted Use under the Lease, as it involves other persons using the premises for business-related activities (the 'Village Kitchen' café) and involves the provision of a service that is not exclusive to women. These observations merely draw to the Council's attention the nature of the proposed activities, acknowledging that they remain focused on bringing about a community benefit.

### **Legal considerations**

Should the Council determine to approve the Centre's 'Village Kitchen' proposal, this could be done by way of an exchange of letters between the Council and the Centre.

In this way, the Council could grant the Centre the right to operate an unlicensed café from the premises and to temporarily occupy that portion of land between the buildings at 64 and 66 Nelson Street. The Centre would remain bound by all of its obligations under the Lease in respect of its operation of the café, including the requirement to maintain the outdoor lawn area in good condition and to maintain its public liability and contents insurance.

This exchange of letters could also document the expansion of the Permitted Use under the Lease more broadly – namely, the ongoing operation of the op-shop, the ability to charge a reasonable fee for programs and services, and the broader provision of programs and services to both men and women in the community.

From a planning perspective, the proposed 'Village Kitchen' (and the ongoing op-shop use) is considered to be ancillary to the community use of the premises, and as such, is not considered to be a change of land use requiring Development Approval under the *Development Act 1993*. However, if the Kitchen or op-shop were to expand significantly in size, or begin to generate a significant profit for the Centre, in the future – ie if either became a business in their own right – this may require Development Approval.

Any significant increase in income which is received by the Centre from the 'Village Kitchen' café may also give the Council reason to reconsider any approval granted and the discounted rental arrangements which are currently in place with the Centre.

It is recommended that prior Council approval would also be required in the event that the Centre wished to run the 'Village Kitchen' in the evening or for fundraisers, to avoid an uncontrolled expansion in the use of the premises (which may trigger a breach of the lease and/or a change in land use).

If approved by the Council, regular communication would be maintained with the Centre regarding the operation of the 'Village Kitchen' café to ensure it remains within the agreed terms of the Lease (to be set out in the exchange of letters) and the existing land use.

## **OPTIONS**

### **Option 1**

The Council can determine not to approve any use of the premises by the Centre outside the existing Permitted Use under the Lease. The Council may require the Centre to cease any existing business-related activities (including the op-shop) at the premises and may not approve the operation of the proposed 'Village Kitchen' café.

### **Option 2**

The Council can determine to extend the Permitted Use of the Lease to reflect the existing use of the premises by the Centre (including the operation of an op-shop, the charging of fees for programs and services, and the provision of programs and services to both men and women), but not to approve the new 'Village Kitchen' proposal.

At a minimum, this is recommended from a risk management perspective. However, for the reasons set out in this report, Option 3 is preferred.

### **Option 3**

The Council can determine to both extend the Permitted Use of the Lease to reflect the existing use of the premises, and approve the proposed 'Village Kitchen' proposal, to be effected by way of exchange of letters between the Council and the Centre.

It is recommended that Option 3 be adopted by the Council, to ensure that the use of the premises by the Centre is accurately reflected in the Lease and to facilitate the ongoing community-focused activities of the Centre.

## **CONCLUSION**

The Women's Community Centre (SA) Inc has approached the Council with a new proposal to provide a new community meal service under their existing Lease for the premises at 64 Nelson Street, Stepney – to be known as the 'Village Kitchen' café.

Under the proposal, women from the Centre will prepare and serve meals from the Centre's existing kitchen to members of the general public at a small cost, with the majority (if not all) of the income to be retained by the women. The proposal remains consistent with the community focus of the Centre and the Council's social equity objectives more broadly.

The proposal does, however, fall outside the existing permitted use of the Lease, by involving the carrying-on of business-related activities at the premises. As such, it requires Council approval. The Centre's ongoing operation of an op-shop out of the premises, in order to provide operational funds for the provision of its services, also appears to fall outside the permitted use of the Lease.

The Centre's proposal provides an opportunity for the Council to clarify the Permitted Use of the premises under the Lease moving forward.

## **COMMENTS**

Nil.

## RECOMMENDATION

1. That the Women's Community Centre (SA) Inc's proposal to establish a 'Village Kitchen' café under their existing Lease for the premises at 64 Nelson Street, Stepney, be approved.
  2. That the Chief Executive Officer be authorised on behalf of the Council to finalise all relevant documentation between the Council and the Women's Community Centre (SA) Inc, to extend the permitted use of the Lease to reflect the Centre's existing use of the premises, and to approve the new 'Village Kitchen' proposal.
- 

*Cr Duke moved:*

1. *That the Women's Community Centre (SA) Inc's proposal to establish a 'Village Kitchen' café under their existing Lease for the premises at 64 Nelson Street, Stepney, not be approved.*
2. *That the Chief Executive Officer be authorised on behalf of the Council to finalise all relevant documentation between the Council and the Women's Community Centre (SA) Inc, to extend the permitted use of the Lease to reflect the Centre's existing use of the premises, and to approve the new 'Village Kitchen' proposal.*

*Cr Duke withdrew his motion.*

*Cr Duke moved:*

1. *That the Women's Community Centre (SA) Inc's proposal to establish a 'Village Kitchen' café under their existing Lease for the premises at 64 Nelson Street, Stepney, be deferred and that staff be requested to investigate the operations and services provided by the Women's Community Centre to ensure that these are in accordance with the provisions as set out in the Lease for the premises located at 64 Nelson Street, Stepney.*
2. *That a report be presented to the Council at its August 2018 Council meeting.*

*Seconded by Cr Wormald.*

*The vote was tied and on the casting vote of the Mayor, who voted against the motion, the Mayor declared the motion lost.*

## Division

*Mayor Bria called for a division and the decision was set aside.*

*Those in favour:*

*Cr Knoblauch, Cr Minney, Cr Duke, Cr Shepherdson and Cr Stock.*

*Those against:*

*Cr Wormald, Cr Whittington, Cr Dottore, Cr Mex, Cr Granozio, Cr Frogley and Cr Moore.*

*The Mayor declared the motion lost.*

*Cr Moore moved:*

- 1. That the Women's Community Centre (SA) Inc's proposal to establish a 'Village Kitchen' café under their existing Lease for the premises at 64 Nelson Street, Stepney, be approved.*
- 2. That the Chief Executive Officer be authorised on behalf of the Council to finalise all relevant documentation between the Council and the Women's Community Centre (SA) Inc, to extend the permitted use of the Lease to reflect the Centre's existing use of the premises, and to approve the new 'Village Kitchen' proposal.*

*Seconded by Cr Granozio and carried.*

Cr Stock left meeting at 9.58pm and did not return.



## 11.10 BUILDING FIRE SAFETY COMMITTEE REVIEW

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**REPORT AUTHOR:** Senior Development Officer - Building  
**GENERAL MANAGER:** General Manager, Urban Planning & Environment  
**CONTACT NUMBER:** 8366 4526  
**FILE REFERENCE:** S/00448-08  
**ATTACHMENTS:** A

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### PURPOSE OF REPORT

The purpose of this report is to seek the Council's approval to appoint additional members to the Building Fire Safety Committee, for the period from 3 July 2018 – 5 September 2020.

Additional members who are recommended to be appointed are:

- *Mr Mario Hlavati* – Senior Development Officer – Building
- *Mr Daniel Douflias* – Development Officer – Building

### BACKGROUND

Local Government plays an important role in protecting the ongoing safety of building occupiers and users, through the provisions of the *Development Act 1993*.

Section 71 of the *Development Act 1993*, specifically places obligations upon an 'Appropriate Authority' in relation to Building Fire Safety. Specifically, it provides powers for 'Authorised Officers' and members of appropriate authority to investigate whether or not buildings are appropriately maintained, or buildings possess adequate level of fire and life safety for the protection of all occupiers, whether they be residents and workers who use them regularly, or clients and visitors who use them occasionally.

For the purposes of Section 71 of the *Development Act 1993*, an Appropriate Authority is a body established by a Council, or by two or more Councils and designated by the Council or Councils, as an appropriate authority. In the case of the City of Norwood Payneham & St Peters, the Council has established the Building Fire Safety Committee as the Appropriate Authority.

If a building is not considered to be adequate from a building fire safety perspective, Section 71 of the Act, provides powers to the Building Fire Safety Committee, to require remedial action to rectify any problems associated with the fire safety aspects of the building.

Pursuant to Section 71 (19) of the Act, the Committee is required to constitute of—

- a person who holds prescribed qualifications in building surveying appointed by the council; and*
- a person nominated by the Chief Officer of the South Australian Metropolitan Fire Service or the Chief Officer of the Country Fire Service (determined by the council or councils after taking into account the nature of its area or their areas); and*
- a person with expertise in the area of fire safety appointed by the council; and*
- if so determined by the council—a person selected by the council.*

Currently, the *City of Norwood Payneham & St Peters Building Fire Safety Committee*, has the following members who have been appointed pursuant to Section 71(19) of the *Development Act 1993*:

- *Mr Demetrius Poupoulas*
- *Mr David Kubler*
- *My Troy Olds*

Mr Demetius Poupoulas is currently appointed as *a person who holds prescribed qualifications in Building Surveying and is the Council's Building Surveyor*.

Mr David Kubler is currently appointed *by the Chief Executive of the South Australian Metropolitan Fire Service*.

Mr Troy Olds is currently appointed as *a person with expertise in the area of fire safety* and is currently the Presiding Member of the Committee.

Mr Josh Edginton is no longer a member of the Committee pursuant to Section 71(19)(c), as he resigned from the position of Senior Development Officer – Building in March 2018.

## **RELEVANT POLICIES & STRATEGIC DIRECTIONS**

The Building Fire Safety Committee is required to be established by legislation. The following goals contained in *City Plan 2030*, have been identified as relevant to the appointment and operation of the Council's Building Fire Safety Committee:

*Outcome 2 Cultural Vitality*  
*Objective 2.4 Pleasant, well designed, sustainable urban environments.*

The Building Fire Safety Committee is responsible for ensuring that buildings are adequately protected against fire. The inclusion of appropriate fire evacuation paths and firefighting equipment is an important consideration in the design and maintenance of buildings throughout the City.

## **SOCIAL ISSUES**

A properly constituted and functioning Building Fire Safety Committee will result in increased awareness of building fire safety issues and obligations amongst the community and will maximise the prospect of safe buildings.

The community expects standards in respect to building fire safety to be achieved and maintained.

## **RESOURCE ISSUES**

At its meeting held on 4 December 2017, the Council resolved to appoint Mr Troy Olds from Tecon, as the Presiding Member of the Committee to oversee the operations of the Committee and to provide guidance to the Senior Development Officer – Building (Mr Josh Edginton). It is anticipated that at the end of the Committee's current term, which concludes on 5 September 2020, the oversight of the operation of the Committee will be resumed by the Council's incumbent Senior Development Officer – Building.

## **RISK MANAGEMENT**

The establishment and operation of the Building Fire Safety Committee is necessary to ensure that the Council fulfils its statutory obligations under the *Development Act 1993*, with respect to building fire safety. A properly functioning Committee is necessary to enable the Council to undertake the roles and fulfil the responsibilities of an Appropriate Authority, pursuant to Section 71 of the Act.

## **CONSULTATION**

- **Elected Members**  
The Council recently considered a report on this issue at its meeting held on 4 December 2017.
- **Community**  
Not Applicable as community consultation is not required.
- **Staff**  
Manager, Development Assessment
- **Other Agencies**  
Not Applicable

## DISCUSSION

The vacant positions of the Development Officer – Building and Senior Development Officer – Building, have recently been filled.

Appointment of the two Officers to the Committee will result in a more effective and resourced Committee. Currently, the Committee consists of externally appointed members who attend meetings on a quarterly basis. Committee meetings require a significant amount of preparation and historically, the preparation of Committee meetings has been undertaken by an employee of the Council; namely, the Senior Development Officer – Building. Correspondence and other tasks following a meeting are also undertaken by Council staff, with the assistance and overview of all Committee members.

The Council's Senior Development Officer, Building was an active member of the City of Port Adelaide Enfield Building Fire Safety Committee from 2013, for a period of five (5) years. With exposure to a variety of buildings, the Senior Development Officer, Building has gained extensive experience and knowledge in building fire safety and in particular, the requirements of Section 71 of *Development Act 1993*. The Senior Development Officer, Building is currently accredited as a Building Surveyor (Level 1) with the Australian Institute of Building Surveyors (AIBS). Level 1 is the highest level of accreditation offered by AIBS.

The Council's Development Officer, Building has experience in domestic Building Rules assessment and inspections and is currently accredited as Assistant Building Surveyor (Level 3) with AIBS.

A copy of the Committee's draft Terms of Reference is contained in **Attachment A**.

## OPTIONS

The Committee is currently operating in accordance with the requirements set out in Section 71 (19) of the Act, insofar as the Committee currently comprises a person who holds prescribed qualifications in Building Surveying (Mr Demetius Poupoulas), a person appointed by the Chief Executive of the South Australian Metropolitan Fire Service (Mr David Kubler) and a person with expertise in the area of fire safety (Mr Troy Olds).

It is therefore not necessary for the Council to appoint additional Members to the Committee. However, Section 71 (19) allows the Council to appoint additional persons to the Committee, "if so determined".

Therefore, the Council could either determine to appoint the Senior Development Officer, Building and/or the Development Officer, Building, or not appoint either or both of them.

It is recommended that both the Senior Development Officer, Building and the Development Officer, Building be appointed to the Committee, as they both have experience in building fire safety and are able to provide a positive contribution to the operation of the Committee. Both Officers have expressed interest in serving on the Committee for their professional growth and development.

## CONCLUSION

In order to ensure the ongoing effectiveness and efficiency of the Committee and to ensure the appropriate level of involvement of Council staff with the operations of the Committee, it is recommended that the Council's Senior Development Officer – Building and Development Officer – Building, be appointed to the committee, until the next formal review of the Committee in September 2020.

## RECOMMENDATION

1. That the Council's Senior Development Officer, Building *Mr Mario Hlavati*, be appointed as a person who holds prescribed qualifications in building surveying pursuant to Section 71(19)(a)(i) of the *Development Act 1993*, until 5 September 2020, or until removed from Membership of the Committee by resolution of the Council, whichever occurs first.
  2. That the Council's Development Officer, Building *Mr Daniel Douflias*, be appointed as a deputy member to *Mr Mario Hlavati* pursuant to Section 71(19)(d) of the *Development Act 1993*, until 5 September 2020, or until removed from Membership of the Committee by resolution of the Council, whichever occurs first.
  3. That the Building Fire Safety Committee Terms of Reference as amended by the inclusion of the Senior Development Officer, Building and the Development Officer, Building as Members of the Committee contained in Attachment A, be endorsed.
- 

*Cr Dottore moved:*

1. *That the Council's Senior Development Officer, Building Mr Mario Hlavati, be appointed as a person who holds prescribed qualifications in building surveying pursuant to Section 71(19)(a)(i) of the Development Act 1993, until 5 September 2020, or until removed from Membership of the Committee by resolution of the Council, whichever occurs first.*
2. *That the Council's Development Officer, Building Mr Daniel Douflias, be appointed as a deputy member to Mr Mario Hlavati pursuant to Section 71(19)(d) of the Development Act 1993, until 5 September 2020, or until removed from Membership of the Committee by resolution of the Council, whichever occurs first.*
3. *That the Building Fire Safety Committee Terms of Reference as amended by the inclusion of the Senior Development Officer, Building and the Development Officer, Building as Members of the Committee contained in Attachment A, be endorsed.*

*Seconded by Cr Minney and carried.*

## 11.11 REMUNERATION TRIBUNAL – REVIEW OF ELECTED MEMBER ALLOWANCES

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**REPORT AUTHOR:** General Manager, Governance & Community Affairs  
**GENERAL MANAGER:** Chief Executive Officer  
**CONTACT NUMBER:** 8366 4549  
**FILE REFERENCE:** S/00022  
**ATTACHMENTS:** A - B

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### PURPOSE OF REPORT

The purpose of the report is to advise the Council of the invitation from the Remuneration Tribunal for Councils to make submissions to the Remuneration Tribunal in respect to Elected Member Allowances.

### BACKGROUND

The Remuneration Tribunal first determined Elected Member Allowances in 2010, with the Elected Members Allowances coming into effect at the conclusion of the November 2010 Local Government Elections.

Pursuant to Section 76 of the *Local Government Act 1999* (the Act), the Remuneration Tribunal is required to determine allowances for Elected Members on a four (4) yearly basis. The last review of Elected Member Allowances was undertaken by the Remuneration Tribunal in 2014.

As it is now four (4) years since the last review, the Remuneration Tribunal has invited submissions from councils in respect to Elected Member Allowances for the next four (4) year period.

A copy of the letter dated 29 May 2018 from the Remuneration Tribunal is contained within **Attachment A**.

A copy of the Remuneration Tribunal's Guidelines for Written Submissions is contained within **Attachment B**.

### RELEVANT POLICIES & STRATEGIC DIRECTIONS

Not Applicable.

### FINANCIAL AND BUDGET IMPLICATIONS

The Council allocates funding for Elected Member Allowances annually as part of its Recurrent Budget.

### EXTERNAL ECONOMIC IMPLICATIONS

Nil.

### SOCIAL ISSUES

Nil.

### CULTURAL ISSUES

Nil.

### ENVIRONMENTAL ISSUES

Nil.

### RESOURCE ISSUES

Nil.

## RISK MANAGEMENT

Nil.

## CONSULTATION

- **Elected Members**  
Nil.
- **Community**  
Nil.
- **Staff**  
Nil.
- **Other Agencies**  
Nil.

## DISCUSSION

Pursuant to Section 76 of the Act, the Remuneration Tribunal must have regard to the following when determining Elected Member Allowances:

- *the role of members of council as members of the council's governing body and as representatives of their area;*
- *the size, population and revenue of the council, and any relevant economic, social, demographic and regional factors in the council area;*
- *an allowance under this section is not intended to amount to a salary for a member;*
- *an allowance under this section should reflect the nature of a member's office;*
- *the Act's provisions to provide for reimbursement of members' expenses.*

Based on the provisions of Section 76 of the Act (as listed above) in 2014, the Remuneration Tribunal determined a structure of allowances based on groupings of councils as set out in Table 1 below.

**TABLE 1 - ELECTED MEMBER ALLOWANCES 2014**

<b>Council Group</b>	<b>Annual Allowance</b>
Group 1A	\$21,500
Group 1B	\$19,000
Group 2	\$15,900
Group 3	\$12,800
Group 4	\$ 9,100
Group 5	\$ 5,700

The City of Norwood Payneham & St Peters is allocated to Group 2, along with thirteen (13) other councils, including the Campbelltown City Council and the Cities of Burnside, Prospect and Unley.

The Act also makes provision for annual adjustments to be applied to the Elected Member allowances, utilising a formula (as set out below) which is set out in Regulation 4(2) of the *Local Government (Members Allowances and Benefits) Regulations 2010*:

*“For the purposes of section 76(9) of the Act, an allowance is to be adjusted by multiplying the allowance by a proportion obtained by dividing the Consumer Price Index for the September quarter last occurring before the date on which the allowance is to be adjusted by the Consumer Price Index for the September quarter immediately before the date on which the allowance was determined under section 76 of the Act (with the amount so adjusted being rounded up to the nearest dollar).”*

In accordance with these provisions, the Elected Member Allowance which is currently paid to Elected Members of this Council (from 12 November 2017), stands at \$16,576.00, with the Elected Member Allowance applicable to the Mayor being \$66,304.00 (four (4) times the Elected Member Allowance).

In respect to the City of Norwood Payneham & St Peters, it would appear that the existing provisions provide adequate guidance and have served to ensure that Elected Members are not financially disadvantaged (that is out of pocket) as a result of performing their duties as an Elected Member.

It is on this basis that it is recommended that the Council advises the Remuneration Tribunal that the current Elected Member Allowances are adequate and should not be increased, other than by CPI in accordance with the current provisions.

## **OPTIONS**

The Council can choose to endorse the recommendation as contained within this report, or determine an alternative position regarding Elected Member Allowances.

## **CONCLUSION**

The Remuneration Tribunal has requested feedback from Councils by Friday 6 July 2018.

## **COMMENTS**

Nil.

## **RECOMMENDATION**

That the Remuneration Tribunal and Local Government Association of South Australia, be advised that the existing provisions in respect to Elected Member Allowances are adequate and should remain the same for the next four (4) year period.

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Cr Granozio left the meeting at 10.09pm.

*Cr Minney moved:*

*That the Remuneration Tribunal and Local Government Association of South Australia, be advised that the existing provisions in respect to Elected Member Allowances are adequate and that Elected Member Allowances should not be increased other than by CPI for the next four (4) year period.*

*Seconded by Cr Whittington and carried unanimously.*

Cr Wormald left the meeting at 10.11pm and did not return.

## 12. ADOPTION OF COMMITTEE MINUTES

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

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### PURPOSE OF REPORT

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

- Traffic Management & Road Safety Committee – (19 June 2018)  
(A copy of the Minutes of the Traffic Management & Road Safety Committee meeting is contained within **Attachment A**)

### ADOPTION OF COMMITTEE MINUTES

- **Traffic Management & Road Safety Committee**

*Cr Duke moved that the minutes of the meeting of the Traffic Management & Road Safety Committee held on 19 June 2018, be received and noted. Seconded by Cr Shepherdson and carried.*



**13. OTHER BUSINESS**

Cr Granozio returned to the meeting at 10.12pm.

**13.1 2018-2019 State Budget – Libraries Funding**

*Cr Mex moved:*

*That a letter be forwarded to the Premier of South Australia opposing any proposed cuts to the Libraries Funding as part of the 2018–2019 State Budget.*

*Seconded by Cr Minney and carried unanimously.*

**14. CONFIDENTIAL REPORTS**

## 14.1 TENDER SELECTION REPORT – ANNUAL PRUNING AND REMOVAL OF COUNCIL TREES

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### 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.

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*Cr Duke moved:*

*That pursuant to Section 90(2) and (3) of the Local Government Act, 1999 the Council orders that the public, with the exception of the Council staff present [Chief Executive Officer, General Manager, Governance & Community Affairs, General Manager, Urban Planning & Environment, General Manager, Urban Services, General Manager, Corporate Services, Manager, 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 Minney 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 unanimously.*

**14.2 TENDER SELECTION REPORT - CAPITAL WORKS BRICK PAVED FOOTPATH  
RECONSTRUCTION 2018-2019**

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**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 Granozio moved:*

*That pursuant to Section 90 (2) and (3) of the Local Government Act 1999, the Council orders that the public, with the exception of the Council Staff present [Chief Executive Officer, General Manager, Governance & Community Affairs, General Manager, Urban Planning & Environment, General Manager, Urban Services, General Manager, Corporate Services, Manager, 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 Minney and carried.*

*Cr Shepherdson 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 Duke and carried.*

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**14.3 APPOINTMENT OF INDEPENDENT CHAIRPERSON OF EASTERN REGION ALLIANCE (ERA)  
WATER & APPOINTMENT OF MEMBERS TO ERA WATER AUDIT COMMITTEE**

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**RECOMMENDATION 1**

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

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

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

**RECOMMENDATION 2**

Under Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the report (and attachments), discussion and minutes be kept confidential until the announcement in respect to the position of Independent Chairperson of the Eastern Region Alliance (ERA) Water Board is made.

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*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, General Manager, Urban Services, General Manager, Corporate Services and Executive Assistant, Urban Services], be excluded from the meeting on the basis that the Council will receive, discuss and consider:*

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

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

*Seconded by Cr Shepherdson and carried.*

*Cr Minney moved:*

*Under Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the report (and attachments), discussion and minutes be kept confidential until the announcement in respect to the position of Independent Chairperson of the Eastern Region Alliance (ERA) Water Board is made.*

*Seconded by Cr Dottore and carried.*

#### 14.4 COUNCIL RELATED MATTER

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##### RECOMMENDATION 1

That pursuant to the provisions of Section 90 (2) and (3)(d) (i) and (ii) 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 discuss:

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

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

##### RECOMMENDATION 2

That an order be made under the provisions of Section 91(7)(a)(b) of the Local Government Act 1999, that the report and the minutes of the meeting, having been dealt with on a confidential basis under Section 90(2) of the Act, be kept confidential on the grounds that disclosure could cause significant damage to the interests of the Council (vide Section 90(3) (d) (i) and (ii) of the Act) and that, pursuant to Section 91(9)(a), this order remain in place until the announcements have been made.

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*Cr Minney moved:*

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

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

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

*Seconded by Cr Whittington and carried.*

*Cr Dottore moved:*

*That an order be made under the provisions of Section 91(7)(a)(b) of the Local Government Act 1999, that the report and the minutes of the meeting, having been dealt with on a confidential basis under Section 90(2) of the Act, be kept confidential on the grounds that disclosure could cause significant damage to the interests of the Council (vide Section 90(3) (d) (i) and (ii) of the Act) and that, pursuant to Section 91(9)(a), this order remain in place until the announcements have been made.*

*Seconded by Cr Shepherdson and carried.*

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**15. CLOSURE**

There being no further business, the Mayor declared the meeting closed at 10.27pm.

\_\_\_\_\_  
**Mayor Robert Bria**

**Minutes Confirmed on** \_\_\_\_\_  
(date)