

AGENDA

1. Acknowledgement to Country	2
2. Apologies / Leave of Absence	2
3. Pecuniary Interest and Conflict of Interest Declarations.....	2
4. Addresses to Council	2
5. Adjournment – Consideration of Addresses to Council (only to be taken where deemed to be required by the Council and determined by Resolution of the Council)	2
6. Administrator’s Statements / Reports / Presentations	2
7. Administrator’s Minutes	2
8. Reports	3
8.1 Integrated Planning & Reporting Framework - Community Strategic Plan 2011-2021 (9520526)	3
9. Urgent Business.....	14

1. Acknowledgement to Country

Shellharbour City Council acknowledges the Traditional Owners and Custodians of the Land on which we are meeting and pays its respects to Elders past and present.

Webcasting**Administrator's Comment**

The public gallery should note that Council records and webcasts its Council Meetings live to enhance the accessibility of Council Meetings to the broader Shellharbour City Community.

Council Meetings can now be viewed live via webcast, downloaded from Council's website for later viewing, or purchased from Council for viewing on a computer.

At the appropriate time during the meeting pre registered or invited members of the gallery may Address the Council at which time their image, comments or submissions will be broadcast live and recorded.

Council accepts no responsibility for any defamatory or offensive statements.

Please ensure that mobile phones and other electronic devices are turned off or are in silent mode for the duration of the meeting.

2. Apologies / Leave of Absence**3. Pecuniary Interest and Conflict of Interest Declarations****4. Addresses to Council****5. Adjournment – Consideration of Addresses to Council (only to be taken where deemed to be required by the Council and determined by Resolution of the Council)****6. Administrator's Statements / Reports / Presentations****7. Administrator's Minutes**

8. Reports

8.1 Integrated Planning & Reporting Framework - Community Strategic Plan 2011-2021 (9520526)

To the Administrator

Division: General Manager's Division

Department: Executive Office

Manager: Michael Willis - General Manager

Author: Paul Henderson - Manager Financial Services, Peter Masterson - Group Manager Corporate Planning

Summary

On 10 May 2011, Council resolved to place the Shellharbour Community Strategic Plan and other related Integrated Planning and Reporting (IPR) documents, including the budget, on public exhibition. This report details the formal submissions received, Council's response to those submissions, and recommends that the Shellharbour Community Strategic Plan, other Integrated Planning and Reporting Documents, as well as the budget, be adopted by Council.

Background

At its extraordinary meeting held on 10 May 2011, Council resolved to place its IPR documents on public exhibition including the 2011-2021 Draft Shellharbour Community Strategic Plan and draft 2011/12 Budget. The period of public exhibition commenced on 14 May 2011 and concluded at 4.30pm on 13 June 2011.

During the period of exhibition the IPR documents were available for inspection at Lamerton House and Council Libraries, as well as being available on Council's Website.

Council also presented the Community Strategic Plan and its other IPR documents to the Shellharbour City Business Network Meeting on 18 May 2011, held an information stall at the Shellharbour Village Markets on Sunday 22 May, 2011 and an information table at Warilla Grove Shopping Centre on 28 May 2011.

Public Submissions

Council had received a total of ten submissions at the end of the public exhibition period regarding its IPR documents. Five of these were received by Council prior to the commencement of the exhibition period and four during the official advertised period. A submission from Warrigal Care was lodged after the closing date and was accepted.

Eight of the submissions were in regard to one particular issue, while two submissions raised a number of issues. The main points raised as part of the submissions have been addressed below.

Financial Assistance

Four submissions were received, all prior to the commencement of the exhibition period, from external organisations requesting Council to consider continuing its financial assistance to their organisations in the 2011/12 Budget.

The Warilla Neighbourhood Centre Inc. has requested consideration of an increase to their current annual allocation of \$12,000.

Council's comment - the 2011/12 Budget recommended for adoption as part of this report does contain financial assistance to the four organisations which have sent in submissions on this matter.

Cold Water Swimming Pool Fees and Charges

Three submissions have objected to the proposed increase in the fees and charges at Council's cold water swimming pools.

Council's comment - it is projected that the net cost to operate the pools in the City will be approximately \$975,000 for the 2010/11 financial year. This net cost has resulted despite a review of the operating times of the pools and the introduction of minimal entry fees.

As reported in the March 2011 quarterly update of the Management Plan the cost per user of the pools varies between facilities, with Oak Flats being \$6 per user, Albion Park \$8 per user and Warilla \$10 per user. Clearly as the proposed entry fees for the cold water pools are only \$1.50 concession and \$3 adult, ratepayers are already heavily subsidising the operation of these facilities.

An increase of 50% in any fee may at first seem excessive, however in real terms the increase in single entry fees varies between \$0.50 and \$1. Given the level of community subsidy for the operation of the pools the proposed increase is considered reasonable.

Shellharbour Beachside Tourist Park

A submission has been received raising some issues with the fees and charges for the Shellharbour Beachside Tourist Park.

Council's comment - the Tourist Park Managers have been requested to increase surveillance of the Holiday Vans to ensure that full payment of fees is made for all overnight visitors as required in the Occupation Agreements.

The fee for the renewal of the three year Occupation Agreement for Holiday Vans covers the legal costs for the review and updating of the Agreement and the administrative costs for distribution, updating records and storage of the completed Agreements. In addition, as the Agreement covers a three year period annual updating of insurance details for the Holiday Van is also required. The renewal fee of \$130 is therefore considered to be reasonable.

Sportsfield Fees and Charges

One submission has objected to the level of sportsfield charges their sporting club are required to pay under Council's fees and charges regime.

Council's comment - in recommending the 2010/11 sportsfield fee structure to Council in September 2010, it was estimated that the fees would only recoup approximately 17% of the sportsfield maintenance costs. Further that if adopted, Council would review the fees in 2011/2012 to ensure the new fees recouped 25% of the sportsfield maintenance costs.

While all fees for the 2010/11 financial year have not been received the initial estimates indicate that the fees should recoup approximately 18% of the projected sportsfield maintenance costs. The proposed fees for 2011/2012 are estimated to recoup 20% of the projected sportsfield maintenance costs. While this falls short of the 25% target, the recommended fees are considered to be a reasonable step towards achieving this target in future years.

Touch Football is estimated to have contributed 17% of the sportsfield fees received in 2010/11. They also represented 44% of the total registered senior players in 2010/2011.

In preparing the 2011/12 Sportsfield fees it was decided that due to the pattern of use of the facilities by Touch, Netball and Oztag, the Sportsfield Facility Charges for these codes would not be increased. Given that the 2011/2012 sportsfield fees are projected to recoup only 20% of the sportsfield maintenance costs, a further reduction in fees for Touch Football is not recommended.

Base Rate Amount

One submission has suggested that the base rate amount be reduced from the current level of 45% to 25%.

Council's comment - an ordinary rate can be made up solely of an ad valorem component or an ad valorem mixed with a base amount. The maximum level of the base amount percentage is 50%.

The level of a base amount does not impact on the total of rates a Council can collect. Changing the base rate however will impact on how rate obligations are distributed to ratepayers across the City. The utilisation of a base rate will tend to bring the variation in

rate amounts closer together with the base dollar amount of the calculation being the same for all ratepayers.

It is entirely up to the Council to determine if a rate is to include a base amount, and if it does what level that amount is. The argument for a base amount, as provided in guidelines produced by the Division of Local Government, is that all ratepayers receive certain services and facilities provided by Council, regardless of their property value. The base amount is also linked to the basic administrative costs of Councils which all ratepayers are expected to fund.

Albion Park Playground

A submission has requested funding be made available for the installation of play equipment at Macquarie Street, Albion Park.

Council's comment - the replacement or installation of any new playground equipment is considered based on the needs of the community. Council commissioned the Open Space, Recreation and Community Facilities Needs Study in March 2010. This study identifies where the need for any new playground equipment exists. Any decision to install new playground equipment will be based on the guidelines and recommendations of this study.

Shell Cove Maintenance

One submission objects to the proposed new item of recurrent funding of \$50,000 for public reserve maintenance costs in Shell Cove.

Council's comment - this new item is to partially cover the additional areas of public reserve being dedicated to Council in this area of the City.

The other part is to cover the higher costs of landscape maintenance which results when developer designed areas are handed over to Council to maintain at these enhanced condition levels. This problem is not isolated to the Shell Cove suburb with other areas where new development is occurring including Flinders, requiring additional resources to ensure maintenance levels don't decline.

Options to ensure these issues are addressed in an equitable way in the future include the introduction of special rates for these areas which require higher levels of service.

Myimbarr Maintenance

One submission has discussed the merits of the proposed new item of funding for the Myimbarr wetland maintenance to assist in controlling the influx of weeds in this area. The submission has encouraged more funding to be made available for all wetlands in the local government area.

Council's comment - it is agreed that additional funds to control evasive weeds and maintain other wetlands within our area would greatly assist our Park Maintenance staff in performing their duties. Unfortunately, Council has a limited amount of resources available for allocation and cannot afford to fund all priorities.

Shellharbour City Hub

One submission mentions that the stage 1 elements of the Shellharbour City Hub, being the Central Library, Blackbutt branch Library, Sessional Service Rooms, Council Administration Offices and the Civic Auditorium, and that inclusion of these items were pre-empting decisions arising from community consultation.

Council's comment - the community consultation regarding the City Hub was quite explicit in that community members were advised that the stage 1 elements were to be located on the new site and that community consultation was about gaining information from the community about broad guiding principles for the whole site, which would also extend beyond just the Stage 1 facilities.

The Resourcing Strategy (pages 33 & 34) details an earlier business model, but also advises that community consultation was occurring and a new business case being prepared and that the community was to be further consulted about its outcome.

A new Section 94 Plan is also being prepared and although at an early stage, its development will also need to take into account the City Hub project. Ultimately the long term financial plan and budgets will need to be amended once updated information is received and further consultation carried out.

Warrigal Care

A submission from Warrigal Care makes a number of observations and proposes recommendations for Council's consideration.

Council's comment - the submission suggests that Council appears only to be adopting a "business as usual" approach when it undertakes to implement the recommendations of the "Planning for a Changing Community" report for example. By way of introduction, in 2007 Council requested a report in relation to the aged care needs and provisions for residents of Shellharbour City. When noting that report Council acknowledged that further research needed to be done and the resulting report (Planning for a Changing Community) was completed in 2010. It provided population projections for older people in Shellharbour over the next ten years, assessed the social, economic and environmental impacts an ageing population will have on Council's operations and resources, and suggested ways that the Council would need to plan for future services and infrastructure.

The report makes recommendations about the need for adequate supply of accessible and affordable housing options, home based care and support options, accessible paths of travel, open space and park areas that consider access, walkability, safety and

inclusion, and knowledge and skills transitions in Council's workforce as employees retire. Implementation of the reports recommendations will be a sizeable undertaking, but that has been given at Action 1.5.1.2 of the Delivery Program/Operating Plan.

The 2010 report acknowledges that some issues remain that deserve further consideration and evaluation. These include arts, culture and health issues, as well as household waste collection for example. It may be opportune to consider Warrigal Care's suggestion about implementing aspects of the UN Framework as part of the initial review that Council's Plan will undergo over the next twelve months. It should be noted that the 2010 Report was framed along the lines of the NSW LG&SA 2004 document "Planning the Local Government Response to Ageing and Place."

The additional offers that Warrigal Care have made in their submission (co-operation with a potential community garden initiative, and improving pedestrian access) can also be investigated, potentially as part of development application assessment if relevant, or subsequent to development completion at their Shell Cove site.

Shellharbour Sharks Financial Assistance

Council at its meeting on 19 April 2011 resolved to give 28 days public notice of the proposal to provide financial assistance of \$10,000 per annum for 10 years to assist the Shellharbour Sharks with the upgrade of buildings and structures at Ron Costello Oval. The annual funding is to be applied to repayments on a bank loan of \$140,000, which the club has sought to meet their cash commitments to the project. The funding of the annual \$10,000 is to be met through the rental Council receives from Telstra for the telecommunications facilities located within Ron Costello Oval.

The report also proposed that any submissions received during the submission period were to be considered in conjunction with the 2011/12 Budget process, with a recommendation back to Council at the meeting to adopt the IPR documents including the 2011/12 Budget.

No submissions were received during the period of public exhibition for this financial assistance proposal. The recommendation of this report provides for this annual financial assistance.

Fees and Charges

1. Rates

Council's valuation register has now been finalised with all new land values being added since the Extraordinary Meeting on 10 May 2011. The following rates will now apply.

Rate Category	Base Rate (45%)	Ad-Valorem Amount
Residential	\$454.20	0.27140 cents in the \$
Business	n/a	0.85083 cents in the \$
Non – Urban	n/a	0.20498 cents in the \$
Farmland	n/a	0.18239 cents in the \$

The above information is included under the Rates and Charges section of the fees and charges section of the Delivery Program/Operating Plan.

2. Section 149 Certificates

Council has been notified since the extraordinary meeting in May of changes to the Environmental Planning and Assessment regulation which alters the fees associated with section 149 certificates. The following amendments have been made to the fees and charges document:

	<u>Old Fee</u>	<u>New fee</u>
Section 149 (2) Certificate	\$40	\$53
Section 149 (2 & 5) Certificate	\$100	\$133

3. Development Services

Amendments to the Environment Planning and Assessment regulation have resulted in a number of changes to the fees in Council's Development Services area. These changes have been reflected in the revised fees and charges document included in the attachments to this report.

4. Swimming Pool Inspections - Certificate of Compliance Fee

The certificate of compliance fee for swimming pool inspections was incorrectly stated in the exhibited fees and charges document. The fee should be \$70 rather than the advertised \$80.

Summary

Operational Budget	7,912,615	
Asset Acquisition Budget	2,701,693	
Capital Works Budget	5,963,723	
Asset Maintenance & Replacement Program (capital component)	1,162,911	<u>17,740,942</u>
<i>Less</i>		
Non Cash items	16,593,000	
Section 94 funded items	0	
Restricted Assets	4,493,926	
Loan Funded Items	0	<u>21,086,926</u>
<i>Add</i>		
Section 94 surplus	2,133,612	
Land Sale (60:40 policy)	0	
Domestic Waste Surplus	958,971	
Community Transport Surplus	93,745	<u>3,186,328</u>
Surplus		(159,656)
Surplus as % of total operational expenditure		0.2%

Legal and Policy Implications

The adoption of this report's recommendations will fulfill the legal requirement the Council has to have in place an Integrated Planning and Reporting Framework by 30 June 2011, as a Category Two Council.

From a policy perspective, this new approach strengthens priority setting across the organisation's activities and will make performance reporting even more transparent, with a focus on reporting outcomes and results. In particular the new framework allows a much needed additional focus on asset management and renewal mechanisms as well as clarity about long term financial management and reporting. This IPR approach has resulted in the most thorough re-examination of existing policy and goal setting approaches of the Council since the adoption of the revised Local Government Act some two decades ago.

Public and Social Impact

The Shellharbour Community Strategic Plan was prepared giving due consideration to the social justice principles of equity, access, participation and rights. A broad range of

engagement strategies was employed to ensure a broad range of community members had input into its development.

The Community Strategic Plan sets out the vision for the Shellharbour City community and objectives and strategies to work towards achieving those objectives. As such it is an important document that will guide the activities of the Council for many years. As the Plan is further refined, the community will continue to have opportunities to engage with the Council to ensure the Plan remains current and relevant.

Consultations

Internal

General Manager
Directors
Group Managers
Managers

External

In addition to the 28 day statutory public exhibition, Council also presented the Shellharbour Community Strategic Plan and its other IPR documents to the Shellharbour City Business Network Meeting on 18 May 2011, held an information stall at the Shellharbour Village Markets on Sunday 22 May, 2011 and an information table at Warilla Grove Shopping Centre on 28 May 2011.

Political Donations Disclosure

Not applicable

Recommendation

1. That Council endorse and adopt:

- **The Shellharbour Community Strategic Plan 2011-2021**
- **The Four Year Delivery Program and 1 Year Operating Plan, including the Budget (Operational, Balance Sheet, Capital Works and Asset Management/ Replacement Programs), Revenue Policy and Fees and Charges (including amendments detailed in this report)**
- **The Resourcing Strategy**

resulting in an unrestricted cash budget surplus of \$159,656.

- ### **2. That an ordinary rate, consisting of an Ad-Valorem Rate of zero point two seven one four zero cents in the dollar (0.27140) and a Base Amount of four hundred and fifty four dollars and twenty cents (\$454.20) per assessment in accordance with section 537 of the Local Government Act 1993 on all rateable land in the City of Shellharbour categorised as "RESIDENTIAL", in accordance with Section 516 of the *Local Government Act 1993*, be now made for the period 1 July 2011 to 30 June 2012 and in accordance with section 543(1) of the *Local Government Act 1993*, this rate be named "RESIDENTIAL".**

Further that the percentage of the base amount, pursuant to Section 500 of the *Local Government Act 1993* is forty five percent (45%) of the total amount payable by the levying of the rate.

3. That an ordinary rate, consisting of an Ad-Valorem Rate of zero point one eight two three nine cents in the dollar (0.18239) per assessment on all rateable land in the City of Shellharbour categorised as "FARMLAND" in accordance with Section 515 of the *Local Government Act 1993* be now made for the period 1 July 2011 to 30 June 2012 and in accordance with section 543(1) of the *Local Government Act*, this rate be named "FARMLAND".
4. That an ordinary rate, consisting of an Ad-Valorem Rate of zero point two zero four nine eight cents in the dollar (0.20498) per assessment on all rateable land in the City of Shellharbour categorised as "BUSINESS" in accordance with Section 518 of the *Local Government Act 1993* except all rateable land in the City of Shellharbour determined to be in the business sub-category "GENERAL" be now made for the period 1 July 2011 to 30 June 2012 and in accordance with section 543(1) of the *Local Government Act 1993*, this rate be named "NON-URBAN".
5. That an ordinary rate, consisting of an Ad-Valorem Rate of zero point eight five zero eight three cents in the dollar (0.85083) per assessment on all rateable land in the City of Shellharbour used or zoned for professional/commercial trade or industrial purposes and determined to be a centre of activity and categorised as "BUSINESS" in accordance with Section 518, sub category "GENERAL" in accordance with section 529(1) of the *Local Government Act 1993* be now made for the period 1 July 2011 to 30 June 2012 and in accordance with section 543(1) of the *Local Government Act 1993*, this rate be named "BUSINESS GENERAL".
6. That a Domestic Waste Service Charge of:
 - i) \$290.00 per annum per 240 litre bin per fortnightly service;
 - ii) \$220.00 per annum per 140 litre bin per fortnightly service;
 - iii) \$436.00 per annum charge for a weekly service for special needs households in accordance with Council's Revenue Policy; and
 - iv) \$60.00 availability fee

be now made for the period 1 July 2011 to 30 June 2012 in accordance with Section 496 of the *Local Government Act 1993*.

7. That a Business Waste Service Charge of:
 - i) \$308.00 per annum per fortnightly service (garbage, recycling & green waste);
 - ii) \$247.00 per annum per fortnightly service (garbage only);
 - iii) \$77.00 per annum per fortnightly service (recycling only);
 - iv) \$289.00 per annum per fortnightly service (garbage and recycling only);

- v) \$82.00 per annum per fortnightly service (green waste only); and
- vi) \$124.00 per annum per fortnightly service (two recycling bins only)

be now made for the period 1 July 2011 to 30 June 2012 in accordance with Section 501 of the *Local Government Act 1993*.

8. That a Stormwater Management Service Charge of:

- i) \$25 per residential assessment per annum
- ii) \$12.50 per residential strata unit per annum
- iii) \$25 per 350m² (or part thereof) per business assessment per annum capped at a maximum charge of \$150
- iv) Business Strata Lots – pro rata per unit of business calculation per annum be now made for the period 1 July 2011 to 30 June 2012 in accordance with section 496A of the *Local Government Act 1993*.

9. That a rate of nine percent per annum (9% p.a.), or any other percentage as permitted by the Minister for Local Government, accruing daily on rates and charges that remain unpaid after they become due and payable, be now set for the period 1 July 2011 to 30 June 2012 in accordance with Section 566 of the *Local Government Act 1993*.

10. That the amount of new loan borrowing application be \$1,400,000 with \$1,400,000 to be borrowed if required from recognised banking institutions or government authorities. This loan will be secured by a mortgage over Council's consolidated fund income and will be used for capital works at the Shellharbour Beachside Tourist Park, noting that redemption and interest repayments will be recouped by additional income generated by these works.

11. That Council provide financial assistance to the Shellharbour Sharks Football Club of \$10,000 per annum for 10 years provided that it is to be applied to repayments on a bank loan of \$140,000, as part of their cash commitments for the upgrade of buildings and structures at Ron Costello Oval.

12. That the public submissions made, be received, taken into consideration and noted.

Approved for Council's consideration: _____



Attachments

1. Shellharbour Community Strategic Plan 2011-2021 - under separate cover
2. Four Year Delivery Program 2011-2015 and One Year Operating Plan 2011-2012 - under separate cover
3. Resourcing Strategy 2011-2021 - under separate cover
4. Submissions - under separate cover

9. Urgent Business