

Council Meeting Minutes

4 July 2022

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.*

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au



City of
Norwood
Payneham
& St Peters

1.	KAURNA ACKNOWLEDGEMENT	1
2.	OPENING PRAYER	1
3.	CONFIRMATION OF THE MINUTES OF THE SPECIAL COUNCIL MEETING HELD ON 21 JUNE 2022.....	1
4.	MAYOR'S COMMUNICATION.....	2
5.	DELEGATES COMMUNICATION	3
6.	QUESTIONS WITHOUT NOTICE.....	3
7.	QUESTIONS WITH NOTICE	3
	7.1 QUESTIONS WITH NOTICE – CODE OF CONDUCT - CR SIMS - SUBMITTED BY CR KEVIN DUKE	4
8.	DEPUTATIONS	8
9.	PETITIONS.....	8
10.	WRITTEN NOTICES OF MOTION	8
	10.1 2022-2023 DRAFT ANNUAL BUSINESS PLAN AND BUDGET – SUBMITTED BY MAYOR ROBERT BRIA	9
	10.2 LEGAL EXPENSES BY CR SCOTT SIMS – SUBMITTED BY CR SCOTT SIMS.....	13
11.	STAFF REPORTS	15
	Section 1 – Strategy & Policy.....	16
	11.1 DRAFT BUILT HERITAGE STRATEGY	17
	11.2 REVIEW OF VERGE LANDSCAPING AND MAINTENANCE POLICY	22
	Section 2 – Corporate & Finance.....	29
	11.3 MONTHLY FINANCIAL REPORT – MAY 2022	30
	11.4 CATS ASSISTANCE TO STERILISE INC (CATS) – REQUEST FOR INCREASED FUNDING	33
	11.5 ADOPTION OF ANNUAL BUSINESS PLAN, BUDGET AND DECLARATION OF RATES FOR 2022-2023	37
	Section 3 – Governance & General.....	52
	<i>[No Items listed under this Section]</i>	
12.	ADOPTION OF COMMITTEE MINUTES.....	53
13.	OTHER BUSINESS	54
	13.1 PERSONAL EXPLANATION – CR FAY PATTERSON	54
14.	CONFIDENTIAL REPORTS	55
	14.1 TENDER SELECTION REPORT – CONSTRUCTION OF BLUESTONE AND CONCRETE KERBING 2022-2023	56
	14.2 COUNCIL RELATED MATTER	57
	14.3 COUNCIL RELATED MATTER	58
	14.4 COUNCIL RELATED MATTER	59
15.	CLOSURE.....	60

VENUE Council Chambers, Norwood Town Hall

HOUR 7:00pm

PRESENT

Council Members Mayor Robert Bria
Cr Kevin Duke
Cr Evonne Moore
Cr Garry Knoblauch
Cr John Minney
Cr Carlo Dottore
Cr Kester Moorhouse
Cr Connie Granozio
Cr Scott Sims
Cr Fay Patterson
Cr Sue Whittington
Cr John Callisto

Staff Mario Barone PSM (Chief Executive Officer)
Lisa Mara (General Manager, Governance & Community Affairs)
Carlos Buzzetti (General Manager, Urban Planning & Environment)
Peter Perilli (General Manager, Urban Services)
Sharon Perkins (General Manger, Corporate Services)
Skye Grinter-Falzun (Executive Assistant to Chief Executive Officer & Mayor)
Keke Michalos (Manager, Economic Development & Strategic Projects)
Simone Whitlock (Communications Officer)
Emily McLuskey (Senior Urban Planner)
Michael Moshos (Projects Officer – Civil)

APOLOGIES Cr Christel Mex
Cr Mike Stock

ABSENT Nil

1. KAURNA ACKNOWLEDGEMENT

2. OPENING PRAYER

The Opening Prayer was read by Cr Fay Patterson.

3. CONFIRMATION OF THE MINUTES OF THE SPECIAL COUNCIL MEETING HELD ON 21 JUNE 2022

Cr Minney moved that the Minutes of the Council meeting held on 21 June 2022 be taken as read and confirmed. Seconded by Cr Callisto and carried unanimously.

4. MAYOR'S COMMUNICATION

Monday, 6 June	<ul style="list-style-type: none">• Presided over a Council meeting, Council Chamber, Norwood Town Hall.
Wednesday, 8 June	<ul style="list-style-type: none">• Presided over a Public Meeting to hear oral submissions for 2022-2023 Budget, Mayor's Parlour, Norwood Town Hall.
Thursday, 9 June	<ul style="list-style-type: none">• Attended a meeting with the Chief Executive Officer and residents, Mayor's Office, Norwood Town Hall.
Sunday, 12 June	<ul style="list-style-type: none">• Attended the St Anthony of Padua Feast Day Mass, Our Lady Queen of Payneham Church, Payneham.
Tuesday, 14 June	<ul style="list-style-type: none">• Presided over the Business & Economic Development Committee meeting, Mayor's Parlour, Norwood Town Hall.
Wednesday, 15 June	<ul style="list-style-type: none">• Filmed a video for the Council website, Quinzi's Confectionary, Stepney.
Wednesday, 15 June	<ul style="list-style-type: none">• Officially launched the 'Eastside Design for Living' booklet, Art Images Gallery, Norwood.
Saturday, 18 June	<ul style="list-style-type: none">• Attended the '125 Years of Gymnastics at the Payneham Youth Centre' event, Payneham Youth Centre, Payneham Youth Centre, Felixstow.
Sunday, 19 June	<ul style="list-style-type: none">• Attended the Port Adelaide Magpies versus Norwood football match, Alberton Oval, Alberton.
Tuesday 21 June	<ul style="list-style-type: none">• Presided over a Citizenship Ceremony, St Peters Banquet Hall, St Peters.
Tuesday, 21 June	<ul style="list-style-type: none">• Presided over a Special Council Meeting, Council Chamber, Norwood Town Hall.
Wednesday, 22 June	<ul style="list-style-type: none">• Participated in promotional photograph shoot for 'Springfest', Norwood Town Hall.
Thursday, 23 June	<ul style="list-style-type: none">• Filmed a video for the Council website, Norwood RSL and Beulah Road, Norwood.
Friday, 24 June	<ul style="list-style-type: none">• Attended lunch with Metropolitan Mayors, Griffin's Head Hotel, Adelaide.
Saturday, 25 June	<ul style="list-style-type: none">• Attended the pre-match function followed by the Norwood versus Sturt football match, Norwood Oval.
Monday, 27 June	<ul style="list-style-type: none">• Attended a meeting with the Chief Executive Officer, Senator Marielle Smith, Senator of South Australia and Ms Cressida O'Hanlon, Mayor's Office, Norwood Town Hall.
Monday, 27 June	<ul style="list-style-type: none">• Attended a workshop: Amendments to the <i>Local Government Act</i>, Mayor's Parlour, Norwood Town Hall
Monday, 27 June	<ul style="list-style-type: none">• Attended and Information Session: Changes to the Commonwealth Home Support Program, Mayor's Parlour, Norwood Town Hall
Monday, 27 June	<ul style="list-style-type: none">• Attended a Presentation: Results of the Felixstow Reserve Basketball Court Consultation, Mayor's Parlour, Norwood Town Hall.
Tuesday, 28 June	<ul style="list-style-type: none">• Attended the Mid-Year Business Networking event, 'Fine and Fettle', Stepney.
Friday, 1 July	<ul style="list-style-type: none">• Attended the ERA Mayor's Monthly Breakfast meeting, Luigi Delicatessen, Adelaide.
Sunday, 3 July	<ul style="list-style-type: none">• Attended the Woodville West Torrens versus Norwood football match, Woodville Oval, Woodville.

- **Metropolitan Mayors, Griffin's Head Hotel, Adelaide – 24 June 2022**
Mayor Bria briefed the Council regarding the lunch for Metropolitan Mayors organised by Mayor David O'Loughlin (City of Prospect) in his capacity as Chair of Greater Adelaide Region of Councils (GAROC). The lunch was also attended by Mr Sam Telfer MP, Member for Flinders and Ms Erin Thompson MP, Member for Davenport, who were both invited as former Mayors who have been recently elected Members of State Parliament.
- **Meeting with Senator Marielle Smith – 27 June 2022**
Mayor Bria advised the Council that he and the Chief Executive Officer met with Senator Marielle Smith (Senator for South Australia) on Monday, 27 June 2022. The meeting was arranged at the request of Senator Smith, to discuss the key issues for the Council and Council projects. Mayor Bria advised the Council that he and the Chief Executive Officer raised the following matters:
 - The Parade Masterplan;
 - ERA Water;
 - Portrush Road; and
 - The Payneham Memorial Swimming Centre.
- **Winter Business Networking Event, 'Fine and Fettle', Stepney – 28 June 2022**
Mayor Bria briefed the Council regarding the Winter Business Networking Function which was held at Fine and Fettle on Tuesday, 28 June 2022. He expressed his appreciation to all business owners who attended, many of whom provided positive feedback regarding the Council's role in economic development in Norwood Payneham & St Peters. Mayor Bria thanked all staff involved in organising the event and the businesses that donated prizes for the raffle.
- **Meeting with Hon. Tom Koutsantonis MP, Minister for Transport**
Mayor Bria advised the Council that he and the Chief Executive Officer will meet with Hon. Tom Koutsantonis MP, Minister for Transport on 11 August 2022, to discuss the Portrush Road / Magill Road intersection upgrade and in particular the future use of surplus land on the western side of Portrush Road.
- **Letter to Hon. Nick Champion MP, Minister for Planning**
Mayor Bria advised that he has sent a letter to Hon. Nick Champion MP, regarding planning issues and in particular heritage matters, which he and the Chief Executive Officer raised when they met with the Minister on 6 May 2022. The letter included a copy of the presentation made by Council staff to Mr Craig Holden, Chair of the State Planning Commission.

5. DELEGATES COMMUNICATION

- Cr Knoblauch advised that on Monday 27 June 2022, he attended the Marden Senior College Governing Council's monthly meeting.
- Cr Whittington advised that on Wednesday 29 June 2022, Cr Knoblauch attended the Eastern Health Authority Board Meeting and that she could not attend as she was unwell.
- Cr Whittington advised that on Thursday 30 June 2022, she attended the Prince Alfred College Farewell for Mr Bradley Fenner on behalf of the Mayor.

6. QUESTIONS WITHOUT NOTICE

Nil

7. QUESTIONS WITH NOTICE

7.1 QUESTIONS WITH NOTICE – CODE OF CONDUCT - CR SIMS - SUBMITTED BY CR KEVIN DUKE

QUESTIONS WITH NOTICE: Code of Conduct – Cr Sims
SUBMITTED BY: Cr Kevin Duke
FILE REFERENCE: qA1040 qA89891 qA88419
ATTACHMENTS: Nil

BACKGROUND

Cr Duke has submitted the following Questions with Notice:

It has been brought to my attention that Cr Sims has made public statements questioning the process which was undertaken regarding the two (2) Code of Conduct matters relating to him that were recently considered by the Council and the amount of legal expenses incurred by the Council regarding matters associated with Cr Sims.

1. Can staff provide details of the process associated with Code of Conduct complaints regarding Elected Members?
2. Can staff provide a breakdown of the legal expenses which have been incurred by the Council on matters associated with Cr Sims during the current term of the Council?

REASONS IN SUPPORT OF QUESTION

Nil

RESPONSE TO QUESTIONS

PREPARED BY GENERAL MANAGER, GOVERNANCE & COMMUNITY AFFAIRS

Question 1.

Section 63 of the *Local Government Act 1999* (the Act) sets out the following in respect to the Code of Conduct for Elected Members:

- (1) *The Governor may, by regulation, prescribe a code of conduct to be observed by the members of all councils.*
- (2) *Council members **must** observe the code of conduct.*

The *Code of Conduct for Council Members* (the Code) was published in the South Australian Gazette on 18 August 2013, pursuant to Section 63 of the *Local Government Act 1999* (the Act) and applies to all Elected Members in South Australia.

In other words, it is a legislative requirement that all Elected Members comply with and they must observe the Code.

The Code sets out the standards of behaviour which every Elected Member must observe when carrying out their functions and duties as a **public officer**.

It is fundamentally important in the interests of good governance therefore, that Elected Members are aware of the Code. In this respect, it is the responsibility of every Elected Member to ensure that they are familiar and comply with, the standards in the Code at all times. As Elected Members are aware, Information Briefings have been provided to Elected Members.

The Code is structured into three (3) Parts, namely:

- Part 1 – Principles
- Part 2 – Behavioural Code
- Part 3 – Misconduct.

There is also an Appendix to the Code which relates to **Criminal Matters**. These are matters that do not form part of the Code. Alleged breaches of these matters must be reported to the Office for Public Integrity (OPI) in the first instance.

The Code also requires Councils to adopt a process for the handling of alleged breaches of Part 2 – Behavioural Code of the Code.

As Elected Members will recall, the Council's *Code of Conduct for Council Members – Complaint Handling Procedure* (the Procedure) was adopted by the Council on 1 March 2021.

Alleged breaches of the Code therefore which relate to behavioural matters, as referred to in Part 2 of the Code, are dealt with in accordance with the Council's Procedure.

Allegations of a breach of Part 3 – Misconduct of the Code, may not be dealt with by the Council and may be referred to either the *Office of the South Australian Ombudsman* (Ombudsman SA) or the *Office for Public Integrity* (OPI).

In summary, the Council may only deal with matters relating to an alleged breach of Part 2 of the Code.

A summary of the process for dealing with alleged breaches of the Code is set out below:

1. A complaint about an alleged breach of the Code must be in writing.
2. The General Manager, Governance & Community Affairs will, so far as reasonably practicable, provide written acknowledgement to the complainant and the subject Elected Member, of the receipt of the complaint within five (5) business days.
3. Where the alleged behaviour falls under Part 2 of the Code, the complaint must be made within three (3) months of the alleged conduct said to be in breach of the Code.
4. Upon receipt of a complaint, an initial assessment will be undertaken by the General Manager, Governance & Community Affairs (or delegate), to determine whether the complaint:
 - a. is trivial, frivolous, vexatious, misconceived or lacking in substance, in which case, no further action may be taken;
 - b. relates to behaviour which falls under Part 2 of the Code;
 - c. relates to misconduct or systemic misconduct which triggers action under Part 3 of the Code; or
 - d. relates to criminal conduct, corruption, misconduct or maladministration in public administration.

It must be noted that an initial assessment of a complaint is not an investigation or adjudication of a complaint and no findings as to the merits of the complaint will be made. The initial assessment is required to consider if the complaint discloses prima facie (ie. based on first impression; accepted as correct until proven otherwise) evidence of a breach of the Code and, if so, what action may be required in the circumstances of the matter.

5. If the matter is determined to be **minor in nature**, the parties to a complaint may be offered the opportunity to resolve the matter informally, which may include alternative dispute resolution processes such as mediation or conciliation. Informal resolution is only appropriate if all parties to the matter voluntarily agree to explore such a resolution.

If the matter can be resolved to the satisfaction of all parties at this time, the matter will be closed and no further action taken. All parties will be advised in writing by the General Manager, Governance & Community Affairs (or delegate) that the matter has been resolved.

6. Following the initial assessment and subject to provision of prima facie evidence of a breach of the Code, the complaint will be progressed as follows:
 - Behaviour which falls under Part 2 of the Code, the Behavioural Code - the Council will maintain jurisdiction of the complaint, which will be dealt with in accordance with the processes set out in the Council's Procedure.
 - Behaviour which falls under Part 3 of the Code, the Misconduct provisions - the complaint will be referred to the Ombudsman SA or the OPI as soon as reasonably.
 - Criminal conduct, corruption, misconduct or maladministration in public administration, including but not limited to those matters set out in the Appendix to the Code - the complaint will be referred to the OPI, as soon as reasonably practicable.
7. Where a complaint has been assessed as disclosing a prima facie (ie. evidence) breach of Part 2 of the Code and is not minor in nature, the complaint will be referred to an External Investigator for investigation.
8. The External Investigator will conduct an investigation into the allegations.
9. Following the investigation process, the External Investigator will prepare a draft report setting out the factual basis of the allegations, the evidence received, preliminary findings made and any proposed recommendations.
10. In affording the parties natural justice/procedural fairness as part of the investigation process, the complainant and the subject Elected Member, will be provided with a copy of the draft report and will be invited to make any further submissions to be taken into account in the investigation of the complaint, limited to the facts as stated and the preliminary findings made.
11. Following receipt and consideration of any further submission received, the External Investigator will prepare a final report, setting out the findings made and recommendations or whether the allegations were substantiated.
12. The final report will be provided to the General Manager, Governance & Community Affairs.
13. In respect to reporting to the Council, in accordance with Clause 2.24 of the Code, if, following the investigation process, a breach of Part 2 of the Code, the Behavioural Code, has been substantiated, a report must be presented to a public meeting of the Council.

This report may recommend to the Council appropriate action in relation to the matter, including the imposition of any of the sanctions available to the Council.

This process is set out in the Council's *Code of Conduct for Council Members – Complaint Handling Procedure*.

As Elected Members have been advised in the report which was considered by the Council at its meeting held on 6 June 2022, this process was in fact applied to the two (2) Code of Conduct matters involving Cr Sims.

On the basis of the assessment which was undertaken by the General Manager, Governance & Community Affairs, it was determined that there was sufficient evidence (ie. prima facie evidence) of an alleged breach of Part 2 of the Code and therefore, it was determined that the matter required investigation.

In addition, it was also determined that the matters were **not minor** in nature meaning that the opportunity to resolve the matters informally whether through alternative dispute resolution processes or otherwise to explore resolution, was not available in the circumstances.

It should be noted that in other similar matters involving Cr Sims where attempts have been made to resolve matters informally, this has not been successful. The two (2) matters therefore were referred to Kellidy Jones (Lawyers) to ensure that there were no questions or concerns about the impartiality or independence of the investigation.

In this respect, it is important to note that staff need to consider their position when dealing with complaints of this nature against Elected Members and ensure that they are not placed in a position where it could be alleged that they did not treat such complaints and subsequent investigations with impartiality. This practice is used by all councils and is not unique to this Council.

Question 2.

A breakdown of the legal expenses which have been incurred by the Council regarding matters associated with Cr Sims' conduct and behaviour during the current term of the Council (ie. since November 2018) is set out in Table 1 below.

TABLE 1: LEGAL EXPENSES

Date	Matter	Cost
August 2019-January 2022	Various matters regarding an Organisational Review, Administration Review, Chief Executive Officer's Performance Review Process and Chief Executive Officer's Performance Review Committee (as a result of Cr Sims not following the correct process, acting outside his role as an Elected Member, including making unauthorised contact with third parties regarding the conduct of an organisational review and a failure to accept staff advice).	\$46,489.00
December 2020	Cr Whittington – Code of Conduct Complaint	\$15,347.00
February 2021	Resident – Conflict of Interest Complaint	\$ 608.00
February 2022	Resident – Code of Conduct Complaint	\$11,489.00
February 2022	Mayor – Code of Conduct Complaint	\$13,043.00
TOTAL		\$86,976.00

Notwithstanding the legal costs which have been incurred, there is considerable staff time involved in the management of these matters. Whilst it could be argued that the management of such matters is part of the day-to-day work of staff, it is not possible to put a cost on this work. In addition, if scarce staff resources are diverted to such issues, it means that these resources are diverted from other important or urgent matters which the Council must deal with, given the number of projects and other operational issues.

8. **DEPUTATIONS**
Nil

9. **PETITIONS**
Nil

10. **WRITTEN NOTICES OF MOTION**

**10.1 2022-2023 DRAFT ANNUAL BUSINESS PLAN AND BUDGET – SUBMITTED BY
MAYOR ROBERT BRIA**

NOTICE OF MOTION: 2022-2023 Draft Annual Business Plan and Budget
SUBMITTED BY: Mayor Robert Bria
FILE REFERENCE: qA1039 qA83739
ATTACHMENTS: Nil

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

NOTICE OF MOTION

1. That in respect to the adoption of the Draft 2022-2023 Annual Business Plan and declaration of the 2022-2023 Rates (Agenda Item 11.4 of this meeting), the Council considers a reduction in the 'in-principle' Rate Revenue increase from 6.0% to 5.0% for the 2022-2023 Financial year.
2. That the reduction in the Rate Revenue increase of 1.0% be offset through identified savings in Council Operations and/or Capital Projects to the value of \$373,000.

REASONS IN SUPPORT OF MOTION

Since the Council endorsed 'in principle' the draft 2022-23 Annual Business Plan on 9 May 2022, the Australian economy has experienced a number of shocks, which are having a negative impact on households' budgets.

In particular, the increase in interest rates of 75 basis points over the past two months (25 basis points in May and 50 basis points in June) will place significant stress on people with mortgages. For a household with a home loan worth \$500,000 (over 25 years) this month's (June) rate increase of 0.5% equates to an additional \$133 per month on their repayments.

It is highly likely that there will be another increase in interest rates on Tuesday, 5 July 2022 – the day after the Council's Budget is formally adopted and more in the coming months.

Like interest rates, inflation continues to climb upward, with the Reserve Bank Governor Philip Lowe recently stating that "*inflation in Australia has increased significantly*" and will probably reach 7% by Christmas. (source: ABC)

Just as the Council was mindful of the economic environment during the peak of the COVID-19 pandemic, it should also be mindful of the current economic environment, which is an environment of rising interest rates, rising inflation and rising energy costs and largely stagnant wage growth.

As such, even a modest reduction in the proposed Rate Revenue increase (from 6.0% down to 5.0%) – which is still in line with the Long Term Financial Plan (LTFP) parameters set by the Council and consistent with a previous resolution of Council - should be supported as it will not materially affect Council's operations or Capital Projects program.

Part 2 of the Motion is consistent with the recommendation from the Audit Committee, that should the Council reduce the proposed Rate Revenue increase, that the loss in income be offset by operational savings and reductions in its Capital Projects Budget.

**STAFF COMMENT
PREPARED BY GENERAL MANAGER, CORPORATE SERVICES**

In Agenda Item 11.4 of this meeting, the Council is considering a report on the Adoption of the Annual Business Plan and the declaration of the rates for the 2022-2023 Financial Year.

Pursuant to S123 (6) and (6a) of the *Local Government Act 1999* (the Act), the Council, after consideration of;

- submissions received during the public consultation period;
- new or revised information which the Council has which is considers relevant to the draft annual Business Plan; and
- other information or materials the Council thinks fit,

may adopt the annual business plan, with or without amendment.

If the Council proposes to adopt the Annual Business Plan with amendments, the Annual Business Plan must include a statement which sets out the:

- significant amendments made from the draft Annual Business Plan; and
- reasons for the amendments.

In addition, pursuant to Section 123 (7) of the Act, the Council's budget must be considered in conjunction with the draft Annual Business Plan (and must be consistent with the Annual Business Plan as adopted) and be adopted after the Council has adopted the Annual Business Plan.

Should the Notice of Motion be endorsed, to ensure that the Council complies with the requirements of Section 123 (6a) of the Act, prior to consideration of the Annual Business Plan, the Council will be required to indicate the Capital Projects to be deferred or if the reduction in Rate Revenue is to be offset through savings in operations, to allow the appropriate statement to be included in the published Annual Business Plan.

The impact of the reduction of the Rate Revenue increase (to 5%), as contained in the Draft 2022-2023 Annual Business Plan on the Average Rate, the rate-in-the-dollar and the Council's Budget, without savings or a reduction in the Capital Projects Budget, is set out below.

TABLE 1: AVERAGE RATE BY LAND USE

Land Use	Average Rate \$	Increase (Decrease)	% Change
Residential	1,795	118	7.1%
Commercial	2,612	(120)	-4.4%
Industrial	2,233	(114)	-4.9%
Vacant Land	1,621	(96)	-5.6%
Other	3,532	92	2.7%
Primary Production	1,655	(104)	-5.9%
Average Rate	1,893	87	4.8%

TABLE 2: RATE MODELLING – RATE-IN-THE-DOLLAR

	2022-2023
Proposed Rate Revenue Increases	5.0%
Gross General Rate Revenue (\$'000)	\$39,196
Net Increase on Previous Year (\$'000)	\$1,867
Operating Surplus/(Deficit) after Rate Revenue increases (\$'000)	491
Residential Rate	
Average Rate	\$1,659
Average Rate Difference	\$96
Increase from previous year	6.14%
Rate-in-the-Dollar	0.0019110
Change from previous year	(16.10%)
Commercial Rate	
Average Rate	\$2,502
Average Rate Difference	(\$147)
Increase/(Decrease) from previous year	(5.55%)
Rate-in-the-Dollar	0.0022932
Change from previous year	(16.10%)
Minimum Rate	\$1,121
Percentage of Assessment on Minimum Rate	32.86%

TABLE 3: 2022-2023 PROPOSED BUDGETED STATEMENT OF COMPREHENSIVE INCOME

	Proposed 2022-2023 \$'000
Income	5%
Rates	39,548
Statutory charges	2,007
User charges	3,738
Grants, subsidies and contributions	3,008
Investment income	46
Other income	518
Net loss joint ventures & associates	21
Total Income	48,884
Expenses	
Employee costs	16,083
Materials, contracts & other expenses	19,996
Finance costs	872
Depreciation, amortisation & impairment	11,159
Net loss Joint Ventures & Associates	283
Total Expenses	48,393
Operating Surplus (Deficit)	491
Cash Surplus	444
Cash at Bank	6,542

Cr Granozio moved:

1. *That in respect to the adoption of the Draft 2022-2023 Annual Business Plan and declaration of the 2022-2023 Rates (Agenda Item 11.4 of this meeting), the Council considers a reduction in the 'in-principle' Rate Revenue increase from 6.0% to 5.0% for the 2022-2023 Financial year.*
2. *That the reduction in the Rate Revenue increase of 1.0% be offset through identified savings in Council Operations and/or Capital Projects to the value of \$373,000.*

Seconded by Cr Knoblauch and lost.

Division

Cr Callisto called for a division and the decision was set aside.

Those in favour: Cr Whittington, Cr Knoblauch, Cr Dottore, Cr Granozio and Cr Callisto.

Those against: Cr Patterson, Cr Minney, Cr Duke, Cr Sims, Cr Moorhouse and Cr Moore.

The Mayor declared the motion lost.

10.2 LEGAL EXPENSES BY CR SCOTT SIMS – SUBMITTED BY CR SCOTT SIMS

NOTICE OF MOTION: Legal Expenses by Cr Scott Sims
SUBMITTED BY: Cr Scott Sims
FILE REFERENCE: qA1039 qA89891 qA88419
ATTACHMENTS: Nil

Pursuant to Regulation 12(1) of the *Local Government (Procedures at Meetings) Regulations 2013*, the following Notice of Motion has been submitted by Cr Scott Sims.

NOTICE OF MOTION

1. That the Council notes Item 11.13 passed at the June 2022 Council meeting, stating that there was approximately \$76,000 in legal fees “associated with matters relating to Cr Sims” did not distinguish between legal fees incurred in discharging of Cr Sims’ responsibilities and those pertaining specifically to Code of Conduct matters.
2. That Council notes that the actual costs of Code of Conduct matters regarding Cr Sims, in fact, totalled \$24,532 and that they arose as follows:
 - February 2021 - instigated by the Mayor - Code of Conduct Complaint - \$13,043
 - February 2021 - instigated by a resident - Code of Conduct Complaint - \$11,489
3. That Council notes Item 11.13 passed at the June 2022 Council meeting, did not clearly distinguish between legal fees incurred in discharging Cr Sims’ responsibilities and legal fees pertaining to Code of Conduct matters, and subsequent publicity in the media, could have adversely affected Cr Sims’ standing as an Elected Member.
4. That, in future, where an Elected Member breaches the Code of Conduct but promptly concedes and apologises for that breach, there is careful consideration of the need for legal advice and/or a legal investigation.

REASONS IN SUPPORT OF MOTION

This motion is to note and correct the record that the actual amount of legal expenses incurred by Cr Sims regarding two recent Code of Conduct matters was \$24,582 rather than \$76,000.

This motion notes that the information provided to a journalist that \$76,000 in legal fees has been incurred by Cr Sims was contextually misleading and could have adversely affected Cr Sims’ standing.

This motion seeks to ensure that, in future, legal expenses are incurred only in instances where an Elected Member disputes an accusation made with regard to a Code of Conduct matter.

STAFF COMMENT

PREPARED BY GENERAL MANAGER, GOVERNANCE & COMMUNITY AFFAIRS

At its meeting held on 6 June 2022, the Council considered two (2) Code of Conduct matters in respect to Cr Sims.

As part of its consideration of the first Code of Conduct matter, the Council asked the following question:

Can staff please advise the total amount spent in legal fees on matters related to Cr Sims during the current term of Council?

The staff response to the question was as follows:

Approximately \$76,000 to date has been spent by the Council on legal fees associated with matters relating to Cr Sims during this Council term.

In terms of the question asked by the Council the response which was provided by staff was correct.

The legal expenses incurred by the Council as a result of the two (2) Code of Conduct matters which were considered by the Council at its meeting held on 6 June 2022, totalled \$24,532.00. However, as set out in Item 7.1 of this Agenda (Questions with Notice), the total amount is \$86,976.

Notwithstanding the above, whilst parts 1 and 2 of the Notice of Motion can be considered by the Council, parts 3 and 4 of the Notice of Motion are ultra vires (ie. beyond the power of the Council).

In Part 3 of the Notice of Motion, Cr Sims is suggesting that Elected Members, as the governing body, make a binding decision for the Council, by collectively accepting assertions from Cr Sims that are not provable by corroborative evidence and therefore, do not meet the responsible and informed decision-making standards as required by section 6(a) of the *Local Government Act 1999*.

In other words, Cr Sims is asking the Council to agree to his statements without any evidence to indicate the validity of the statements.

In respect to part 4 of the Notice of Motion, this is not able to be implemented as it is contrary to the Code of Conduct for Council Members and seeks to place a 'blanket' direction on all Code of Conduct investigations, regardless of their merit, sufficient to enable an Elected Member by act of a simple apology, to curtail proper process. In short, once a Code of Conduct matter involving a complaint is initiated, the Elected Member concerned cannot simply circumvent the process by offering an apology as undertaken by Cr Sims in the two (2) Code of Conduct matters which were considered by the Council at its meeting held on 6 June 2022;

Cr Sims has been advised that parts 3 and 4 of this Motion are ultra vires. Notwithstanding this advice, Cr Sims requested that the Motion in full be placed on the Agenda.

Cr Sims declared a perceived conflict of interest, as the matter relates to him. Cr Sims advised that he would remain in the meeting and take part in the decision-making process.

Cr Sims moved:

- 1. That Council notes Item 11.13 passed at the June 2022 Council meeting, stating that there was approximately \$76,000 in legal fees "associated with matters relating to Cr Sims" did not distinguish between legal fees incurred in discharging of Cr Sims' responsibilities and those pertaining specifically to Code of Conduct matters.*
- 2. That Council notes that the actual costs of proven Code of Conduct matters regarding Cr Sims, considered at the meeting held 6th June 2020, in fact, totalled \$24,582 and that they arose as follows:*
 - February 2021 - instigated by the Mayor - Code of Conduct Complaint - \$13,043*
 - February 2021 - instigated by a resident - Code of Conduct Complaint - \$11,489*

Seconded by Cr Moorhouse.

Cr Minney moved:

That the motion be put.

Seconded by Cr Duke and carried.

The motion was put and Lost.

11. STAFF REPORTS

Section 1 – Strategy & Policy

Reports

11.1 DRAFT BUILT HERITAGE STRATEGY

REPORT AUTHOR: Senior Urban Planner
GENERAL MANAGER: Urban Planning & Environment
CONTACT NUMBER: 8366 4561
FILE REFERENCE: qA88791
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to seek the Council's endorsement of the draft *Built Heritage Strategy*, for release for public consultation.

A copy of the draft Strategy is contained in **Attachment A**.

BACKGROUND

As Elected Members will recall, at its meeting held on 7 February 2022, the Council resolved the following:

1. *That Council endorses, in principle, the development of a City of Norwood Payneham & St Peters Built Heritage Strategy and Action Plan.*
2. *That staff present a report regarding the development of a Built Heritage Strategy and Action Plan at the Ordinary Council meeting on 7 March 2022.*

Subsequent to this decision, at its meeting held on 7 March 2022, the Council resolved the following:

The Council notes that staff will prepare a draft Built Heritage Strategy and Action Plan for consideration by the Council by no later than July 2022

The draft *Built Heritage Strategy* has now been prepared for the Council's endorsement prior to its release for a three (3) week period of community consultation.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

Outcome 2: Cultural Vitality

A culturally rich and diverse city, with a strong identity, history and sense of place

Objective

2.2 A community embracing and celebrating its social and cultural diversity

2.3 A City which values and promotes its rich cultural and built heritage

2.4 Pleasant, well designed, and sustainable urban environments

FINANCIAL AND BUDGET IMPLICATIONS

The Council has allocated a budget of \$70,000 for work associated with *Heritage Protection Opportunities*, which includes the preparation of a draft Built Heritage Strategy to provide the overarching direction and framework for these activities. The costs associated with the *Built Heritage Strategy* are estimated to be in the order of \$7,000 to \$10,000 which includes the cost of outsourcing some of the graphic production of the Strategy and costs associated with community engagement.

EXTERNAL ECONOMIC IMPLICATIONS

Although some of the proposed actions in the draft Strategy may have external economic implications when implemented, the development of the Strategy itself is not expected to result in direct external economic impacts as the Strategy does not propose changes to any specific property or area.

SOCIAL ISSUES

Heritage conservation is, and perhaps will always be, a sensitive issue. By its nature it evokes differences of opinion of conservation versus development and property owner rights. Whilst there is no doubt that heritage listed places generate benefits to the community in the way in which they are utilised and maintained, there is also a potential for heritage places to generate intrinsic and cultural value to individuals as well as communities.

CULTURAL ISSUES

The Council's role in supporting the retention of buildings and places of heritage value strongly aligns with one of the key objectives of the Council and the community, which is to protect and enhance the City's valued built form and character.

As discussed further in this report, the draft Strategy focuses on Built Heritage as recognised in the planning system. The scope does not extend to other forms of heritage, such as intangible cultural heritage, indigenous heritage, or natural heritage.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

The draft Strategy has been drafted using existing staff resources, with the exception of graphic production which has been partially outsourced.

RISK MANAGEMENT

There are no legislative risks associated with this matter. However, the risks of not proceeding with a sound framework to address heritage protection initiatives may include the demolition of currently un-listed buildings which have historic value, lack of support for owners of heritage properties and an associated sense of dissatisfaction with the Council and lack of awareness of the value of heritage protection amongst the community. The publication of a *Built Heritage Strategy* is a useful tool for setting out the Council's priorities for heritage protection initiatives and communicating these priorities to the community.

Notwithstanding the strong support for heritage conservation amongst many members of the community, it remains a sensitive and often divisive issue, particularly where property owners feel their rights may be compromised or where there is disagreement as to what buildings warrant heritage protection. The risk associated with producing a *Built Heritage Strategy* is that not all members of the community will agree or support the actions proposed. This risk will be managed by undertaking community consultation which seeks feedback from the community on all aspects of the draft Strategy.

COVID-19 IMPLICATIONS

COVID-19 implications are not expected to affect the development of the Strategy or associated community consultation.

CONSULTATION

- **Elected Members**
The draft *Built Heritage Strategy* has been prepared in accordance with the resolutions of the Council on 7 February 2022 and 7 March 2022 and some of the actions in the Strategy have been informed by other previous Council resolutions.
- **Community**
Once the Council endorses the draft Strategy, it will be released for public consultation for a period of three (3) weeks.

- **Staff**
General Manager, Urban Planning & Environment
Manager, Urban Planning & Sustainability
- **Other Agencies**
Nil

DISCUSSION

Purpose and Scope of the Strategy

The draft *Built Heritage Strategy* provides an overarching strategic document which outlines the Council's approach to protecting, managing and promoting built heritage. This document provides a strategic basis for undertaking heritage protection projects in the future, particularly in prioritising *Planning and Design Code* Amendments. In addition to providing a strategic framework for the Council, the document will also be useful in communicating and promoting to the community what the Council values about built heritage, its past achievements, opportunities and challenges, and future goals. This level of communication is particularly valuable for the community given the current community and media interest in preserving built heritage due to the pace of redevelopment which is occurring.

Built heritage is an important element of the broader cultural heritage of the City. Other elements include (but are not limited to) cultural heritage, indigenous heritage and natural heritage. The scope of this Strategy has been limited to built heritage as recognised in the planning framework, under the *Planning Development and Infrastructure Act 2016* and the *Heritage Places Act 1993*, including:

- State Heritage Places
- Local Heritage Places
- Representative Buildings (formerly referred to as Contributory Items)
- Buildings and Streetscapes within the Historic Area Overlay

The key feature of the draft Strategy is the proposed initiatives and actions, which are categorised under the following four themes:

- *Celebrate, Promote and Support* - celebrating and promoting the value of built heritage and supporting owners of heritage properties
- *Protect* - maintaining and strengthening heritage protections
- *Advise, Influence and Advocate* - advocating and influencing good heritage outcomes in legislation and policy, and providing information and advice to the community
- *Lead by Example* - protecting and promoting heritage buildings and historic public realm features which are under the care and control of the Council

The initiatives and actions are varied and include a range of activities such as amendments to the *Planning and Design Code* which seek to introduce or strengthen protection of heritage buildings, the provision of heritage and development advice to owners and the integration of heritage buildings as part of The Parade Masterplan. Many of these actions reflect existing services or initiatives which are already offered by the Council or endorsed through decisions which are made by the Council from time to time. The purpose of including these current actions is to demonstrate the full suite of heritage initiatives (both existing and proposed) undertaken by the Council.

The draft Strategy also provides supporting and contextual information such as a brief history of urban development in the City, the strategic context of the Strategy within the planning system and an explanation of different types of heritage protection. The draft Strategy has been developed as a relatively succinct document to ensure it is accessible to the broader community. Particular locations and areas will be identified for future policy amendments, noting the future amendments to the *Planning and Design Code* which propose new heritage places may be initially considered by the Council in confidence until the information is ready for public release.

Community Consultation

Given that the draft Strategy proposes strategic priorities and actions, it is considered appropriate that the draft version is released for community consultation. It is recommended that community consultation be conducted over a period of three (3) weeks in July, to enable the community sufficient time to review, consider and respond to the document, whilst enabling the Council to consider feedback and a final version of the Strategy prior to the Council's caretaker period later this year.

As the Strategy does not propose any actions or initiatives affecting specific properties, it is difficult to undertake targeted consultation. As such, it is recommended that consultation be undertaken through the Council's website, social media platforms, on signs at appropriate locations and through the Council's online newsletter. Comments from the community will be encouraged via an online comments form on the Council's website, however comments will also be accepted via email or hard copy submissions.

OPTIONS

The Council has the following options in respect to considering the draft *Built Heritage Strategy*.

Option 1 – endorse the draft Strategy as drafted for release for community consultation

The Council could determine to endorse the draft Strategy as drafted (subject to any minor editorial amendments), and release the Strategy for community consultation for a period of three (3) weeks.

This option is recommended to provide the best opportunity for the Strategy to undergo community consultation, be revised and finalised prior to Council's caretaker period.

Option 2 – endorse the draft Strategy with further, more substantial, amendments for release for community consultation

This option is not recommended as any significant amendments which would require the Council to endorse the revised draft at a later date, would compromise the length of time available for community consultation.

CONCLUSION

The development of a *Built Heritage Strategy* provides an opportunity for the Council to identify the value that built heritage makes to the City and the Council's strategic priorities associated with built heritage initiatives. The draft Strategy also allows for a greater level of transparency for the community to understand the Council's priorities and current and proposed actions and initiatives which the Council is and proposes to undertake. Community consultation will provide an opportunity for the community to review and provide feedback on the Strategy, which can subsequently be considered by the Council when finalising and implementing the Strategy.

COMMENTS

Nil

RECOMMENDATION

1. That the draft *Built Heritage Strategy*, as contained in **Attachment A**, be endorsed as being suitable for release for community consultation for a period of three (3) weeks.
 2. That the Chief Executive Officer be authorised to make any necessary minor amendments to finalise the draft Strategy prior to release for community consultation, providing the changes do not affect the intent of the Strategy.
 3. The Council notes that a report will be prepared for the Council's consideration, following community consultation.
-

Cr Sims left the meeting at 8:09pm.
Cr Sims returned to the meeting at 8:12pm.

Cr Moorhouse moved:

1. *That the draft Built Heritage Strategy, contained in **Attachment A** as amended, to include the following, be endorsed as being suitable for release for community consultation for a period of three (3) weeks:*
 - *Page 17 - Building on Strong Foundations – Protect
The Council will also, where practicable, ensure that policies reflect the importance of maintaining a substantial curtilage and sense of open space around heritage buildings, in order to preserve the visual amenity and context of the protected building.*
2. *That the Chief Executive Officer be authorised to make any necessary minor amendments to finalise the draft Strategy prior to release for community consultation, providing the changes do not affect the intent of the Strategy.*
3. *The Council notes that a report will be prepared for the Council’s consideration, following community consultation.*

Seconded by Cr Whittington and carried unanimously.

11.2 REVIEW OF VERGE LANDSCAPING AND MAINTENANCE POLICY

REPORT AUTHOR: Manager, Urban Planning & Sustainability
GENERAL MANAGER: General Manager, Urban Planning & Environment
CONTACT NUMBER: 8366 4532
FILE REFERENCE: qA60834
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to present the Council, the amended *Verge Landscaping and Maintenance Policy* to the Council for adoption.

BACKGROUND

A key Objective for the Council is creating sustainable streets and open spaces. To encourage and support green cover in streetscapes, in December 2020, the Council endorsed the *Verge Landscaping and Maintenance Policy*.

In 2021, a new project, the Greening of Verges Program, was implemented to assist citizens who had obtained approval to landscape the verge adjacent their residential property. The assistance included Council staff excavating compacted materials and supplying and spreading loam prior to the citizen landscaping the affected verge. This assistance makes the landscaping of verges safer, more convenient and cheaper for citizens and with improved environmental sustainability outcomes.

The Council also extended its funding of the Civil Capital Works Program in 2021-2022 by \$18,000 to cover the cost of additional preparatory works to verges to assist citizens (on an opt-in basis) to landscape the verge adjacent their residential property as part of the annual Footpath Construction and Reconstruction program.

After its first year of operation, the *Verge Landscaping and Maintenance Policy* has been reviewed.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

There are multiple drivers in *CityPlan 2030* which support the greening of verges:

Outcome 2: Cultural Vitality

Objective 2.4 Pleasant, well designed and sustainable urban environments.

Strategy 2.4.3. Maximise the extent of green landscaping provided in new development and in the public realm.

Outcome 4: Environmental Sustainability

Objective 4.2: Sustainable streets and open spaces

Strategy 4.2.1. Improve amenity and safety of streets for all users including reducing the impact of urban heat island effect.

Strategy 4.2.2. Protect, enhance and expand public open space.

Strategy 4.2.4. Protect, diversify and increase green cover.

Strategy 4.2.5. Integrate green infrastructure into streetscapes and public spaces.

Objective 4.3 Thriving and healthy habitats for native flora and fauna

Strategy 4.3.4. Facilitate community participation in revegetation programs and in gardening programs, where appropriate.

Objective 4.4: Mitigating and adapting to the impacts of climate change

Strategy 4.4. 2 Undertake climate change adaptation initiatives for our assets, public spaces, services and operations.

The relevant priority adaptation options contained in Resilient East *Regional Climate Adaption Plan 2016* is “increase planting across urban areas”.

The relevant target of the *30-Year Plan for Greater Adelaide* is a 20% increase in green cover by 2045.

FINANCIAL AND BUDGET IMPLICATIONS

There are administrative costs associated with the *Verge Landscaping and Maintenance Policy* including the cost of assessing applications for verge conversions (for Section 221 Permit authorisation), administering the two (2) incentive programs and resourcing the enforcement of unauthorised verge installations.

To date, the cost of materials associated with expansion of the annual Footpath Construction and Reconstruction Program is \$3,000, while the cost of materials associated with the Verge Incentive Program is estimated to cost \$6,000 over the last financial year.

The cost to date of the combined incentive programs is therefore \$9,000, within a total approved 2021-2022 Budget of \$43,000 (new capital and recurrent).

The cost of staff assessing applications, issuing enforcement notices and undertaking preparatory work to facilitate the landscaping of verges, laying loam and cutting back overgrown verge has not been calculated.

EXTERNAL ECONOMIC IMPLICATIONS

Not Applicable.

SOCIAL ISSUES

Not Applicable.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

As urban infill continues to increase across the City, the Council continues to receive applications from residents to landscape the street verge in front of their property. Green spaces can assist in providing shade and absorbing heat from hard surfaces. This is particularly important as the frequency and intensity of heatwaves is predicted to increase. Verges can provide additional flora for biodiversity and food for local fauna.

Another benefit of planted verges is that it allows much better infiltration of stormwater to improve soil moisture which in turn can assist in improving the health of street trees and reduces damage to infrastructure due to shallow roots close to footpaths and structures. In addition, carbon is able to be stored in soils and can reduce the amount of carbon in the atmosphere.

RESOURCE ISSUES

The implementation of the Verges Policy, the Verge Guidelines and assistance measures, has required additional staff time. Tasks have included coordinating the Greening Verge Program and enforcing unauthorised verge alterations and overgrown verges and additional resourcing, contractors time and materials for owners ‘opting in’ as part of Capital Works footpath upgrades to assist citizens seeking to implement a planted verge.

The biggest challenge has been the allocation of administration time spent in following the various processes including the preparation of correspondence, undertaking inspections and assessments.

RISK MANAGEMENT

There is a risk that privately landscaped verges, are not in line with community and environmental expectations as vegetated green spaces. This risk is managed by ensuring applications to landscape a verge are approved in accordance with the endorsed Verge Landscaping Guidelines.

There is a corresponding risk that over time, the greening of verges could significantly increase the Council's maintenance costs, particularly in cases where citizen planted verges are not maintained or are abandoned over time. This risk has been managed to date by issuing property owners with overgrown verges, notices to cut back the vegetation and make the verge safe in accordance with the terms of the permit to landscape a verge.

COVID-19 IMPLICATIONS

Not Applicable.

CONSULTATION

- **Elected Members**
Not Applicable.
- **Community**
Not Applicable.
- **Staff**
General Manager, Urban Planning & Environment
General Manager, Urban Services
Manager, City Services
Project Officer, Civil
Works Coordinator, Parks & Gardens
- **Other Agencies**
Nil

DISCUSSION

The *Verge Landscaping and Maintenance Policy* has introduced for the first time, clear parameters setting out the Council's policy and procedures for verge applications and associated incentive and compliance measures.

The Policy provides guidance on how proposals to landscape and green verges will be considered. The issue of greatest interest to the community has been that of unapproved artificial grass installations. There has been support and praise by some parts of the community for this Policy with the active reporting of unapproved artificial turf installations, however there has also been concern expressed by citizens who have received notices to remove unapproved artificial grass installations, that this measure is too severe and that the Council's requests for the removal of unapproved artificial grass installations is applying the Policy in a retrospective manner.

Table 1 below shows the take up of verge conversion opportunities, including the regular applications for a Section 221 Permit and applications for the two (2) new assistance programs to assist owners with the physical work and resources to replace a rubble verge with a vegetated verge.

TABLE 1: TAKE UP OF VERGE CONVERSIONS AND INCENTIVES (SINCE MARCH 2021)

	Applications Received	Applications Approved	Applications Meeting Criteria but unable to be funded	Applications Refused
Standard Verge Applications (no Council assistance requested)	51 (8 grass only) (43 mix of grass and plants or plants only)	51	N/A	0
Grant Round - Verge Incentive Program	42	18	22	2
Annual Footpath renewal – verge opt in	8	8	N/A	0

Since the commencement of the new Policy, the number of standard verge applications received has increased, indicating a greater awareness of the need to obtain Council authorisation to landscape the verge area in front of a house. Of the 51 applications which have been approved since the new Policy came into effect in March 2021, only two verge conversions were planted in March and April 2021 to enable required the 12 month follow up inspection to be undertaken as at the time of writing this report. In both cases, the 12 month follow up inspections found that both verges have been converted and completed in accordance with the permit conditions.

There has been good interest in the Verge Incentive Program with a large number (42) of applications received in its first annual funding round. Of these applications, 18 were given approval to proceed with the verge conversion with the soil preparation works undertaken by Council Depot staff (or contractor). A further 22 applications met the requirements for the issuing of a Section 221 (Use of Council Land) Permit, but were advised that the Council funds under this grant program were exhausted and verge works could proceed, but would need to be undertaken at the owner's expense.

Some applicants expressed disappointment that their application was advised as meeting the guidelines but were not able to receive Council assistance with physical removal of the existing dolomite and depositing of fresh loam. Some of these applicants therefore advised that they did not wish to proceed with the works.

Of the 22 applications that met the requirements for the issuing of a Section 221 Permit, but were advised that funds were exhausted, it is recommended that these be prioritised for funding in the 2022 Funding Round, subject to this receiving final approval as part of the 2022-2023 Annual Budget.

Other comments made to Depot staff regarding this program was that there was an assumption that the Council assistance included the planting out of the verge with the selected vegetation, which is not the case. It is not proposed to change the incentive program to make irrigation and plant purchases part of the materials supplied by the Council.

Compliance Issues and Artificial Turf

Due to resourcing issues and taking consideration into appropriately balancing the allocation of resourcing to ensure 'best value' for the community, compliance issues relating to verges (including artificial turf) has been undertaken on a complaint-driven basis, rather than a pro-active monitoring and inspection of verges across the City. Since the implementation of the new Policy from 1 March 2021, 36 complaints have been made by Elected Members and citizens to the Council of artificial turf installation, which were subsequently found to be unauthorised. In relation to these complaints, correspondence has been sent to the 36 property owners requesting the removal of the synthetic turf within a twelve-month period.

The expiry of this twelve-month period is 30 July 2022, at which point it is intended that these sites will be inspected to assess compliance with these notices. At three of these sites, the owners have already removed the artificial turf. Some of the recipients of an enforcement notice were able to apply for, and receive, the assistance package of Council Depot staff digging out the compacted dolomite (underneath the artificial turf) and replacing this with fresh loam, ready for planting by the owner. One successful outcome has already occurred with artificial turf on a verge in Beulah Road, Norwood being replaced with low maintenance plantings.

In January 2022, local media coverage occurred in relation to the Council's Policy and its position in requesting property owners of a strata complex in Norwood to remove artificial turf that had been laid assumedly without approval on Council land. Unfortunately, in this particular instance, the enforcement notice was issued to a property owner who subsequently was able to demonstrate that in fact a Permit had been received from the Council to place artificial turf in the verge. This specific incident was resolved when staff wrote to the owner to apologise that the removal notice had been sent in error and the approved artificial turf was able to remain. It is important to keep in mind that other than this isolated exception, enforcement letters have only been sent to owners where Council records show that no previous approval has been issued by the Council for artificial turf.

Vegetation cut back notifications

The reporting of overgrown or dangerous verge vegetation is managed through the Council's Customer Request Management (CRM) system, captured through the category of Overgrown Vegetation. During 2021, the Council received 56 requests for work to be undertaken associated with verge garden maintenance and one (1) request in relation to overhanging verge vegetation. However due to the short timeframe which has elapsed since the Policy came into effect, the latter request is unlikely to be attributed to verges planted under the new Policy.

A new process has been implemented where verge overgrowth is recorded, for staff to contact the owner and or occupier of the affected properties to discuss the vegetation and Council's expectations for its maintenance. This 'face-to-face' approach has seen some good results.

OPTIONS

The Verge Landscaping and Maintenance Policy has been reviewed and the Council can choose to amend the Policy as a result of the issues discussed in this report or it can elect to not make amendments to the Policy.

The key issue in terms of the Policy (not the incentive programs) that warrants consideration, relates to the extent of action which the Council wishes to pursue for owners that have installed artificial turf on the Council verge without approval.

Recent correspondence from a property owner has raised the difficulty for older persons, who have previously installed artificial turf on the Council verge, to remove it. Under the Policy, if rectification works are not completed by the owner as requested, the Council reserves its right to take further action, which could include (in this example) depot staff removing the artificial turf.

An alternative option might be to investigate with the property owner, alternative natural, low maintenance plantings and for the Council to assist in this process by providing advice on suitable plantings or developing the verge as a demonstration site for low maintenance verges.

There could be some beneficial wins from implementing such a process, noting that not all property owners with unauthorised artificial turf, will be persuaded to take on a planted verge. This option also will be more labour intensive, with a staff member holding discussions with owner to determine what barriers might be in place and to determine appropriate species with lower maintenance requirements.

Due to resourcing capacity issues and given that there is no urgency at play for this type of enforcement, if this option is pursued, it is recommended that the task of liaising with property owners to achieve a mutually beneficial outcome primarily rest with the Council's Sustainability Officer, to ensure negotiations are undertaken by a staff member with suitable experience. However, it should be noted this would not be able to be resourced until the beginning of 2023, when the Sustainability Officer returns to the role.

The options in relation to changes to the Policy regarding unauthorised artificial turf include:

Option 1

This option would retain the current *Verge Landscaping and Maintenance Policy*, including the endorsed enforcement action process, which is to seek the removal of artificial turf which has been installed on a Council verge without seeking prior approval and giving owners twelve (12) months to comply with this directive.

This could either continue to be undertaken on a reactive, complaint-driven basis, or with suitable resourcing in place, could be undertaken on a proactive approach, actively doing an audit of unauthorised verges. However, whilst the latter approach would have environmental benefits, it would also be resource intensive and not necessarily represent 'best value' in terms of resource allocation, which could be better spent on other tasks, programs and projects.

This option is not recommended.

Option 2

An option in making changes to the *Verge Landscaping and Maintenance Policy*, would be for the Council to no longer take any enforcement action against unauthorised verges with artificial turf, laid prior to the commencement of the Policy on 1 March 2021.

This option alone is not recommended as it will not address the significant adverse amenity and environmental impacts of artificial grass.

Option 3

A compromise option would be for the Council to continue a reactive approach in receiving and only acting upon, complaints of unauthorised turf installed prior to the adoption of the Policy. However, rather than the Council removing the artificial turf after one year where an owner refuses to cooperate with removing the turf, it is proposed that the Sustainability Officer initiate 'up front' discussions with those owners to discuss the benefits of removing artificial turf and opportunities to install low maintenance planting and where the owner is willing, for those applications to be put forward for prioritised consideration under the Verge Incentive Program.

If this option is supported, it would not commence until early 2023 when the Sustainability Officer can assist with these negotiations with property owners.

Under this option, should agreement not be able to be reached with the property owner, the artificial turf would be able to remain in place, until such time as the turf has ended its useful life or the property owner moves out and there is an ability to negotiate with a new owner. This approach is considered to be more collaborative than the current enforcement position and seeks to achieve sustainable outcomes working with and in collaboration with citizens rather than taking a 'heavy handed' approach. In effect, this would entail the Council liaising with the owner where artificial turf is identified and only where the owner is agreeable, negotiating removal and replacement with more suitable planted options. This would need to occur at the owner's expense, except where it can be considered for prioritised assistance (of the verge excavation and supply of loam only).

This option is recommended.

CONCLUSION

The recent *Verge Landscaping and Maintenance Policy* has largely been well understood and provides guidance and equity in administering the procedures for verge landscaping.

As discussed in this report, changes have been proposed in the way artificial turf enforcements are undertaken (specifically to not compel the removal of artificial turf installed, laid prior to 1 March 2022). The draft revised *Verge Landscaping and Maintenance Policy* is included at **Attachment A**, with changes to the Policy shown in red text.

COMMENTS

This *Verge Landscaping and Maintenance Policy* provides a clear direction for encouraging the conversion of verges into sustainable and appealing green spaces through policy, guidelines, incentives, monitoring and enforcement.

Changes to the Policy in relation to artificial turf, set out both enforcement and incentive actions for the removal of artificial turf beginning with engagement with the property owner, encouragement to replace with suitable 'living' vegetation. If this fails, a less directive approach will be adopted for artificial turf installed prior to 1 March 2021, whereby if removal or replacement with living vegetation is unable to be agreed upon, the artificial material can remain in the verge until such time as it has reached the end of its useful life or until a property changes hands and successful outcomes can be achieved through discussion with the new owner.

RECOMMENDATION

1. That the Council endorses the revised *Verge Landscaping and Maintenance Policy* as contained in Attachment A.
 2. That the *Verge Incentive Program*, subject to receiving final approval as part of the Council's 2022-23 Budget be administered in the next round, such that preference is given:
 - a. Firstly to applications that met the requirements for the issuing of a Section 221 Permit, but were advised in the 2021 grant round, that funds were exhausted,
 - b. Secondly to properties where unauthorised artificial turf has been installed (prior to 1 March 2021) and the owner is seeking to replace the artificial turf with living, lower maintenance vegetation.
-

Cr Minney left the meeting at 8:21pm.
Cr Minney returned to the meeting at 8:21pm.

Cr Whittington moved:

1. *That the Council endorses the revised Verge Landscaping and Maintenance Policy as contained in Attachment A.*
2. *That the Verge Incentive Program, subject to receiving final approval as part of the Council's 2022-23 Budget be administered in the next round, such that preference is given:*
 - a. Firstly to applications that met the requirements for the issuing of a Section 221 Permit, but were advised in the 2021 grant round, that funds were exhausted,*
 - b. Secondly to properties where unauthorised artificial turf has been installed (prior to 1 March 2021) and the owner is seeking to replace the artificial turf with living, lower maintenance vegetation.*

Seconded by Cr Dottore and carried unanimously.

Section 2 – Corporate & Finance

Reports

11.3 MONTHLY FINANCIAL REPORT – MAY 2022

REPORT AUTHOR: Manager, Finance
GENERAL MANAGER: General Manager, Corporate Services
CONTACT NUMBER: 8366 4585
FILE REFERENCE: qA78171
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to provide the Council with information regarding its financial performance for the year ended May 2022.

BACKGROUND

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

RELEVANT STRATEGIC DIRECTIONS AND POLICIES

Nil

FINANCIAL AND BUDGET IMPLICATIONS

Financial sustainability is as an ongoing high priority for the Council. The Council adopted a Budget which forecasts an Operating Surplus of \$471,000 for the 2021-2022 Financial Year. This report is based upon the proposed Third Budget review which forecasts an Operating Surplus of \$1.356 million. The Third Budget Review as proposed saw an increase to the Operating Surplus of \$1.171 million due largely to Operating Projects being carry forward into the 2022-2023 Financial Year and the advance payment of an additional quarter of Financial Assistance Grants by the Federal Government which was not anticipated in the 2021-2022 Budget.

For the period ended May 2022, the Council's Operating Surplus is \$4.172 million against a budgeted Operating Surplus of \$2.937 million resulting in a favourable variance of \$1.235 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

For the period ended May 2022, the Council's Operating Surplus is \$4.172 million against a budgeted Operating Surplus of \$2.937 million resulting in a favourable variance of \$1.235 million. The favourable variance is largely the result of expenditure being favourable to the Budget.

The primary drivers behind the variances in expenditure are:

- Energy Expenses are \$87,000 (16%) favourable to budget due to timing related issues with the Council's provider issuing adjustment notes against various facilities. It is anticipated that this timing difference will continue to decrease however, the installation of the solar system at the Norwood Town Hall, which was completed in 2021, has also generated a greater reduction in energy costs than was first anticipated.
- Materials, Parts and Consumables combined are \$143,000 (11%) favourable to budget. There are no individually significant underspends across these budget lines however, many small variances which in part are the result of issues associated with the delivery of services across the organisation with reduced staffing due to COVID-19.
- Finance costs is \$144,000 favourable to the budget as there was an allowance for costs associated with borrowings to fund capital works which as yet have not been drawn down due to sufficient cash reserves to fund expenditure needs.
- Employee Expenses are \$761,000 favourable to the budget which is driven by the combination of staff vacancies which are being covered with existing staffing resources, timing of leave being taken compared to budget and variances in the rate of pay being paid to new staff members compared to budget.

Total income is in line with the budget expectations however, the following variances are highlighted:

- User Charges are \$155,000 (5%) unfavourable to the budget, which is due primarily a decrease in income at the St Peters Child Care Centre and Preschool (\$99,000) as a result of room closures due to COVID-19 exposures and the gap fee above the Government Subsidy being waived, combined with a number of smaller timing differences across the Councils facilities for hire.
- Grant income is \$292,000 favourable due a miscalculation as part of the Third Budget Update which underestimated the impact of the advance payment of an additional quarter of Financial Assistance Grants. The Monthly Financial report is contained in **Attachment A**.

OPTIONS

Nil

CONCLUSION

Nil

COMMENTS

Nil

RECOMMENDATION

That the May 2022 Monthly Financial Report be received and noted.

Cr Moorhouse left the meeting at 8:40pm.

Cr Minney moved:

That the May 2022 Monthly Financial Report be received and noted.

Seconded by Cr Sims and carried unanimously.

11.4 CATS ASSISTANCE TO STERILISE INC (CATS) – REQUEST FOR INCREASED FUNDING

REPORT AUTHOR: General Manager Governance & Community Affairs
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4549
FILE REFERENCE: qA2135
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to present a submission from Cats Assistance To Sterilise Inc (CATS Inc) requesting an increase to the funding which the Council provides to CATS Inc as part of the 2022-2023 Budget for the Council's consideration.

BACKGROUND

CATS Inc has been managing cats within the City of Norwood Payneham & St Peters for over 30 years, with the organisation dedicated to reducing cat numbers and cat related issues.

The main objective of CATS Inc is to assist with the costs associated with de-sexing cats and by promoting responsible cat ownership.

The former City of Kensington & Norwood first provided annual financial assistance of \$1000.00 to CATS Inc and in 1997, the City of Norwood Payneham & St Peters increased the annual financial contribution to \$3000.00 per annum.

In June 2022, as part of the Council's public consultation process in respect to the draft 2022-2023 Annual Business Plan, the Council received a submission from CATS Inc requesting an increase in the annual funding contribution which the Council provides to CATS Inc from \$3000.00 to \$6000.00.

At that time and on the basis of absence of information to support the request to increase the funding, it was recommended to the Council that prior to considering the request, CATS Inc be advised that they have a responsibility in terms of accountability and probity to the Council and its citizens, to provide information to the Council which discloses how the Council's funding has been used by CATS Inc within the City of Norwood Payneham & St Peters since 1 July 2013.

CATS Inc has prepared a report to the Council which sets out information in terms of how the Council's funding has been used by CATS Inc within the City of Norwood Payneham & St Peters since 1 July 2013.

A copy of the report which has been provided by CATS Inc via email received on 29 June 2022 is contained within **Attachment A**.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

Not Applicable.

FINANCIAL AND BUDGET IMPLICATIONS

The Council has allocated \$3000.00 to CATS Inc within the draft 2022-2023 Budget. If the Council resolves to support an increase to the annual funding provided to CATS Inc, the 2022-2023 Budget will need to be amended to reflect the increase in funding.

EXTERNAL ECONOMIC IMPLICATIONS

Nil

SOCIAL ISSUES

CATS Inc aims to reduce cat numbers and cat related issues by assisting with the costs associated with de-sexing of cats within the community. In addition, CATS Inc promotes responsible cat management and works with citizens to ensure they are responsible cat owners.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

Not Applicable.

RISK MANAGEMENT

Not Applicable.

COVID-19 IMPLICATIONS

Not Applicable.

CONSULTATION

- **Elected Members**
Elected Members were advised of the request which was received from CATS Inc as part of the draft 2022-2023 Annual Business Plan consultation submissions which were presented to the Council at the Council Meeting held on 21 June 2022.
- **Community**
Not Applicable.
- **Staff**
Not Applicable.
- **Other Agencies**
Not Applicable.

DISCUSSION

CATS Inc was founded in 1988 as a means of overcoming issues associated with an increase in the local cat population. CATS Inc identified at the time that there was a lack of education for cat owners in respect to the consequences of not de-sexing cats and the costs of de-sexing cats was too costly for a large percentage of the community.

Since that time, CATS Inc has worked with local councils, including the City of Norwood Payneham & St Peters to ensure responsible cat management within the community.

CATS Inc works with a number of local Veterinary Surgeons who provide a reduced rate for de-sexing of cats to assist the organisation with its work.

Notwithstanding the support which CATS Inc receives from other organisations, it is now requesting an increase in the funding which this Council provides, due to the increased costs associated with de-sexing of cats.

In the email received on 29 June 2022, CATS Inc has advised that “C.A.T.S. will desex 60 cats per year for free and any over 60 at half the regular veterinary rates if it receives the additional \$3,000 p.a. (being a total of \$6,000 p.a.). This will, at least, provide an incentive for people to not only desex their owned cats but also desex and take responsibility for unowned cats.”

The information which has been provided to the Council by CATS Inc sets out details regarding the number of cats which have been de-sexed within the City of Norwood Payneham & St Peters for the period 2013 – 2021 and includes details regarding the Veterinary costs and administration costs (ie postage, telephone/internet, stationery, food, etc). Table 1 below sets out a summary of the total numbers of cats de-sexed within the City of Norwood Payneham & St Peters over the period 2013-2021.

TABLE 1: TOTAL NUMBER OF CATS DE-SEXED 2013-2021

Period	Number of Cats (including cats desexed at no charge)	Total Expenditure (including Veterinary and Administration costs)
2013-2014	101	\$3505.00
2014-2015	114	\$3428.00
2015-2016	106	\$4001.00
2016-2017	115	\$3097.00
2017-2018	106	\$3269.00
2018-2019	70	\$3346.00
2019-2020	65	\$3236.00
2020-2021	55	\$3415.00

As set out in Table 1 above, the costs to provide assistance to residents regarding cat management and de-sexing of cats has increased over the years. This is evidenced by the number of cats which have been desexed and the Veterinary costs to perform the procedures and associated administration costs.

CATS Inc therefore has requested additional funding from the Council due to the increased costs of de-sexing cats within the City of Norwood Payneham & St Peters.

At a time when the Council is having to carefully scrutinise its expenditure and has requested that the Chief Executive Officer consider and identify ongoing savings to ensure the ongoing financial sustainability of the Council, it is difficult to recommend to the Council that the annual discretionary funding contribution the Council provides to CATS Inc is increased by 100%.

However, it is clear from the data which has been provided by CATS Inc that the costs to provide this service are increasing which in turn affects the number of cats which can be de-sexed, either at a discounted rate or at no charge.

At this point therefore, it would seem reasonable for the Council to increase its contribution to CATs Inc by a more modest amount (i.e. to a total of \$4,500), and request that CATS Inc provide a report to the Council which sets out the details of how the Council's contribution has been spent for the period 2022-2023 and that an annual report be provided thereafter.

The additional funding will allow CATS Inc to increase the number of cats it de-sexes by approximately 50% (based on the data set out in Table 1). The reporting requirement will enable the Council to consider any additional benefits which the additional funding has provided for cat management within the City during this period.

CATS Inc will be requested to provide additional information to the Council, including the suburb of where the cat originated from, the gender and the costs associated with the de-sexing and the financial contribution (if any) made by the client, information regarding the level of demand for assistance and if there is or has been a time when the organisation could not provide assistance with the de-sexing of cats due to the limitations of funding and the costs incurred by CATS Inc in terms of the educational work it undertakes.

In addition, CATS Inc will be asked to include details within the report regarding particular trends in terms of the cat population within this City.

OPTIONS

The Council can choose to support the request from CATS Inc to increase the annual contribution which the Council makes to CATS Inc and allocate \$6,000.00 within the 2022-2023 Budget.

However, for the reasons set out in this report, it is recommended that the Council increases the annual contribution which the Council makes to CATS Inc and allocates \$4,500.00 within the 2022-2023 Budget.

Alternatively, the Council could resolve to make a different contribution or resolve not to accept the request.

CONCLUSION

There are numerous organisations and/or community groups who, like CATS Inc, perform services and/or provide assistance to the local community without the benefit of funding from the Council or indeed funding from other sources.

Whilst the value of the work undertaken by CATS Inc cannot be argued, the Council does and has supported CATS Inc for a significant number of years and has contributed significant funds to this organisation to assist with the work it undertakes.

COMMENTS

Nil

RECOMMENDATION

1. That CATS Inc be thanked for the work and commitment which it has undertaken to manage the cat population within the City of Norwood Payneham & St Peters.
2. That CATS Inc be advised that a financial contribution of \$4,500.00 will be allocated to CATS Inc as part of the Council's draft 2022-2023 Budget.
3. That CATS Inc be advised that it is required to provide a report which sets out information regarding the operations of CATs Inc over the 2022-2023 period and that this report is to be provided to the Council at the end of the financial year.

Cr Moorhouse returned to the meeting at 8:41pm.

Cr Whittington left the meeting at 8:45pm.

Cr Whittington returned to the meeting at 8:46pm.

Cr Moore moved:

1. *That CATS Inc be thanked for the work and commitment which it has undertaken to manage the cat population within the City of Norwood Payneham & St Peters.*
2. *That CATS Inc be advised that a financial contribution of \$6,000.00 will be allocated to CATS Inc as part of the Council's draft 2022-2023 Budget.*
3. *That CATS Inc be advised that it is required to provide a report which sets out information regarding the operations of CATS Inc during the 2022 calendar year and that this report is to be provided to the Council at the end of the 2022-2023 financial year.*

Seconded by Cr Sims and carried unanimously.

11.5 ADOPTION OF ANNUAL BUSINESS PLAN, BUDGET AND DECLARATION OF RATES FOR 2022-2023

REPORT AUTHOR: Financial Services Manager
GENERAL MANAGER: General Manager, Corporate Services
CONTACT NUMBER: 83664585
FILE REFERENCE: qA83739/A425583
ATTACHMENTS: A - G

PURPOSE OF REPORT

The purpose of this report is to present to the Council, the Draft 2022-2023 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 15 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 2022-2023 Annual Business Plan and Budget have been considered by the Council at meetings held on 13 April 2022, 9 May 2022 and 21 June 2022.

Public submissions have also been sought in respect to the Draft 2022-2023 Annual Business Plan, and fourteen (14) written submissions have been received and have been considered by the Council at a Special Council Meeting held on 21 June 2022. Following the Council’s consideration of the submissions, the Council resolved to not to amend the Draft Annual Business Plan and Budget.

This report presents the Draft 2022-2023 Annual Business Plan and Budget, based on rates modelling undertaken for the week ended 17 June 2022.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

The Council’s Long Term Strategic directions are outlined in the Councils Strategic Management Plan, *City Plan 2030 – Shaping our Future*. The Draft 2022-2023 Annual Business Plan (Draft Plan) and supporting Draft 2022-2023 Budget (Draft Budget), sets out the proposed services and programs and initiatives for the 2022-2023 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 2022-2023 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 within the Council’s Budget Guidelines that were endorsed by the Council on 17 January 2022 and incorporates the “*in principle*” decisions which have been made by the Council at its meetings held on 13 April 2022, 9 May 2022 and 21 June 2022.

The Draft Budget, as presented for consideration in this report, is based on a Rate Revenue increase of 6.0%. With valuation growth, the Rate-in-the-Dollar has **decreased** 15.3%. Revenue attributed to new development growth is 0.99% or \$369,000.

As advised at the Special Council held on 21 June 2022, the Draft Budget that was released for public consultation has been updated to reflect the Council's share of the Highbury Landfill Authority Draft 2022-2023 Budget and the ERA Water Revised Draft 2022-2023 Budget. As a result, the Council's share of the Net Gain - Joint Ventures & Associates has increased to \$ 20,900, and increase of \$5,250 due to the recognition of the budgeted Operating Surplus from the Highbury Landfill Authority.

The impact of the ERA Water Revised Draft Budget is an increase in the Councils share of the Net Loss - Joint Ventures & Associates to \$ 283,700, an increase of \$108,000 due the increase in the ERA Water budgeted Operating Deficit to \$803,000, an increase of \$324,000 on the original draft Budget.

As a result of the abovementioned adjustments, the Councils budgeted Operating Surplus is now \$1.037 million, a reduction of \$103,000.

In addition, the Council was advised on 24 June 2022 of the potential increase in disposal costs associated with the Council's kerbside recyclables. As Elected Members are aware, the Council's Waste Management Budget is based on the existing contract between the East Waste and NAWMA (which expired on 30 June 2022, as East Waste did not exercise the three (3) year extension clause). The disposal fee under the contract was in the order of \$90 per tonne. At its meeting held on 6 June 2022, given the increase in the number of MRF's, the Council approved East Waste's request to approach the market for a one-year contract. East Waste has subsequently advised that subject to the approval by the NAWMA Board, an "in principle" agreement has been negotiated with NAWMA to receive and process recyclable material volumes for the next 3-month period from 1 July 2022 to 30 September 2022, at a flat fee (including transport) of \$139 per tonne. While East Waste has advised that it is working to secure a longer-term proposal, it is not in a position to advise on the disposal cost post 30 September 2022. However East Waste has indicated that they do not anticipate the fee to be higher than the \$139 per tonne, which has been negotiated for the first quarter of the 2022-2023 Financial year. The full year impact on the Council's budget of the fee increase at \$139 per tonne is \$172,000. As East Waste only has approval to enter into a one-year contract, it is considered unlikely that East Waste will be in a position to negotiate a more favourable outcome for the remainder of the 2022-2023 Financial year. As such the Council's Draft Budget, as contained in **Attachment B** has been prepared based on the assumption that the recyclables disposal cost will be \$139 per tonne for the full year.

In addition, East Waste have advised that it is anticipating further increases in the fuel prices, which will impact on the operational costs of East Waste. The East Waste Budget, which was endorsed by the Council at its meeting held on 2 May 2022 and which the Council's Waste Management Budget was based, estimated an average fuel price of \$1.55 per litre across the 2022-2023 Financial year. East Waste has since advised that it anticipates fuel prices to increase to \$2.50 per litre. If this does eventuate it will add in order of \$1 million to the East Waste operational costs, with this Council's share being estimated at \$180,000. East Waste has advised that given it is susceptible to fuel price movements, there will be a need to re-forecast their budget and potentially increase the collection charges, however, given that Constituent Councils have or are near to adopting their respective budgets, any requests for an increase in the collection charge this will be addressed through the budget review process.

Given that the impact fuel prices (which could be higher or lower), are likely to become clearer as the year progresses, coupled with the past practice of East Waste refunding collection costs paid (based on the actual cost incurred), it is recommended that the Council's Draft 2022-2023 Budget not be updated to reflect the potential increase in the collection charge, as estimated by East Waste.

EXTERNAL ECONOMIC IMPLICATIONS

Nil

SOCIAL ISSUES

The *Local Government Act 1999*, provides a number of measures which the Council can provide rate relief to eligible ratepayers. Relief options includes, automatic rate capping, postponements of rates, remissions and payment plans.

CULTURAL ISSUES

Nil

ENVIRONMENTAL ISSUES

Nil

RESOURCE ISSUES

Nil

RISK MANAGEMENT

To date, the Draft Budget has been prepared in in absence of the 2022-2023 State Budget, which was released on 2 June 2022.

A number of components of the Councils Draft Budget are impacted upon by decisions which are made by the State Government. A number of assumptions have been made with respect to those components of the Councils Draft Budget which are influenced by the decisions of the State Government.

Following consideration of the 2022-2023 State Budget, the assumptions and other decisions upon which the Draft Budget is based have not been materially impacted by the State Budget.

As Elected Members are aware, the Federal Government advanced 75% of the 2022-2023 Financial Assistance Grants to the Council in April 2022. The cash advance is aimed at providing Councils immediate access to funds to help manage the cumulative impacts of floods and the COVID-19 pandemic. While this decision implies that the Council will only receive one (1) quarter of the Financial Assistance Grant in 2022-2023, past practice indicates that advance payments will continue, as such the Draft Budget has been prepared on the assumption that the equivalent of four (4) quarterly payments will be received.

If the Federal Government does not advance Financial Assistance Grants payments from the 2023-2024 funding allocation, the Operating Surplus will be reduced by \$1.071 million, with a corresponding decrease in the cash surplus. Since the commencement of advancing Financial Assistance Grant Funding in 2008 (in response Global Financial Crisis), with the exception of the 2015-2016 financial year, the Federal Government has made advance payments, however it is considered unlikely that the advance of three (3) quarters will continue and that the advance payments will return to two (2) quarters, which if this does eventuate, the Operating Surplus and cash surplus will be reduced by \$435,000.

If fuel price increase that East Waste is anticipating and is sustained at the \$2.50 cents per litre for the 2022-2023 Financial year, and collection charge is increased as indicated, the Operating Surplus, without alternative savings, will be reduced by \$180,000, with a corresponding decrease in the cash surplus.

COVID-19 IMPLICATIONS

The focus in developing the Draft 2022-2023 Annual Business Plan and Budget, has been on ensuring that the Council maintains the service standards for its existing range of services which are aimed at supporting the delivery of the Strategic Objectives outlined in the Councils' Strategic Management Plan *CityPlan 2030*. As such, the Draft Budget has been prepared on the premise that the programs, services and activities that were suspended or cancelled over the last two (2) years will be delivered.

The Draft Budget does not provide for the continuation of COVID-19 financial relief, as provided in the previous two (2) financial years. The Council's *Financial Hardship Policy* provides options for ratepayers with respect to the payment of rates.

CONSULTATION

- **Elected Members**
Elected Members have been involved throughout the preparation of the Draft 2022-2023 Annual Business Plan and Budget process and have considered the various components of the Draft 2022-2023 Annual Business Plan and Budget at meetings held on 13 April 2022, 9 May 2022 and 21 June 2022 and made "*in principle*" decisions as appropriate to arrive at a Draft Annual Business Plan and Budget.
- **Audit Committee**
The Audit Committee considered the Draft Budget at its Special meeting held on 28 March 2022. Mayor Bria, Councillor Minney and Councillor Stock are members of the Audit Committee.

- **Community**
In line with the requirements of the Act, public submissions on the Draft 2022-2023 Annual Business Plan were sought. Fourteen (14) written submissions were received and considered by Council at its meeting held on 21 June 2022.
- **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

As detailed in Table 1 below, based on 6.0% increase in Rate Revenue, the Draft Operating Surplus is \$865,000, which is based on a Recurrent Operating Surplus of \$2.028 million and an Operating Deficit relating to Operating Projects of \$1.163 million. It should be noted that the Draft Operating Surplus includes \$363,000 from the Federal Government's *Roads-to-Recovery Grant Program*, the Council's share of the Net loss from its Regional Subsidiaries (\$263,000) and carry forward expenditure (\$213,000) relating to projects approved in prior financial years which have yet to be completed. Adjusting for the Carry Forward expenditure 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 \$1.341 million.

The Draft Budget will deliver a Cash Surplus of \$817,000, after principal loan repayments of \$945,000. The closing cash balance at the 30 June 2023 is projected to be \$6.915 million.

TABLE 1: 2022-2023 PROPOSED BUDGETED STATEMENT OF COMPREHENSIVE INCOME

	Recurrent Operating 2022-2023 \$	Operating Projects 2022-2023 \$	Capital 2022-2023 \$	Proposed 2022-2023 \$
INCOME				
Rates	39,920,982	-	-	39,920,982
Statutory charges	2,006,750	-	-	2,006,750
User charges	3,737,711	-	-	3,737,711
Grants, subsidies and contributions	2,515,869	492,298	-	3,008,167
Investment income	45,500	-	-	45,500
Other income	517,740	-	-	517,740
Net Gain- Joint Ventures & Associates	20,694	-	-	20,694
Total Income	48,765,246	492,298	-	49,257,544
EXPENSES				
Employee costs	15,974,750	108,000	-	16,082,750
Materials, contracts & other expenses	18,448,188	1,547,394	-	19,995,582
Finance costs	515,000	-	357,424	872,424
Depreciation, amortisation & impairment	11,158,733	-	-	11,158,733
Net Loss- Joint Ventures & Associates	283,360	-	-	283,360
Total Expenses	46,380,031	1,655,394	357,424	48,392,849
OPERATING SURPLUS / (DEFICIT)	2,385,215	(1,163,096)	(357,424)	864,695
Net gain (loss) on disposal or revaluation of assets	-	-	25,000	25,000
Amounts specifically for new or upgraded assets	-	-	10,024,823	10,024,823
NET SURPLUS (DEFICIT)	2,385,215	(1,163,096)	9,692,399	10,914,518

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

Budgeted Capital Projects Including Capital Works

At its meeting held on 9 May 2022, the Council endorsed “*in principle*” the Draft Capital Works Program with a combined value of \$49.641 million inclusive of the expenditure required to finalise the 2021- 2022 Capital Projects which are not anticipated to be completed by 30 June 2022. The Draft Capital Budget expenditure is offset by Capital Funding which incorporates Grant and Other Revenues to the value of \$10.049 million, which will result in a net cost to the Council of \$39.951 million (inclusive of capitalised salaries of \$1.280 million).

The funding allocation includes \$15.8 million for the Council's *Whole-of-Life Capital Works Program* as detailed in Table 2 below:

TABLE 2 – WHOLE-OF-LIFE CAPITAL WORKS PROGRAM

	Expenditure \$'000
Road Resealing	4,403
Footpath Reconstruction	647
Kerbing Reconstruction	1,664
Stormwater Drainage Program	7,584
Recreation and Open Space Program	460
Building Works Program	1,076
TOTAL Whole-of Life	15,834

It should be noted that the Whole-of-Life Capital Works Program expenditure is offset by \$4.168 million of grant funding, with \$3.6 million received to fund the delivery of the Stormwater Drainage Program.

In addition to the current years proposed Capital Projects, the Draft 2022-2023 Budget includes a funding allocation for Capital Projects which were adopted as part of the 2020-2021 Annual Business Plan and Budget and which are not anticipated to be completed by 30 June 2022. The actual value of projects yet to be completed will not be determined until after 30 June 2022, however an estimate of the projects to be carried forward to the 2022-2023 Financial year has been determined based on the 2021-2022 Third Quarter Budget Update. The value of carried forward Capital Projects included in the Draft 2022-2023 Budget is \$9.5 million, with the following major projects being carried forward:

- George Street Upgrade (\$400,000);
- Burchell Reserve Upgrade (\$2.2 million);
- The Parade Master Plan (\$489,000);
- The Payneham Memorial Swimming Centre Redevelopment (\$2.5 million);
- St Peters Street Streetscape Upgrade (\$1 million);
- River Torrens Linear Park Upgrade – Stage 2 (\$1.9 million); and
- Civil Infrastructure Whole of Works Program (\$1.1million)

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 capital expenditure of \$49.641 million (inclusive of 2022-2023 carry forward projects) is proposed to be funded as follows:

- Use of depreciation recovered through rate revenue \$11.159 million.
- Grant Funding \$10.025 million.
- Long Term Borrowings \$28.457 million

In determining the timing and the level of borrowings required to fund the capital program, consideration has been given to the cash flow requirements and to intergenerational equity between current and future users (that is, an asset is funded from loan borrowings which is paid off over the life of the asset rather than raising rate revenue from current rate payers to pay for the asset). Whilst these considerations have formed part of the budget model, they will be reviewed and reconsidered before the decision to take out any borrowings.

Given the nature of the major projects, which in some cases will be delivered over a number of financial years, to minimise the interest costs and debt servicing needs, it is recommended that the Council utilise the Cash Advance Facilities in place to fund the cashflow required during the construction phases as opposed to the utilisation of the standard fixed period debenture loans.

As detailed in the Budgeted Cash Flow Statement (**Attachment B**), the closing cash balance is projected to be \$7.087 million at the end of the financial year, after the loan principal repayments of \$945,000.

Fees and Charges

At the Council Meeting held on 7 March 2022, the Council adopted “in-principle” the Fees and Charges to be applied for 2022-2023. There are no proposed changes to the Fees and Charges, which were endorsed “in-principle”.

The 2022-2023 Schedule of Fees and Charges is contained in **Attachment E**.

Rates Modelling

The rate modelling information which formed part of the Draft Annual Business Plan and Budget which was subject to public consultation was based on valuations at 3 May 2021. Valuations at 19 June 2022, are now available and these valuations will now be used. The Rating Strategy, as detailed in Table 3, is based on a Rate Revenue increase of 6.0%. Rates modelling based on alternative Rate Revenue Increases is contained in **Attachment F**.

TABLE 3: RATING STRATEGY

Proposed Rate Revenue Increase	2021-2022	2022-2023
	4.35%	6.0%
	\$'000	\$'000
Gross General Rate Revenue	\$37,239	\$39,569
Net Increase on Previous Year	\$1,566	\$2,240
Operating Surplus/(Deficit) after rate revenue increases	471	1,031
Residential Rate		
Rate Payable per Average Residential Property	\$1,563	\$1,674
Average Rate Difference	\$54	\$112
Increase from previous year	3.57%	7.15%
Rate-in-the-Dollar	0.0022778	0.001929
Increase/(Decrease) from previous year	1.98%	(15.3%)
Commercial Rate		
Rate payable per Average Commercial Property	\$2,649	\$2,526
Average Rate Difference	\$53	(\$123)
Increase/(Decrease) from previous year	2.02%	(4.66%)
Rate-in-the-Dollar	0.0027332	0.002315
Increase/(Decrease) from previous year	1.98%	(15.3%)
Minimum Rate	\$1,068	\$1,132
Percentage of Assessment on Minimum Rate	29.8%	32.9%

For the 2022-2023 financial year, the “average residential property” is valued at \$868,000, compared to the 2021-2022 “average residential property” value of \$686,000. For the 2022-2023 financial year, the capital value of the “average residential property” has increased by 26.5%, which equates to a \$414 per annum increase in the rates payable, however this increase is off-set by a decrease in the rate-in-the-dollar by 15.3%, which for the “average residential property” equates to a \$302 decrease per annum with a net increase in the rates payable of \$112. Table 4 provides details of the impact of rates modelling on the rates payable across the residential ratepayers.

TABLE 4: RATES PAYABLE FOR RESIDENTIAL LAND USE

Change in Rates Payable	Residential Properties	
	Number	%
Reduction	1,800	10%
Increase greater than 0% and less than 6%	3,540	20%
6% increase	5,180	30%
Increase greater than 6% and less than 12%	120	1%
12% increase or greater (<i>eligible for Rate Capping</i>)	6,500	37%
Increase greater than 12% (<i>ineligible for Rate Capping</i>)	300	2%
Total	17,350	100%
Value of Rates Payable		
\$0 to \$1,500*	8,400	48%
\$1,500 to \$2,000	3,900	22%
\$2,000 to \$2,500	2,250	13%
\$2,500 to \$3,000	1,250	7%
over \$3,000	1,550	9%
Total	17,350	100%

* Includes \$5,620 properties on minimum rate of \$1,132

REGIONAL LANDSCAPES LEVY (formally known as the NRM Levy)

In 2022-2023, the Council will be required to collect \$1.383 million (a \$3,000 decrease on the amount which was collected in 2020-2021) on behalf of *Green Adelaide* for the payment of the State Government Regional Landscape Levy. In this respect, Local Government acts as the revenue collector for the Green Adelaide Board (the Board) and the eight (8) Regional Landscape Boards and as such, the Council does not retain this revenue. The property owners within the City of Norwood Payneham & St Peters will contribute 4.8% of the total of the Levy which is collected on behalf of the Board for 2022-2023 Financial year.

Councils may also collect a fee from the Regional Landscape Boards for the administrative cost of collecting the Regional Landscape Levy. For 2022-2023, the fee has been calculated using a fixed fee of \$2,633 plus \$0.26 per rateable assessment. The proposed collection fee, which has been incorporated within the draft Budget, for this Council is \$7,880.

Draft 2022-2023 Rating Policy

As part of its Annual Business Plan, the Council is required to adopt a Rating Policy, which formally documents the Councils Rating Strategy. The Draft 2022-2023 Rating Policy (based on a rate revenue increase of 6.0%), which has been updated for the proposed rate-in-the-dollar is contained in **Attachment G**.

For 2022-2023, the Capital Value has increased (as advised by the Valuer-General) across the City of Norwood, Payneham & St Peters by 23.7%. Table 5 details the Capital Value movements by land use for all property classes within the City of Norwood Payneham & St Peters.

TABLE 5: VALUATION INCREASE FROM 2022-2023 BY LAND USE

Land Use	2022-2023 \$'000	2021-2022 \$'000	Valuation Increase	% Increase
Residential	15,331,060	12,115,189	3,215,871	26.5%
Commercial	2,432,275	2,161,641	270,634	12.5%
Industrial	136,958	123,245	13,714	11.1%
Vacant Land	180,682	166,993	13,690	8.2%
Other	384,520	335,925	48,595	14.5%
Primary Production	722	644	78	12.1%
Total Rateable	18,466,216	14,903,636	3,562,581	23.9%
Non-Rateable	361,034	318,082	42,952	13.5%
Total	18,827,250	15,221,718	3,605,532	23.7%

Pursuant to Regulation 6(ec.) of the *Local Government (Financial Management Regulations) 2011*, the Council is now required to express the increase in rate revenue for each land use, as the average change in the expected rates for the financial year (expressed as a whole number of dollars) for each land use category declared, compared to the expected rates for each category for the previous financial year. This is expressed as the Average Rate and is calculated by dividing the rate revenue by the number of assessments. Table 6 below details the Average Rate (based on the Rate Revenue increase of 6%) and the change for each land use category compared to the 2021-2022 financial year.

TABLE 6: AVERAGE RATE BY LAND USE (as per *Local Government (Financial Management) Regulations 2011*)

Land Use	Average Rate	Increase (Decrease)	% change
Residential	1,812	136	8.1%
Commercial	2,637	(96)	-3.5%
Industrial	2,255	(93)	-4.0%
Vacant Land	1,637	(81)	-4.7%
Other	3,566	126	3.7%
Primary Production	1,670	(89)	-5.1%
	1,912	105	5.8%

OPTIONS

The Council has a number of options in respect to the Draft 2022-2023 Budget. For the purposes of simplicity, the following options are put forward for the Council's consideration:

1. Adopt the Draft 2022-2023 Annual Business Plan and Budget, which plans to deliver an Operating Surplus of \$1.037 million and an overall Net Surplus (including Capital Income) of \$11.087 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 13 April 2022, 9 May 2022 and 21 June 2022;
 - incorporates the adjustments approved "in principle" at those meetings; and
 - is based on a rate revenue increase of 6.0%.

2. Amend the Draft 2022-2023 Annual Business Plan and Budget by either:
 - increasing or decreasing rate revenue; and/or
 - amending the Capital works or Operating Projects expenditure; and/or
 - amending the Recurrent Income and Expenditure Budget.

Should the Council wish to change the rate revenue increase, Rates modelling based on alternative Rate Revenue Increases, which is within the parameters recommended by the Audit Committee and endorsed by the Council is contained in **Attachment F**.

The Council is required to adopt a budget which it believes is fair and reasonable, while also positioning the Council to achieve and maintain on-going financial sustainability. For the purposes of the recommendation, Option 1 has been proposed, as this option maintains existing, services, programs and activities and best positions the Council to ensure that it can continue to deliver on its financial goal now and into the future and is consistent with the decisions made to date by the Council.

CONCLUSION

Through the adoption of the Long-term Financial Plan, the Council 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.

The Draft Annual Business Plan and Budget, as contained in **Attachment A**, aims to ensure that the Council's emerging and continuing priorities are appropriately funded.

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 2023, the following recommendations be adopted by the Council.

1. Adoption of 2022-2023 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 2022-2023 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 any required editorial changes to the 2022-2023 Annual Business Plan as contained within **Attachment A** prior to the final publication.

2. Adoption of 2022-2023 Annual Budget

That having adopted the 2022-2023 Annual Business Plan and having considered the Budget for the 2022-2023 Financial Year in conjunction with, and determined it to be consistent with, the 2022-2023 Annual Business Plan:

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*:

- (a) 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) the statement regarding the Operating Surplus Position contained within **Attachment B**, be adopted;
- (c) the Uniform Presentation of Finances as contained within **Attachment B**, be adopted;
- (d) 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 2022-2023 Financial Year totalling \$18,827,249,700 - (an increase of 23.7%) and that 1 July 2022, is specified as the date on which such valuations are adopted.

4. Rate Capping

That pursuant to Section 153(3) of the *Local Government Act 1999*, the Council determines to fix a maximum increase 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 2023. For the purpose of the 2022-2023 the maximum increase will be set at 12%.

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 2023, as follows:

Residential	0.19291 cents-in-the-dollar
Commercial – Shop	0.23149 cents-in-the-dollar
Commercial – Office	0.23149 cents-in-the-dollar
Commercial – Other	0.23149 cents-in-the-dollar
Industry – Light	0.23149 cents-in-the-dollar
Industry – Other	0.23149 cents-in-the-dollar
Primary Production	0.23149 cents-in-the-dollar
Vacant Land	0.23149 cents-in-the-dollar
Other	0.23149 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 \$1,132 as the minimum amount payable by way of general rates for the Financial Year ending 30 June 2023.

7. Separate Rate

Pursuant to the provisions of Section 154(1) of the *Local Government Act 1999* and Section 69 of the *Landscape South Australia Act 2019*, in order to reimburse to the Council the amount contributed to The Green Adelaide Board, the Council declares a separate rate based on the value of the land the subject of the rate of 0.0075 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 2023.

8. The Parade Precinct Development Separate Rate

For the Financial Year ending 30 June 2023, 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:

- Urban Corridor (Main Street) Zone surrounding The Parade, Norwood between Portrush Road to the east and Osmond Terrace to the west
- Suburban Main Street surrounding The Parade, Norwood between Osmond Terrace to the east and Eastry Street to the west
- Suburban Business on The Parade, Norwood between Elizabeth Street to the east
- Business Neighbourhood Zone between Harris Street, Norwood and Webbe Street, Norwood
- Business Neighbourhood Zone on The Parade Norwood between Eastry Street to the east and Fullarton Road to the west.

where such zones are identified in the SA Property and Planning Atlas:

- the Council declares pursuant to sections 154(7) and 156(1)(a) of the Act a differential separate rate of 0.0475 cents-in-the-dollar on the Capital Value of all land classified as Category 2 – Commercial Shop, Category 3 – Commercial Office Category 4 – Commercial Other and Category 5 - Industrial Light.
- the Council grants a discretionary rebate of 50% of The Parade Precinct Development Separate Rate under Section 166(1) (a) of the *Local Government Act 1999*, to all properties that fall within the geographical boundary described above and which have a land use of Category 3 – Commercial Office.

9. Private Laneways Separate Rate

Pursuant to the provisions of Section 154 (1) of the *Local Government Act 1999* and the Councils *Private Laneways Policy*, in order to recover the costs of the public road conversion of Rosemont Lane, the Council declares a Separate Rate of a fixed charge of \$347.65 against the properties adjoining Rosemont Lane for the Financial Year ending 30 June 2023.

10. Payment of Rates

Pursuant to Section 181 of the *Local Government Act 1999*, all rates, for the Financial Year ending 30 June 2023, shall be payable in four (4) equal or approximately equal instalments, falling due on 6 September 2022, 6 December 2022, 7 March 2023 and 6 June 2023 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.

11. Loan Borrowings

- (a) The Council of the City of Norwood Payneham & St Peters approves Loan Borrowings for the 2020-2021 Financial Year up to a maximum of \$29,000,000 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.

12. Fees & Charges

Pursuant to Section 188 (1) of the *Local Government Act 1999*, the Schedule of Fees and Charges for the 2022-2023 Financial Year detailed in **Attachment E** be adopted.

Cr Dottore left the meeting at 8:56pm.
Cr Sims left the meeting at 8:56pm.
Cr Moore left the meeting at 8:57pm.
Cr Dottore returned to the meeting at 8:58pm.
Cr Sims returned to the meeting at 8:58pm.
Cr Moore returned to the meeting at 9:00pm.

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 2023, the following recommendations be adopted by the Council.

1. Adoption of 2022-2023 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 2022-2023 Financial Year as amended to include the additional funding for CATS Inc, 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 any required editorial changes to the 2022-2023 Annual Business Plan as contained within **Attachment A** prior to the final publication.*

Seconded by Cr Duke.

Amendment

Cr Callisto 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 2023, the following recommendations be adopted by the Council.

1. Adoption of 2022-2023 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 as amended to reflect a 5% rate revenue increase for the 2022-2023 Financial Year, as contained within **Attachment A** and the Council's Rating Policy as amended to reflect a 5% rate revenue increase, as contained in **Attachment G**, be adopted.*
- (b) *That the Chief Executive Officer be authorised to make any required editorial changes to the 2022-2023 Annual Business Plan as contained within **Attachment A** prior to the final publication.*

Seconded by Cr Dottore.

The amendment was put and lost.

The original motion was put and carried.

Cr Granozio left the meeting at 9:11pm.
Cr Granozio returned to the meeting at 9:12pm.

Cr Sims moved:

2. Adoption of 2022-2023 Annual Budget

That having adopted the 2022-2023 Annual Business Plan and having considered the Budget for the 2022-2023 Financial Year in conjunction with, and determined it to be consistent with, the 2022-2023 Annual Business Plan:

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:

- (a) the Budgeted Income Statement, Budgeted Balance Sheet, Budgeted Cash Flow Statement, the Budgeted Statement of Changes in Equity as contained within **Attachment B** as amended, be adopted;*
- (b) the statement regarding the Operating Surplus Position contained within **Attachment B**, be adopted;*
- (c) the Uniform Presentation of Finances as contained within **Attachment B**, be adopted;*
- (d) the Financial Indicators as contained within **Attachment B**, be adopted.*

Seconded by Cr Duke and carried.

Cr Minney moved:

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 2022-2023 Financial Year totalling \$18,827,249,700 - (an increase of 23.7%) and that 1 July 2022, is specified as the date on which such valuations are adopted.

4. Rate Capping

That pursuant to Section 153(3) of the Local Government Act 1999, the Council determines to fix a maximum increase 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 2023. For the purpose of the 2022-2023 the maximum increase will be set at 12%.

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 2023, as follows:

<i>Residential</i>	<i>0.19291 cents-in-the-dollar</i>
<i>Commercial – Shop</i>	<i>0.23149 cents-in-the-dollar</i>
<i>Commercial – Office</i>	<i>0.23149 cents-in-the-dollar</i>
<i>Commercial – Other</i>	<i>0.23149 cents-in-the-dollar</i>
<i>Industry – Light</i>	<i>0.23149 cents-in-the-dollar</i>
<i>Industry – Other</i>	<i>0.23149 cents-in-the-dollar</i>
<i>Primary Production</i>	<i>0.23149 cents-in-the-dollar</i>
<i>Vacant Land</i>	<i>0.23149 cents-in-the-dollar</i>
<i>Other</i>	<i>0.23149 cents-in-the-dollar</i>

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 \$1,132 as the minimum amount payable by way of general rates for the Financial Year ending 30 June 2023.

7. Separate Rate

Pursuant to the provisions of Section 154(1) of the Local Government Act 1999 and Section 69 of the Landscape South Australia Act 2019, in order to reimburse to the Council the amount contributed to The Green Adelaide Board, the Council declares a separate rate based on the value of the land the subject of the rate of 0.0075 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 2023.

8. The Parade Precinct Development Separate Rate

For the Financial Year ending 30 June 2023, 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:

- Urban Corridor (Main Street) Zone surrounding The Parade, Norwood between Portrush Road to the east and Osmond Terrace to the west
- Suburban Main Street surrounding The Parade, Norwood between Osmond Terrace to the east and Eastry Street to the west
- Suburban Business on The Parade, Norwood between Elizabeth Street to the east
- Business Neighbourhood Zone between Harris Street, Norwood and Webbe Street, Norwood
- Business Neighbourhood Zone on The Parade Norwood between Eastry Street to the east and Fullarton Road to the west.

where such zones are identified in the SA Property and Planning Atlas:

- the Council declares pursuant to sections 154(7) and 156(1)(a) of the Act a differential separate rate of 0.0475 cents-in-the-dollar on the Capital Value of all land classified as Category 2 – Commercial Shop, Category 3 – Commercial Office Category 4 – Commercial Other and Category 5 - Industrial Light.
- the Council grants a discretionary rebate of 50% of The Parade Precinct Development Separate Rate under Section 166(1) (a) of the Local Government Act 1999, to all properties that fall within the geographical boundary described above and which have a land use of Category 3 – Commercial Office.

9. Private Laneways Separate Rate

Pursuant to the provisions of Section 154 (1) of the Local Government Act 1999 and the Councils Private Laneways Policy, in order to recover the costs of the public road conversion of Rosemont Lane, the Council declares a Separate Rate of a fixed charge of \$347.65 against the properties adjoining Rosemont Lane for the Financial Year ending 30 June 2023.

10. Payment of Rates

Pursuant to Section 181 of the Local Government Act 1999, all rates, for the Financial Year ending 30 June 2023, shall be payable in four (4) equal or approximately equal instalments, falling due on 6 September 2022, 6 December 2022, 7 March 2023 and 6 June 2023 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.

11. Loan Borrowings

- (a) *The Council of the City of Norwood Payneham & St Peters approves Loan Borrowings for the 2020-2021 Financial Year up to a maximum of \$29,000,000 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.*

12. Fees & Charges

*Pursuant to Section 188 (1) of the Local Government Act 1999, the Schedule of Fees and Charges for the 2022-2023 Financial Year detailed in **Attachment E** be adopted.*

Seconded by Cr Duke and carried.

**Section 3 – Governance & General
Reports**

[No Items listed under this Section]

12. ADOPTION OF COMMITTEE MINUTES

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

PURPOSE OF REPORT

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

- Business & Economic Development Committee – (14 June 2022)
(A copy of the Minutes of the Business & Economic Development Committee meeting is contained within **Attachment A**)

ADOPTION OF COMMITTEE MINUTES

Business & Economic Development Committee

That the minutes of the meeting of the Business & Economic Development Committee held on 14 June 2022, be received and that the resolutions set out therein as recommendations to the Council are adopted as decisions of the Council.

Cr Sims moved:

That the minutes of the meeting of the Business & Economic Development Committee held on 14 June 2022, be received and that the resolutions set out therein as recommendations to the Council are adopted as decisions of the Council.

Seconded by Cr Knoblauch and carried unanimously.

13. OTHER BUSINESS

Cr Sims left the meeting at 9:31pm.
Cr Sims returned to the meeting at 9:32pm.

13.1 Personal Explanation – Cr Fay Patterson

Cr Patterson sought leave of the meeting to make a Personal Explanation.

The meeting granted leave for Cr Patterson to make a Personal Explanation.

Cr Sims moved:

That Cr Patterson's Personal Explanation be recorded in the minutes in its entirety.

Seconded by Cr Moorhouse and carried.

Cr Patterson's Personal Explanation

On 17 January this year, the Mayor made a personal explanation regarding my conduct in which he referred to me misrepresenting Council's Administration. To me, a personal explanation concerns a matter with which a Member is personally connected, involving their own particular statements or actions or the rebuttal of statements or actions of which they are personally aggrieved – basically following our State and Federal parliament's definition. I felt that the Mayor's comment about the Administration was not personal to him and, hence, potentially inappropriate. On 18 January, I emailed the Mayor with my concerns.

In a personal explanation on 7 February, the Mayor claimed that my email attempted to improperly influence him, interfere with due process, and threaten him. I believed that these claims were unsupported, since an Elected Member's recourse if concerned about a member's conduct is to contact the Mayor or CEO – which is what I did. In March this year, I received independent legal advice confirming that my email was indeed entirely appropriate.

Given our Mayor's long tenure, I find it hard to believe that the claims he made against me on 7 February were simply misguided. He certainly had ample time to seek advice if he needed to. So I must conclude that the intent of the Mayor's claims was to damage my reputation. I therefore believe it was reasonable for Cr Sims to interpret the Mayor's behaviour as bullying me, including by misleading other Elected Members about the probity of my conduct.

Regarding the Mayor's action on 7 February, bullying is not allowed under the Elected Members' Code of Conduct and hence contravenes the Local Government Act. Further, during a meeting, a member may draw the attention of the presiding member to a breach of the Act, briefly stating its nature. Cr Sims arguably did so. In such cases, interrupting the meeting is allowed, the alleged breach takes precedent and the presiding member must rule on the point of order. Our Mayor did not. Ignoring this, if the presiding member considers that a member may have been disorderly or disruptive, the member must be allowed to make a personal explanation. The Mayor did not afford this opportunity to Cr Sims.

Perhaps there's a better term than bullying for what occurred on 7 February. After all, "bullying" usually refers to a pattern of behaviour rather than a one-off event. This chamber may recall that on 4 March 2019, I moved a Motion regarding sustainability initiatives and carbon neutrality. Our Mayor stated that he "had never been so insulted in his life." He characterised me as being reckless, exposing our Council to unknown and unreasonable costs, and so on, in a sustained attack that had little to do with the content of my Motion.

After the meeting, a number of councillors came up to offer their support. I will not discuss their comments further here. I felt the Mayor had been unreasonable, but it was early in my term and I was concerned that submitting a Code of Conduct complaint would not necessarily be in my best interest. More recently, in regard to the events of 7 February, my colleagues would be aware that I have been facing disruptions to my life that have made it difficult to pursue this subject.

Whatever else Cr Sims has done, I am concerned about the message that the results of Cr Sims' kind defence of me on 7 February may send about our Council's attitude to allegations of bullying. This concern is based on understanding the events of 7 February in their proper context and I trust that this personal explanation has helped other members in appreciating the level of personal grievance I feel about the matter.

14. CONFIDENTIAL REPORTS

14.1 TENDER SELECTION REPORT – CONSTRUCTION OF BLUESTONE AND CONCRETE KERBING 2022-2023

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 five (5) years and that this order be reviewed every twelve (12) months.

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

Cr Knoblauch 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, Corporate Services, General Manager, Urban Services, Executive Assistant to the Chief Executive Officer & Mayor, Communications Officer, Manager, Economic Development & Strategic Projects and Projects Officer – Civil], 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 Sims left the meeting at 9:37pm.
Cr Sims returned to the meeting at 9:38pm.

Cr Knoblauch moved:

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

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

Seconded by Cr Whittington and carried unanimously.

14.2 COUNCIL RELATED MATTER

RECOMMENDATION 1

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

- (g) matters that must be considered in confidence in order to ensure that the Council does not breach any duty of confidence;

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

RECOMMENDATION 2

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

Cr 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, Corporate Services, General Manager, Urban Services, Executive Assistant to Chief Executive Officer & Mayor, Communications Officer and Manager, Economic Development & Strategic Projects], be excluded from the meeting on the basis that the Council will receive, discuss and consider:

- (g) matters that must be considered in confidence in order to ensure that the Council does not breach any duty of confidence;*

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 Patterson and carried unanimously.

Cr Sims left the meeting at 9:56pm.
Cr Sims returned to the meeting at 9:57pm.

Cr Minney moved:

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

Seconded by Cr Patterson carried unanimously.

14.3 COUNCIL RELATED MATTER

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:

- (g) matters that must be considered in confidence in order to ensure that the Council does not breach any duty of confidence;

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

Under Section 91(7) and (9) of the *Local Government Act 1999* the Council orders that the report, discussion and minutes be kept confidential until the announcements have been made.

Cr Granozio left the meeting at 9:59pm.

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, Corporate Services, General Manager, Urban Services, Executive Assistant to Chief Executive Officer & Mayor and Communications Officer], be excluded from the meeting on the basis that the Council will discuss:

- (g) matters that must be considered in confidence in order to ensure that the Council does not breach any duty of confidence;*

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 Duke and carried unanimously.

Cr Duke moved:

Under Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the report, discussion and minutes be kept confidential until the announcements have been made.

Seconded by Cr Dottore and carried unanimously.

Cr Granozio returned to the meeting at 10:00pm.

14.4 COUNCIL RELATED MATTER

RECOMMENDATION 1

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

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

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

RECOMMENDATION 2

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

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

Cr 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, Corporate Services, General Manager, Urban Services, Executive Assistant to Chief Executive Officer & Mayor and Communications Officer], be excluded from the meeting on the basis that the Council will receive, discuss and consider:

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

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

Seconded by Cr Patterson and carried unanimously.

Cr Sims moved:

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

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

Seconded by Cr Granozio and carried unanimously.

15. CLOSURE

There being no further business, the Mayor declared the meeting closed at 10:07pm.

Mayor Robert Bria

Minutes Confirmed on _____
(date)