

These features are important components to the overall socio-economic characteristics of the Northern Beaches region and are relevant to any potential reforms to local councils. Important variations in the demographic profile of the region reflect the need to more carefully examine the Review Panel's statement of the Northern Beaches region being an 'island' within metropolitan Sydney with shared 'communities of interest'.



Service Delivery

There is a track record of Manly Council, Pittwater Council and Warringah Council collaborating on issues of mutual interest to local communities and there is scope for this to continue in the future. This collaboration is supported by having three distinct councils able to advocate for local interests and retain local services (such as in relation to public transport and access to public health services).

Examples of regional collaboration and improved service delivery include:

- Joint procurement arrangements for roads and traffic management, maintenance services, administrative and professional services, office materials and equipment;
- The 'Kimbriki' joint venture to manage waste disposal and resource recovery operations on the Northern Beaches (and Mosman);⁸
- Issues focused committees such as Water Cycle Management, Regional Code of Conduct, Climate Change and Adaptation, and Narrabeen Lagoon Management.
- Lobbying State and Federal governments on critical regional issues such as bus rapid transit proposals and local hospital upgrades; and
- Sharing data to promote best practices around health and wellness, sustainability, built form, economic development and community engagement.

Many of these initiatives are undertaken through the Shore Regional Organisation of Councils (SHOROC) where each of the Northern Beaches councils (and Mosman) have collaborated on important initiatives of mutual interest. Recent key highlights from Northern Beaches collaboration are outlined in Box 1.

Box 1 Recent highlights from Northern Beaches collaboration

SHOROC – Key Highlights 2014

The strong model of collaboration between Northern Beaches councils and the NSW Government was recognised by the Planning Institute of Australia awarding SHOROC the President's Award for excellence in planning in 2014. Other key highlights include:

- An investment of more than \$129 million in Northern Beaches Hospital planning and community health services by the NSW Government;
- Joint tendering with more than \$18.8 million in regional contracts; and
- More than \$640 million in public transport investment involving road upgrades and planning across the Northern Beaches, an investigation of a Bus Rapid Transit system, as well as improved bus services, interchanges and commuter car parking.⁹

⁸ In 2009 a new company, Kimbriki Environmental Enterprises Pty Ltd (KEE) was created to own and operate the Kimbriki site with Warringah, Manly, Mosman and Pittwater Councils as shareholders.

⁹ SHOROC (2014), Annual Report 2014 – Results for our Region.

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Option 2

Greater Pittwater Council & Greater Manly Council

This option involves boundary changes and splits the existing Warringah Council along a north-south divide. The northern and southern components would merge with Pittwater Council and Manly Council respectively to form two new merged entities.



Financial & Economic

The creation of a Greater Pittwater Council and a Greater Manly Council on the Northern Beaches offers potential financial gains for the region. Key financial impacts include:

- Financial analysis of Option Two indicated its successful implementation would be estimated to provide a net financial impact to the region of \$3.3 million over a ten year period from 2014-15 in net present terms. When accounting for possible NSW Government financial assistance for council mergers, the estimated net financial impact increases to \$13.7 million over the ten year period.
- The estimated net financial impact represents an aggregate improvement to current net operating results of 1.9 per cent (without financial assistance) and 8.1 per cent (with financial assistance). When measured as a proportion of the merged entities' operating revenue the net financial impacts are 0.2 per cent (without financial assistance) and 0.6 per cent (with financial assistance).
- Option Two offers \$29.2 million in savings over ten years for the Northern Beaches region stemming from reductions in the total number of council employees (estimated to be a 41 FTE reduction) and improved operating efficiencies.
- Option Two incurs relatively higher upfront implementation costs given the need to create two new council which results in the anticipated benefits not being realised until later in the timeframe under consideration.
- Financial modelling also indicates that under this reform option each of the new merged council entities will meet the Fit for the Future benchmarks by 2020.
- The two merged council entities will remain an important employer with total council employment levels across the Northern Beaches region estimated to be approximately 1,215 staff on a FTE basis.

Table 4 Fit for the Future Benchmarks - Option Two

INDICATOR	Greater Manly Council	Greater Pittwater Council
Operating Performance	✓	✓
Own Source	✓	✓
Asset Renewal	✓	✓
Infrastructure Backlog	✓	✓
Asset Maintenance	✓	✓
Debt Service	✓	✓
Real Operating Expenditure	✓	✓

Legend: ✓ = Benchmark met by 2020; ✖ = Benchmark shortfall

Source: KPMG analysis, see Part B: Compendium Report and Appendices for further details.

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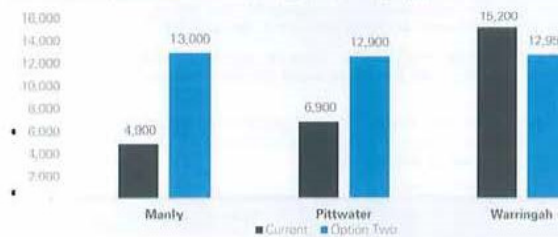


Community & Governance

Option Two may offer an opportunity to delineate the Northern Beaches into two separate council entities responsible for regions that have a more shared 'community of interest'. Further, retention of the strong 'Manly' and 'Pittwater' brands has the potential to improve the social and economic capital of the region. Key considerations include:

- The Greater Pittwater Council would have a wide geographic spread with a shared community of interest in lower density, healthcare and environmental assets management (for example national parks, coastal and flood environmental planning).
- The Greater Manly Council would link Manly's urban centre with more of its main residential and retail destinations and would have a stronger community focus on improving transport opportunities, childcare and community safety. It would also engage with stakeholders on transport and precinct planning for the new Northern Beaches Hospital at French's Forest.
- Boundary adjustments to create a 'northern' and 'southern' council on the Northern Beaches may enable Council's to better to respond to community needs and retain levels of service delivery.
- The two councils established in Option Two would have a similar resident population and would therefore be able to collaborate as equal partners while maintaining control of local identity and advocating for local priorities.
- Manly residents would experience a reduction in local representation with a more than two-fold increase in residents per elected councillor. Pittwater residents would also experience a reduction in local representation while Warringah residents would experience a slight increase (15 per cent) in local representation (Chart 2).

Chart 2 Local Representation, number of residents per councillor – Option Two



Source: KPMG analysis, assuming no increases in the number of elected councillors

¹⁰ Financial modelling results for each structural option are presented in Part B: Compendium Report and Appendices.

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Geography & Environment

The boundaries for the current local councils typically follow natural water courses and greenways to avoid splitting communities. However, catchment areas and parkland span multiple councils and often have competing interests on opposite sides of a council boundary. The key geographic and environmental features of the proposed boundaries for Option Two, include two areas with relatively equal resident populations based on catchment and suburban boundaries. Key considerations include:

- The suburbs of North Curl Curl, Brookvale, Beacon Hill, French's Forest and Belrose would become part of the Greater Manly Council – this would bring the commuter ring of suburbs that surround Manly town centre into a single council.
- Greater Manly Council would gain complete catchment management responsibility of Manly Lagoon while Greater Pittwater Council would gain management responsibility of Narrabeen Lagoon and Ku-ring-Gai Chase National Park.
- The creation of a Greater Manly Council and Greater Pittwater Council does offer an opportunity to simplify ownership of some environmental assets on the Northern Beaches.



Demographic Profile

The projected demographic profile of the two councils proposed in Option Two are outlined in Table 5. Key considerations include:

- The proposed Greater Pittwater Council would have a relatively older resident population, with less frequent public transport use, and a relatively lower density of housing stock. The implications of housing growth from the Ingleside land release corridor would continue to be managed from a single council viewpoint.
- The proposed Greater Manly Council would be relatively more densely populated, use public transport more and have a closer alignment to the city of Sydney and North Sydney.
- This separation of the Northern Beaches along more shared 'communities of interest' may assist with council planning and facilitating more streamlined CSPs that are tailored to the local profile and context.

Table 5 Selected demographic indicators - Option Two

Selected Indicator	Greater Manly Council	Greater Pittwater Council
Population (2013)	129,500	126,500
Land Area (km ²)	54km ²	188km ²
Median Age (years)	38	40
Population Density (per km ²)	2,398	673
Households with children (%)	34.1	37.5
Travelled to work by public transport (%)	20.3	12.0

Source: ABS Estimated Resident Population (2013); profile.id; NSW Department of Planning and Environment; atlas.id and KPMG analysis.

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Service Delivery

The creation of two councils may offer some advantages in regards to planning and service delivery for local communities. However, the need of regional collaboration on issues of mutual interest would need to continue.

- The northern area of the Northern Beaches has a higher median age than the southern areas. As a population group ages its demand for certain services and infrastructure evolves – particularly in regard to health and leisure activities. The creation of a Greater Pittwater Council may facilitate more targeted and accessible services for the older age demographic more prevalent in this area of the Northern Beaches.
- The 25 to 44 age bracket is highly represented in the southern area of the Northern Beaches. Service needs for this age group are diverse and a Greater Manly Council – with its town centres around Brookvale and Manly – may be well placed to facilitate the entertainment and visitor amenities demanded by this demographic.
- Option Two also provides a cleaner distinction between the higher-density suburbs of Greater Manly Council and the lower density suburbs of Greater Pittwater Council. This may facilitate more distinct approaches between the councils in regards to local planning laws and regulations, as well as road congestion, traffic flow management and asset management.
- On some measures, there is a clear delineating line that differentiates the 'communities of interest' on the Northern Beaches. For example, compared to the northern area, the southern areas is typically characterised by a younger, 'double-income no kids' household that is renting, and is more likely to commute to work by public transport. Option Two, therefore, may offer a cleaner separation of communities with common interests and demographic profiles.
- Enhanced strategic consideration of bushfire, flooding and coastal erosion in relation to any future development on the Northern Beaches has been identified as a key priority by the NSW Government. Under Option Two, the designated high risk areas, such as Collaroy, Narrabeen, Mona Vale and Bilgola coastal erosion zones and the marine estate of Pittwater, would all be the responsibility of the Greater Pittwater Council.

Option 3

Single Northern Beaches Council

This option involves merging Manly Council, Pittwater Council and Warringah Council to form a new single Northern Beaches Council for the region.



Financial & Economic

The merger of Manly Council, Pittwater Council and Warringah Council would likely generate financial gains for the region. Key financial impacts of Option Three include:

- Financial analysis of Option Three indicated its successful implementation would be estimated to provide a net financial impact to the region of \$34.5 million over a ten year period from 2014-15 in net present value terms. When accounting for possible NSW Government financial assistance for council mergers, the estimated net financial impact increases to \$44.9 million over the ten year period.
- The estimated net financial impact represents an aggregate improvement to the current net operating results of 20.4 per cent (without financial assistance) and 26.5 per cent (with financial assistance). When measured as a proportion of the merged entity's operating revenue the net financial impacts are 1.6 per cent (without financial assistance) and 2.1 per cent (with financial assistance).
- Option Three offers \$54.9 million in savings over ten years for the Northern Beaches region stemming from reductions in the total number of council employees (estimated to be a 101 FTE reduction) and improved operating efficiencies.
- Option Three is estimated to cost \$20.5 million in costs over ten years for the Northern Beaches region stemming from initial merger and implementations costs.
- Financial modelling also indicates that under this reform option each of the new Northern Beaches council would meet the Fit for the Future benchmarks by 2020.

Table 6 Fit for the Future Benchmarks - Option Three

INDICATOR	Single Northern Beaches Council
Operating Performance	✓
Own Source	✓
Asset Renewal	✓
Infrastructure Backlog	✓
Asset Maintenance	✓
Debt Service	✓
Real Operating Expenditure	✓

Legend: ✓ = Benchmark met by 2020; ✗ = Benchmark shortfall

Source: KPMG analysis. Further details are available in Part B: Compendium Report and Appendices.

- The proposed single Northern Beaches Council would become a relatively large single employer in the region with an estimated employee base of 1,155 staff on a FTE basis. This compares with the 1,256 existing council employees (on a FTE basis) currently employed collectively by the three councils on the Northern Beaches.

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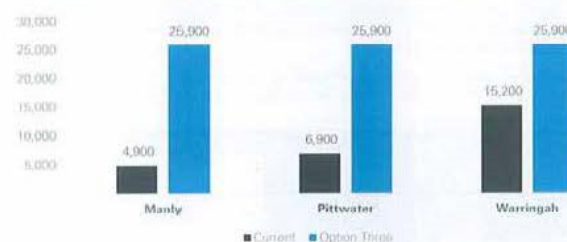


Community & Governance

A single Northern Beaches Council may be well placed to shape and nurture the transport, health and economic development priorities of the region, including by acting as a strong advocate and partner for the State and Federal governments. However, these potential advantages will come at the expense of local representation and governance for Northern Beaches residents:

- This impact on local representation is likely to be most keenly felt by Manly residents given the current ratio of 4,900 residents per council would increase more than five-fold to 25,900 residents per councillor.
- For Pittwater residents the ratio would increase almost four-fold from the current 6,900 residents per councillor.
- For Warringah residents the ratio would increase by 70 per cent from the current 15,200 residents per councillor.
- The significant impact on local representation will need to be considered in the context of potential concerns regarding governance and appropriate scrutiny of matters before council.
- While the Review Panel recommended a two-term transition period prior to any reductions in the number of councillors in any merged entity, this issue will need to be considered by the community with a view to the long-term impacts on local representation.

Chart 3 Local Representation, number of residents per councillor – Option Three



Source: KPMG analysis, assuming no increase in the number of elected councillors.



Geography & Environment

A number of Northern Beaches precincts of strategic significance to the NSW Government have been identified in the Sydney Metropolitan Plan (*A Plan for Growing Sydney*) – these include the Northern Beaches Hospital Precinct and the Brookvale and Dee Why Town Centres. Option Three therefore may present an opportunity through the creation of a single Northern Beaches Council to potentially reduce the barriers to coordinated planning and increase coordination for stewardship of environmental assets.



Demographic Profile

Compared to Greater Metropolitan Sydney, the Northern Beaches region perform strongly on indicators of education and levels of overall socio-economic advantage. However, it is important to note the demographic profile of the Northern Beaches as a whole, does not consider the variations in the demographic and socio-economic characteristics of the resident population across the region.

Key demographic features of the region include:

- There is a higher rate of post school qualifications (67 per cent) on the Northern Beaches relative to Greater Sydney (60 per cent).
- The Northern Beaches is characterised by relatively high median incomes that are 25 per cent higher than the median for Greater Metropolitan Sydney.
- The ageing population is prominent feature of the Northern Beaches with the resident population in the 65+ age bracket expected to increase the most (56 per cent) over the period to 2031.
- House median prices are also high compared to the rest of the Sydney market with median house prices all over \$1 million across each of the existing councils.

Table 7 Selected demographic indicators - Option Three

Selected Indicator	Northern Beaches Council
Population (2013)	259,000
Land Area (km ²)	163km ²
Median Age (years)	39
Population Density (per km ²)	1,589
Households with children (%)	35.9
Travelled to work by public transport (%)	15.9

Source: ABS Estimated Resident Population (2013); profile id, NSW Department of Planning and Environment; atlas.id and KPMG analysis.

In this context, Option Three may present an opportunity to create a merged council entity with a steady rate base and a relatively prosperous community that can support long term service needs associated with a dispersed and increasingly ageing population.

Service Delivery

While the Northern Beaches region as a whole is, at least compared to the Greater Metropolitan Sydney region, one of broad socio-economic advantage, there are important variations across the region that are relevant to considerations of how a single Northern Beaches council may deliver services and infrastructure to its communities. These include:

- The wider variation in median house prices across suburbs in a merged Northern Beaches council may generate resistance from ratepayers in regards to cross-subsidising services and infrastructure in other suburbs that are not in close proximity or have few shared interests.
- The increased disparity in population density across the region may present a merged Northern Beaches council with potential challenges with regard to complexity of service delivery, with residents in high-density regions (such as Manly) having different expectations and service level needs to residents with a larger footprint in lower-density urban regions.
- Having a single Northern Beaches council may benefit the management of the Northern Beaches Hospital precinct which was identified as a 'Strategic Centre' in the Sydney Metropolitan Plan. A merged council may be best placed to coordinate the mixed-used development, transport and employment potential for the Northern Beaches region that flows from the development of the hospital precinct. (Note: this may be an objective that could also be achieved through joint planning and collaboration between existing councils).
- Given the priority associated with management of key environmental assets (including coastal assets) and catchment areas on the Northern Beaches, a single council may be best place to harmonise environmental planning and strategies across the region. (Note: this may be an objective that could also be achieved through joint planning and collaboration between existing councils).
- It is arguable as to whether Option Three represents a merger of 'communities of interest' given the significant variations in key demographic indicators across the Northern Beaches. This may weaken the ability of a single Northern Beaches council to provide targeted service and infrastructure delivery across diverse communities.
- The establishment of single council and, by default, a single 'voice' for the Northern Beaches region may create a more powerful and influential advocate for the interests of the region. Conversely, this may be at the risk of pursuing regional outcomes at the expense of local communities due to the weakened levels of local representation.

Implementing Structural Change

It is important to recognise the capacity to achieve the potential financial advantages of council mergers is a direct function of the effectiveness of the merger implementation plans and strategies in place. Potential merger benefits can be quickly eroded by poor leadership, insufficient oversight of transition, incompatibility of IT and record-keeping systems, delays to implementation and lost productivity stemming from differences in work culture and practice that come to the fore in a newly merged council entity.

A high-level implementation plan for the merger of two or more councils on the Northern Beaches is illustrated below based on short-term and medium-term priorities.

Short-term implementation priorities (next 6 months):



Medium-term implementation priorities (next 6 to 12 months):



Importantly, this analysis does not ignore the need for a detailed implementation plan to be developed following any agreement on council mergers on the Northern Beaches. Such a plan will need to be tailored to the specific reform option adopted by each council and endorsed by the NSW Government. It is also acknowledged the NSW Government has ear-marked funding to support councils with the costs associated with reform – with any new merged council entity on the Northern Beaches entitled to \$10.5 million in direct funding assistance.

Further analysis of potential implementation issues to consider is available in *Part B: Compendium Report and Appendices*.

The complete findings, analysis and assumptions and supporting evidence base are contained within *Part B: Compendium Report and Appendices*.

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EXTRACT OF THE MINUTES OF THE COUNCIL MEETING OF 7 APRIL 2015

C8.4	Notice of Motion - Pittwater Council - Fit for the Future - Motion Submitted by Cr Grace
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COUNCIL DECISION

1. That Council confirms that Pittwater Council is completely sustainable and Fit for the Future in its current form and structure in relation to the current criteria set out in the local government reform proposal – Fit for the Future.
2. That having reviewed all current documentation included in the KPMG report Councils position is as follows:
“Pittwater to maintain the status quo that is to remain as we are without any boundary changes”.
3. That in any correspondence with the community in the consultation process it be prominently noted, that Council is Fit for the Future.

(Cr McTaggart / Cr Griffith)

C8.1	Notice of Motion - Community Consultation - Motion Submitted by Cr Grace
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COUNCIL DECISION

1. That when community opinion, public survey or community engagement be carried out to ascertain community views in relation to the State Government Fit for the Future, Council review inter-alia the contents, form, time and extent of any pamphlet, information pack, map or survey before it is distributed to the community for comment.
2. That a workshop be held by 15 April 2015 to implement Part 1 above and if necessary, an extraordinary meeting be held as soon as possible to determine the matter should an agreement not be reached.

(Cr Grace / Cr Griffith)

C8.2	Notice of Motion - Telephonic Consultation - Motion submitted by Cr Grace
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COUNCIL DECISION

That in any telephonic consultation in relation to Fit for the Future, Council review inter-alia the company or person conducting the consultation, the wording of the questions, the number of questions, the content of the questions, the cost of the consultation, the duration and the extent of the consultation.

(Cr Grace / Cr Hegarty)

COUNCIL DECISION

1. That Council confirms and strengthens its previous resolutions of 13 October 2014 and 7 April 2015 and it be included in all community consultation:
 - “(a) That Council is opposed to any proposed merger of Manly, Warringah and Pittwater into one Council.
 - (b) That Council remains committed to a strong independent Pittwater Council providing local representation and delivery of local services to the people of Pittwater on the existing boundaries.
 - (c) That Council confirms that Pittwater Council is completely sustainable and Fit for the Future in its current form and structure in relation to the current criteria set out in the local government reform proposal – Fit for the Future.
2. That the General Manager implement an extensive community engagement process in accordance with Councils decisions of 7 April 2015 (C8.1 and C8.2) to allow the community to consider three of the options outlined in the KPMG Summary Report, that being the following:
 - Option 1: No Merger - This option involves no merger of Councils on the Northern Beaches.
 - Option 2: Greater Pittwater Council and Greater Manly Council - This option involves boundary changes and splits the existing Warringah Council.
 - Option 3: A single Northern Beaches Council comprising the current local government areas of Pittwater, Warringah and Manly.
3. That a further report be presented to the Council meeting of 1 June, 2015 outlining the results of the community engagement process.

(Cr McTaggart / Cr Ferguson)

Note:

A division was duly taken resulting in the following voting:

Aye (For)	No (Against)
Cr Ferguson	Nil.
Cr Griffith	
Cr Grace	
Cr Hegarty	
Cr McTaggart	
Cr Millar	
Cr Townsend	
Cr White	
Cr Young	



Community Engagement Plan – Fit For the Future
Level 1 – High Impact on LGA
Period of Engagement 25 April – 5 June 2015

Engagement Plan	Objective	Timing	Outcomes
Information Pack to residents / ratepayers 8 page information pack outlining Council's position and options for consideration.	Inform <ul style="list-style-type: none"> Provide information on NSW Government's FFTF program, findings of KPMG report and Council's resolution. Aim to achieve wide awareness of issue and options. Promotion of how to have a say 	Distribution beginning 4 May	All brochures have been delivered to residents, business and ratepayers Additional copies have been distributed at the Food and Wine Fair, customer service and libraries, reference groups, community centres and community groups where requested
Targeted Media – print <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Manly Daily <input checked="" type="checkbox"/> Pittwater Life <input checked="" type="checkbox"/> Peninsular Living 	Inform <ul style="list-style-type: none"> Paid advertisements to inform community of NSW Government's FFTF program, findings of KPMG report and Council's resolution. Call to action – have your say Promotion of Pittwater LGA and Pittwater Council's achievements Suite of media releases to be generated informing and promoting the above Developing and sustaining interest over month of engagement 	Manly Daily Sat: 25 April 2 & 9, 16, 23 & 30 May, Wed: 6, 13, 29 May & 3 June Pittwater Life and Penn Living – May Editions	Manly Daily banner advertisements appearing on the Letters to the Editor 'Your Say' page, have run per schedule with targeted messaging asking residents to look out for their brochure, go online or RSVP to the public meeting Full pages have been displayed in both local magazines. Related articles have occurred in print media including: - MD 'Small is beautiful' 14/5/15 - SMH 'To merge or not to merge' 16/5/2015

Report for the Council Meeting to be held on 15 June, 2015

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Engagement Plan	Objective	Timing	Outcomes
Targeted Media : Media Releases	Inform <ul style="list-style-type: none"> To inform and update the community on current developments with the Fit for the Future project To raise awareness about opportunities to have a say To promote the resolutions of Council 	27 May 2015 Warringah Council - to bow out of SHOROC ... under the guise of saving money in its bid for a mega-merger 20 May 2015 United front at public meeting on amalgamation 14 May 2015 Have your say at public meeting 27 April 2015 There will never be a more critical time to have your say 8 April 2015 Report confirms Pittwater is Fit for the Future 24 October 2014 Pittwater mayor agrees, come clean Mr Baird 14 October 2014 One Northern Beaches Council Out of the Question 12 November 2014 One 'mega council' would be a disaster for Pittwater	

Report for the Council Meeting to be held on 15 June, 2015

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Engagement Plan	Objective	Timing	Outcomes
Targeted Media – social <input checked="" type="checkbox"/> Targeted social media campaign <input checked="" type="checkbox"/> Pittwater On-line	Inform and Consult <ul style="list-style-type: none"> Provide information on NSW Government's FFTF program, findings of KPMG report and Council's resolution Call to action – have your say Promotion of Pittwater and Pittwater Council's achievements Developing and sustaining interest over month of engagement Opportunity to reach a younger demographic sector of Pittwater community 	From 25 April	<p>Council has undertaken a targeted strategy with daily messaging which has resulted in:</p> <ul style="list-style-type: none"> I Love Pittwater increased followers from 4200 to 7470 Record engagement – 5th most liked Council page in NSW Instagram followers from 591 to 1987 <p>Released (18/5) the first of our online Pittwater video stories 2320 views, 59 shares, 8280 and reach of 16 400 people</p> <ul style="list-style-type: none"> Twitter – 4224 followers from 13.8 tweets <p>Highest % fans Pittwater Council Facebook : - 22% women (35-44 yrs), - 17% women (25-34 yrs) - 12% men (both groups 25-34 and 35 -44 yrs)</p> <p>FFTF Council Facebook Post 'We are listening...' reached 3,300 people</p> <p>An additional article by Alison Guesdon occurred in the Pittwater Online newsletter</p>
Council publications <input checked="" type="checkbox"/> E-newsletter <input checked="" type="checkbox"/> Community noticeboard	Inform <ul style="list-style-type: none"> Provide information on NSW Government's FFTF program, findings of KPMG report and Council's resolution Call to action – have your say Promotion of Pittwater and Pittwater Council's achievements 	From beginning of May	<p>Key article in April, May and June editions of Pittwater Council's e-newsletter sent to all subscribers</p> <p>Ongoing messages have occurred in the e-newsletter, Mayoral column and blog and community noticeboard in the Manly Daily</p>

Report for the Council Meeting to be held on 15 June, 2015

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Engagement Plan	Objective	Timing	Outcomes
Council Face – to – Face <input checked="" type="checkbox"/> Food & Wine Fair <input checked="" type="checkbox"/> Public Meeting <input checked="" type="checkbox"/> Community Leaders Meetings	Inform and Consult <ul style="list-style-type: none"> Engage community on FFTF program, KPMG findings and Council's position Promotion of how to have a say Provide paper copies of information pack and survey Provide opportunity for public discussion of the issues concerning the options Utilise key groups to disseminate information throughout their networks Engagement of young people 	3 May (Food & Wine Fair) 19 May (Public Meeting) 11 March & 3 June (Community Leader meetings)	<p>Councillor stall conducted at Food and Wine Fair where approximately 7 000 people attended was arguably the most successful Council stall at the event</p> <p>Over 350 people attended the public meeting</p> <p>Two Community Leader meetings were held to engage representatives of resident groups, surf life saving clubs, bush care, natural environmental groups and other community groups who have a long standing interest in local government reform discussions</p> <p>The Community Services team have engaged with local high schools resulting in completion of additional surveys</p>
Web <input checked="" type="checkbox"/> Up to date information on Council's webpage <input checked="" type="checkbox"/> On-line survey <input checked="" type="checkbox"/> FAQ's	Inform and Consult <ul style="list-style-type: none"> Provide up-to-date information on FFTF program, information pack, Council's position and KPMG findings Provide opportunity for feedback via on-line survey Provide list of FAQ's - updated as engagement progresses- 	From 25 April - On-going	<p>A series of webpages were developed to inform, provide updates and give residents an opportunity to have a say. This includes the following pages:</p> <ul style="list-style-type: none"> - Latest updates - Background - Information Pack - Have Your Say - Independent Analysis - Frequently Asked Questions - Online Survey

Report for the Council Meeting to be held on 15 June, 2015

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Engagement Plan	Objective	Timing	Outcomes
GM, Mayor, Councillors	Inform and consult <ul style="list-style-type: none"> Provide opportunities for residents to raise questions and discuss FFTF issues 	Mona Vale 8 May Elanora Heights 15 May Church Point 22 May	As part of a broader Council engagement FFTF has been discussed at coffee morning catch-ups with the General Manager, Mayor and Councillors
Displays – Council Facilities <ul style="list-style-type: none"> Information / displays in libraries and customer service centres Banners at strategic locations (North Narrabeen, Mona Vale, Newport, Avalon) 	Inform <ul style="list-style-type: none"> Inform the community on the FFTF program, provide copies of information pack, KPMG report. Provide paper copies of survey Promote issue and direct community to Council's website for more information (banners) Call to action – have your say 	Banner Displays - Avalon - Barrenjoey Road - 1 May 2015 to 31 May 2015 Newport – Barrenjoey Rd, Neptune St Intersect - 1 May 2015 to 31 May 2015 Newport – Barrenjoey Rd, The Avenue Intersect - 11 May 2015 to 31 May 2015 Mona Vale – Barrenjoey Rd, Village Park - 1 May 2015 to 31 May 2015 Mona Vale – Pittwater Rd, Kitchener Park - 1 May 2015 to 31 May 2015 North Narrabeen – Pittwater Rd, Pat Hynes Reserve – 1 May 2015 to 31 May 2015	Displays at Customer Service and Libraries at Mona Vale and Avalon have been well received by the community and are regularly restocked with brochures and surveys. Completed hard copy surveys have been forwarded to our independent research consultant for collation. Banners were in place at all locations
Telephone Survey <ul style="list-style-type: none"> External research company to undertake telephone survey with random sample of Pittwater residents (400 people) 	Consult <ul style="list-style-type: none"> Provide opportunity for direct feedback from community on Council's position and options presented. Survey will be conducted over a one week period 	Commenced 29 May	A statistically significant random sample telephone survey was conducted with 405 residents. Sample consistent with the demographic population of Pittwater

Report for the Council Meeting to be held on 15 June, 2015

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Engagement Plan	Objective	Timing	Outcomes
Online and paper survey	Inform and consult <ul style="list-style-type: none"> To provide residents with the opportunity to indicate their preference for options discussed in the brochure and provide feedback about support for each option 	Commenced 1 May	Survey data was collected in the following ways: <ul style="list-style-type: none"> Online survey through Council's website (approx. 2450 respondents) Paper surveys through customer service, libraries and pop-up stalls at community events, nursing home and youth consultation (approx. 850 respondents) Pittwater Council Staff online survey (197 respondents) Council has received 31 written submissions in relation to the options being considered. 24 submissions were supportive of Option 1 with Pittwater remaining as it is. A further two submissions were supportive of Pittwater Council but felt that efficiencies could be gained with SHOROC as a larger administrative body. Two submissions were supportive of Option 2 and a further two submissions were supportive of a slightly larger Pittwater boundary. One individual submission also rated Council's services The Pittwater Forever group also provided a submission in support of Council's no merger option 1. This submission will be used as an annexure to Council's improvement submission template 2.

Report for the Council Meeting to be held on 15 June, 2015

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C10.1 Pittwater Council Submission - NSW Government's Fit For The Future Local Government Reform

COUNCIL DECISION

- 1 That Council notes the following results from the recent Community Engagement process:-
 - 1.1 Rejection of a single Council combining Manly, Warringah and Pittwater (Option 3).
 - 1.2 Strong support for No Mergers (Option 1).
- 2 That based on comprehensive research, including independent evidence and extensive engagement with the community, Council confirms its position as follows:-
 - 2.1 Council remains committed to a strong, independent Pittwater Council providing local representation and delivery of local services to the people of Pittwater on the existing boundaries.
 - 2.2 Council is opposed to any proposed merger of Manly, Warringah and Pittwater into one Council.
- 3 That in keeping with the NSW Government's requirements, Council submit the following to IPART by 30 June 2015:-
 - 3.1 Template 2 - Council Improvement Proposal and Supporting Business Case and documentation for Pittwater Council to maintain the status quo and remain as we are without any boundary changes.
 - 3.2 That no Supplementary Business Case be submitted.
 - 3.3 That on 29 June 2015 an Extraordinary Council Meeting be called to consider Council's submission to IPART.

(Cr Griffith / Cr Hegarty)

Note:

The following unsuccessful Motion was moved by Cr Townsend and seconded by Cr Millar:

1. *That Council notes the following results from the recent Community Engagement process:-*
 - 1.1 *Rejection of a single Council combining Manly, Warringah and Pittwater (Option 3).*
 - 1.2 *Strong support for No Mergers (Option 1).*
 - 1.3 *Support for Greater Pittwater/Greater Manly - as a second preference (Option 2).*
 - 1.4 *The majority of Pittwater residents do not support forced amalgamations.*
- 2 *That based on comprehensive research, including independent evidence and extensive engagement with the community, Council confirms its position as follows:-*
 - 2.1 *Council remains committed to a strong, independent Pittwater Council providing local representation and delivery of local services to the people of Pittwater on the existing boundaries.*
 - 2.2 *Council is opposed to any proposed merger of Manly, Warringah and Pittwater into one Council.*

C3.1 Notice of Rescission - Pittwater Council Submission - NSW Government's Fit for the Future Local Government Reform (Motion submitted by Mayor Cr Townsend, Cr Millar and Cr White)

Meeting: Council

Date: 29 June 2015

RESCISSION MOTION

Motion

1. That Council rescind the previous resolution in relation to Minute Item C10.1, Paragraphs 3, 3.1, 3.2 and 3.3, passed at the Council Meeting held on 15 June 2015, namely:
 - "3. *That in keeping with the NSW Government's requirements, Council submit the following to IPART by 30 June 2015:-*
 - 3.1 *Template 2 – Council Improvement Proposal and Support Business Case and documentation for Pittwater Council to maintain the status quo and remain as we are without any boundary changes.*
 - 3.2 *That no Supplementary Business Case be submitted.*
 - 3.3 *That on 29 June 2015 an Extraordinary Council Meeting be called to consider Council's submission to IPART."*
2. That in the event the above Rescission Motion is carried, the following motion be adopted in lieu thereof:-
 - "3. *That in keeping with the NSW Government's requirements, Council submit the following to IPART by 30 June 2015:-*
 - 3.1 *Template 2 – Council Improvement Proposal and Support Business Case and documentation for Pittwater Council to maintain the status quo and remain as we are without any boundary changes.*
 - 3.2 *In relation to IPART's invitation for alternative options, provide it with a test business case for two Councils on the Northern Beaches and ask the government to demonstrate and provide proof to the community of Pittwater how such an option will result in an overall reduction in rates in the long term, improve local infrastructure and council services, enhance the environmental management and most important of all, how it will advance the democratic and community interest of Pittwater residents."*

**Cr Townsend
Mayor**

C3.2 Fit for the Future Submission to IPART

Meeting: Council

Date: 29 June 2015

COMMUNITY STRATEGIC PLAN STRATEGY: Corporate Management

COMMUNITY STRATEGIC PLAN OBJECTIVE: To ensure local democratic representation

DELIVERY PROGRAM ACTION: To ensure Council's financial sustainability
To ensure local democratic representation

1.0 EXECUTIVE SUMMARY

The Fit for the Future program has called upon councils to examine their efficiency, effectiveness and financial sustainability. The most significant feature of this request is for Pittwater to consider the Independent Local Government Review Panel's (ILGRP) recommendation for the region. That recommendation was to merge Pittwater, Warringah and Manly councils into one council. This option together with options of Pittwater staying independent and a two council model have been examined by Council.

Council has undertaken extensive community engagement to consult with the community on options. The outcome of the engagement provided overwhelming support for Council's position of staying independent and rejecting a three council merger into one single council.

Although opposed to the merger of the three northern beaches councils, Pittwater Council remains supportive of many of the other reforms of Local Government recommended by the ILGRP and remains committed to a program of continuous improvement that ensures that the community receives the services that it has identified at a level that it has agreed to.

Pittwater Council is a member of SHOROC, the Shore Regional Organisation of Councils and remains committed to the concept of regional collaboration for planning, lobbying and supporting efficiencies. The SHOROC model and achievements to date demonstrate a strong case for scale being achieved through collaboration and strategic partnerships.

At its meeting on 15 June 2015, Council resolved the following:

1. *That Council notes the following results from the recent Community Engagement process:-*
 - 1.1 *Rejection of a single Council combining Manly, Warringah and Pittwater (Option 3).*
 - 1.2 *Strong support for No Mergers (Option 1).*
2. *That based on comprehensive research, including independent evidence and extensive engagement with the community, Council confirms its position as follows:-*
 - 2.1 *Council remains committed to a strong, independent Pittwater Council providing local representation and delivery of local services to the people of Pittwater on the existing boundaries.*
 - 2.2 *Council is opposed to any proposed merger of Manly, Warringah and Pittwater into one Council.*

3. *That in keeping with the NSW Government's requirements, Council submit the following to IPART by 30 June 2015:-*
 - 3.1 *Template 2 - Council Improvement Proposal and Supporting Business Case and documentation for Pittwater Council to maintain the status quo and remain as we are without any boundary changes.*
 - 3.2 *That no Supplementary Business Case be submitted.*
 - 3.3 *That on 29 June 2015 an Extraordinary Council Meeting be called to consider Council's submission to IPART.*

This report outlines Pittwater's submission of Template 2 – Council Improvement Proposal (Business Case).

2.0 RECOMMENDATION

1. *That in keeping with the NSW Government's requirements, Council submits Template 2 – Council Improvement Proposal and supporting evidence by 30 June 2015.*
2. *That Council reaffirms its commitment to regional collaboration through SHOROC.*

3.0 BACKGROUND

3.1 PURPOSE

The purpose of this report is to provide Council with the completed Template 2 – Council Improvement Proposal and supporting evidence for submission to IPART (**Attachment 1**).

3.2 BACKGROUND

A summary of the NSW Government's Local Government reform process response over the past four years is outlined in **Attachment 2**. Pittwater Council's response to the NSW Local Government Reform process is outlined below:



3.3 POLICY IMPLICATIONS

Nil

3.4 RELATED LEGISLATION

- NSW IPART Act 1992
- NSW Local Government Act 1993
- NSW Constitution Act 1902

3.5 FINANCIAL ISSUES

3.5.1 Pittwater Council's financial results against the Fit for the Future performance criteria are summarised within this report under section 4.2. The full financial analysis can be found within Attachment 1 and the KPMG supporting evidence.

4.0 KEY ISSUES

4.1 Assessment Criteria – Summary of Template 2 Council Improvement

As part of the Fit for the Future Program councils are measured on 'Sustainability', 'Infrastructure' and 'Efficiency' by seven performance measures with positive measures against benchmarks required by 2019/20.

To date as part of Council's comprehensive review of its position, Council engaged KPMG to undertake a complete analysis of this criterion. KPMG concluded that Pittwater Council would meet all seven (7) performance benchmarks as required under the NSW Government's Fit for the Future Program.

Further to this, Council as part of its 2015-19 Delivery program and Budget assessed these performance measures (metrics) to ensure that our financial path was still consistent with the prior KPMG analysis. This later set of figures will be included in Council's submission and are summarised below:

4.2 Performance against Fit for the Future benchmarks

Sustainability

Measure/Benchmark	2013/14 performance	Achieves FFTF benchmark?	Forecast 2016/17 performance	Achieves FFTF benchmark
Operating Performance Ratio	0.54%	Yes	0.64%	Yes
Own Source Revenue	91.24%	Yes	83.25%	Yes
Building & Infrastructure Asset Renewal Ratio	129.81%	Yes	100.18%	Yes

Infrastructure and service management

Measure/Benchmark	2013/14 performance	Achieves FFTF benchmark?	Forecast 2016/17 performance	Achieves FFTF benchmark
Infrastructure Backlog Ratio	4.73%	NO	2.08%	NO
Asset Maintenance Ratio	128.16%	Yes	100.60%	Yes
Debt Service Ratio	3.08%	Yes	4.29%	yes

Efficiency

Measure/Benchmark	2013/14 performance	Achieves FFTF benchmark?	Forecast 2016/17 performance	Achieves FFTF benchmark
Real Operating Expenditure per capita	\$997 (declining)	Yes	\$989 (declining)	Yes

How Pittwater Council will remain fit for the future.

Sustainability– key strategies & outcomes (& assumptions)

Measure/Benchmark	Forecast 2016/17 Performance	Forecast 2017/18 Performance	Forecast 2018/19 Performance	Forecast 2019/20 Performance
Operating Performance Ratio	0.93%	1.17%	2.33%	1.91%
Own Source Revenue	83.25%	85.01%	78.76%	91.93%
Building & Infrastructure Asset Renewal Ratio	100.18%	106.57%	100.95%	100.39%

Infrastructure & service management – key strategies & outcomes

Measure/Benchmark	Forecast 2016/17 Performance	Forecast 2017/18 Performance	Forecast 2018/19 Performance	Forecast 2019/20 Performance
Infrastructure Backlog Ratio	2.08%	1.66%	1.39%	1.14%
Asset Maintenance Ratio	100.60%	100.31%	100.02%	100.20%
Debt Service Ratio	4.29%	4.40%	4.50%	4.29%

4.3 Scale and Capacity

Scale and capacity is a threshold criterion for councils. IPART states councils proposals must be broadly consistent with the ILGRP's preferred option or present a sound argument that demonstrates that councils options are at least as good as or are a better option to achieve scale and capacity for the region.

Pittwater Council's submission to IPART will argue a case for Pittwater's ability to achieve scale and capacity.

A summary of the key points within **Attachment 2** are below:

✓ Revenue Base and Increased Discretionary Spending

In Council's 2015-16 Delivery Program (Pittwater Council, 2015) Council is forecasting an operating surplus of \$1.2 million which is predicted to increase to \$2.9 million over the next 3 years. Further to the operating result, Council is forecasting a consolidated result (both operational and capital income and expenditure) of \$50,439 in 2015/16 which is consistently held at these levels into the future. This consolidated result demonstrates Council's main objective of efficiently managing a balanced budget yet maximising its delivery of infrastructure and services to its community.

✓ Scope to Undertake New Functions and Major Projects

Pittwater Council has a proven track record in delivering major projects on time and on budget.

Over the next four years, through its Delivery Program, Pittwater Council has identified major projects to be undertaken. The budgets for these projects range from as little as \$2,000 to millions of dollars. The projects again are diversified as they are designed to meet the needs of the community. They include:

- Planning for Ingleside land release in partnership with the State Government potentially injecting some 3,000 new dwellings into Pittwater
- A new Community Facility at Warriewood (\$7.4 million)
- A new Skate Park at Mona Vale to provide facilities for the local youth (\$1.2million)
- An upgrade to the Mona Vale Surf Club (\$1 million)
- A new Precinct Development at Church Point including car parking, foreshore improvements and offshore transport facilities (\$7.4 million)
- A new Bridge, Road and Footpath at Warriewood (\$7 million)
- A continuation of Council's Wharf Improvement Program (in excess of \$4.5 million)

✓ Ability to Employ a Wider Range of Skilled Staff

The organisation is supported by a well-organised, strategic corporate development team who has prepared a thorough workforce plan based on analytics that are not only about the workforce but also the future needs of the organisation. The workforce plan focuses on retaining existing staff as well as attracting new employees to ensure we have the optimum number of people with the right skills in the right jobs at the right time, now and in the future.

✓ Knowledge, Creativity and Innovation

Pittwater Council has an excellent track record in applying knowledge, creativity and innovative thinking and applications to the way that it works to provide solutions to its community. Pittwater Council does this as "business as usual", encouraging staff to be creative in the way that they work with each other, stakeholders and the community.

✓ Advanced Skills in Strategic Planning and Policy Development

Pittwater Council has been recognised for its leadership in integrated planning and reporting. This includes the development in partnership with LGSS of an online corporate reporting system which follows from the community strategic plan, delivery program and budget, operational plans and finally down to a performance appraisal system. This is supported by our fully integrated Resourcing Strategy, Long Term Financial Plan, Asset Management Plan and Workforce Strategy.

✓ Credibility for Effective Advocacy

Pittwater Council has a strong track record in effective advocacy; as it undertakes advocacy on behalf of its community in a considered and balanced way. The Council is proactive and maintains good relationships with its State and Federal representatives. Pittwater Council has actively lobbied the State Government with other SHOROC Councils for funding for roads, health and transport projects.

✓ Effective Regional Collaboration

Pittwater Council is an active and committed member of SHOROC and one of 4 shareholders in Kimbriki Environmental Enterprises Pty Ltd. Pittwater Council remains committed to its participation in SHOROC; utilising that organisation to facilitate regional planning and advocacy, collaboration and strategic partnerships.

✓ Capable partner for State and Federal Agencies

Pittwater Council has a history of working with State and Federal agencies in the delivery of local outcomes in social infrastructure, environment outcomes, housing and transport.

The Council has undertaken a proactive role with the State Government in the completion of the Warriewood Valley Strategic Review (completed June 2013) and the commencement of the Precinct Planning process for Ingleside Greenfield Release Area with the State Government commencing in 2014. Precinct planning for Ingleside is a complex project whereby Council is collaborating with key agencies such as the Department of Environment and Heritage, Sydney Water and Roads and Maritime Services, as well the Department of Planning & Infrastructure and UrbanGrowth NSW.

✓ Resources to Cope with Complex and Unexpected Change

Pittwater Council has a comprehensive business continuity plan based on risk management principles that addressed disaster recovery and business contingency planning. Pittwater Council has significant strength in its fiscal ability both in the short term and in the future. Council has the ability to withstand significant economic shocks without significant business disruption. This fact re-iterates that it is not the size of the fiscal base that is the key to long term financial sustainability, but the management and effectiveness of all revenue and assets at hand that ensures business success. Pittwater Council are leaders in this area.

✓ High Quality Political and Managerial Leadership

The Pittwater LGA is ably led by a Council that is connected to its community. Pittwater Council is committed to serving the community with integrity, efficiency, fairness, impartiality and the encouragement of mutual respect. The Council promotes and strives to achieve a climate of respect for all. It has worked hard to inspire its community to share civic pride by valuing and protecting the environment, both natural and built, for current and future generations.

5.0 ATTACHMENTS / TABLED DOCUMENTS

Attachment 1: Template 2 - Council Improvement Proposal

Attachment 2: Timeline - NSW Government Policy Context

6.0 SUSTAINABILITY ASSESSMENT

6.1 GOVERNANCE & RISK

6.1.1 Community Engagement

Extensive community engagement and communications strategies have been implemented to ensure that balanced information has been distributed to the entire community of Pittwater. In addition a range of engagement activities as outlined earlier in this report has been available to the community to encourage their participation and provide multiple platforms for the community to provide feedback.

Attendance of over 350 people at the public meeting and nearly 4,000 surveys being completed demonstrates the high level of interest the community has in this matter. It is also evidence of the success of opportunities for the community to have a say. The addition of targeted activities such as work with high school students and a strong social media campaign have been a deliberate attempt to reach the broadest cross section of the community and try to reach those not normally engaged in local government activities. A full report on the community engagement process is within the attached submission.

6.2 ENVIRONMENT

6.2.1 Environmental Impact

Retaining a strong, locally focused, sustainable Pittwater Council provides the best opportunity to continue to protect Pittwater's natural environmental heritage and respectful built form.

Pittwater has shown its capacity to successfully manage 25% of the Sydney coastline, 9 iconic ocean beaches, the vast Pittwater waterway, the interface with National Parks, salt marshes and wetlands all of a National, State and Metropolitan significance.

Pittwater's capacity to lead Environmental Planning is shown in the award winning introduction of 'e' planning into Local Government development assessment - innovative land release process in Warriewood – meeting State Government housing and employment targets – harmonious built form, the lowest DA determination times on the North Shore in the recently released 2013/2104 period, and high level partnerships with State Government.

Pittwater's management of natural hazards in both the public and private domains allowing for climate change effects leads the industry.

The suite of environmental documents developed and maintained reflects a cohesive community attitude to protect natural, indigenous and built heritage whilst allowing sustainable and complimentary development.

6.3 SOCIAL

6.3.1 Community Needs and Aspirations

Retaining a strong, locally focused, sustainable Pittwater Council articulates the community aspirations which reflect the specific demographic of the area in its environmental and urban contexts outlined within the Pittwater Social Plan.

Pittwater Council has successfully advocated for the retention of Mona Vale Hospital, has provided new and upgraded community centres and libraries, upgraded sporting facilities including additional ovals, a synthetic multi-use oval as well as assisting the Northern Beaches Indoor Sports Centre. Pittwater Council has embarked on an innovative strategy to 'enliven' its town and village centres to further showcase the area's cultural and artistic talents.

6.4 ECONOMIC

6.4.1 Economic Development

Retaining a strong, locally focused, sustainable Pittwater Council provides the best opportunity to address local employment opportunities in the context of Town and Village centres, niche industries / services and technology. The Pittwater Economic Development Plan maps out the challenges and opportunities in the Pittwater and regional context. Pittwater works closely with its Chambers of Commerce and the business community. Progressive upgrades to the Mona Vale Town Centre along with Newport Mainstreet upgrade are examples of local economic stimulus.

Report prepared by

Mark Ferguson
GENERAL MANAGER

C3.1 Notice of Rescission - Pittwater Council Submission - NSW Government's Fit for the Future Local Government Reform (Motion submitted by Mayor Cr Townsend, Cr Millar and Cr White)

Note:

The following Notice of Rescission Motion was withdrawn by Cr Townsend, Cr Millar and Cr White:

- "1. That Council rescind the previous resolution in relation to Minute Item.C10.1, Paragraphs 3, 3.1, 3.2 and 3.3, passed at the Council Meeting held on 15 June 2015, namely:*
 - "3. That in keeping with the NSW Government's requirements, Council submit the following to IPART by 30 June 2015:-*
 - 3.1 Template 2 – Council Improvement Proposal and Support Business Case and documentation for Pittwater Council to maintain the status quo and remain as we are without any boundary changes.*
 - 3.2 That no Supplementary Business Case be submitted.*
 - 3.3 That on 29 June 2015 an Extraordinary Council Meeting be called to consider Council's submission to IPART."*
- "2. That in the event the above Rescission Motion is carried, the following motion be adopted in lieu thereof:-*
- "3. That in keeping with the NSW Government's requirements, Council submit the following to IPART by 30 June 2015:-*
 - 3.1 Template 2 – Council Improvement Proposal and Support Business Case and documentation for Pittwater Council to maintain the status quo and remain as we are without any boundary changes.*
 - 3.2 In relation to IPART's invitation for alternative options, provide it with a test business case for two Councils on the Northern Beaches and ask the government to demonstrate and provide proof to the community of Pittwater how such an option will result in an overall reduction in rates in the long term, improve local infrastructure and council services, enhance the environmental management and most important of all, how it will advance the democratic and community interest of Pittwater residents."*

C3.2 Fit for the Future Submission - IPART

COUNCIL DECISION

1. That in keeping with the NSW Government's requirements, Council submits Template 2 – Council Improvement Proposal and supporting evidence by 30 June 2015.
2. That Council reaffirms its commitment to regional collaboration through SHOROC.

(Cr Townsend / Cr Griffith)

Leading and Learning Committee

11.0 Leading and Learning Committee Business

C11.1	Appointment of Principal Committees and Reference Groups 2015
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Meeting: Leading and Learning Committee

Date: 21 September 2015

COMMUNITY STRATEGIC PLAN STRATEGY: Corporate Management

COMMUNITY STRATEGIC PLAN OBJECTIVE:

- To provide leadership through ethical, accountable and legislative decision-making processes

DELIVERY PROGRAM ACTION:

To effectively manage Council's corporate governance responsibilities

1.0 EXECUTIVE SUMMARY

1.1 SUMMARY

In October 2008, Council adopted a Committee structure of four (4) Principal Committees with four (4) corresponding Reference Groups.

Since the adoption of this structure, a report has been presented to Council each year seeking reappointment of Committees and Reference Groups and the election of Chairpersons.

2.0 RECOMMENDATION

- 1. That the following four (4) Principal Committees, comprising all Councillors, with a quorum of five members, be appointed with the functions and meeting cycles as outlined in paragraph 3.2.2 of this report:***
 - ***Connecting Communities Committee***
 - ***Natural Environment Committee***
 - ***Leading and Learning Committee***
 - ***Sustainable Towns and Villages Committee***
- 2. That the following four (4) Reference Groups, be reappointed in accordance with the Charters provided at Attachments 1 to 4 of this report:***
 - ***Connecting Communities Reference Group***
 - ***Natural Environment Reference Group***
 - ***Leading and Learning Reference Group***
 - ***Sustainable Towns and Villages Reference Group***
- 3. That Council elect a Chairperson to each Principal Committee and each Reference Group for the period October 2015 to September 2016.***

3.0 BACKGROUND

3.1 PURPOSE

To appoint Council's Principal Committees and Reference Groups of the Council and elect a Chairperson to each Committee.

3.2 BACKGROUND

3.2.1 As has been the practice for some time, the reappointment of the Principal Committees and the appointment of a Chairperson to each Committee is submitted for the Council's consideration. Council is also required to reappoint the Reference Groups and appoint a chairperson.

At the ordinary meeting of Council held on 13 October 2008, Council adopted a Committee structure specifically aligned with Council's Strategic Plan incorporating four (4) Principal Committees and four (4) corresponding Reference Groups.

Council also resolved that the Mayor chair the Council meetings and each Councillor be appointed to chair either one of the four (4) Principal Committees or one of the four (4) Reference Groups.

At the Council meeting held on 4 March 2013 a review of the reference groups was considered which resulted in a renaming of the Reference groups and an amendment to their Terms of Reference to align each with the relevant objectives, challenges and opportunities within each strategy contained within the relevant Key Directions of the Community Strategic plan.

At the ordinary meeting of Council held on 16 September 2013 Council also resolved to realign Council's Principal Committees in a similar manner.

The current functions and responsibilities for the Principal Committees and Reference Groups are listed below.

3.2.2 Current Functions, Responsibilities and Meetings Cycles of Principal Committees

- **Connecting Communities Committee**

Encompassing the following 2025 Strategic Framework strategies:

- Building Communities
- Recreational Management
- Traffic and Transport

(To be held in conjunction with the first Council meeting of the month)

- **Natural Environment Committee**

Encompassing the following 2025 Strategic Framework strategies:

- Beach and Coastal Management
- Catchment Management
- Flora and Fauna Management

(To be held in conjunction with the first Council meeting of the month)

- **Leading and Learning Committee**

Encompassing the following 2025 Strategic Framework strategies:

- Corporate Management
- Disaster, Emergency and Risk Management
- Community Education and Learning

(To be held in conjunction with the second Council meeting of the month)

- **Sustainable Towns and Villages Committee**

Encompassing the following 2025 Strategic Framework strategies:

- Land Use and Development
- Town and Village
- Economic Development

(To be held in conjunction with the second Council meeting of the month)

3.2.3 **Determination of Meetings and Meeting Cycles (Principal Committees)**

The Council previously resolved that each Principal Committee will comprise the whole of the Council with a quorum of five (5) councillors. The business of each Committee is referred to it by the Council, the Mayor or the General Manager.

The Principal Committees currently meet in conjunction with an ordinary meeting of Council on a monthly basis where the recommendations of the Principal Committees are considered at the Council meeting and adopted by the Council as appropriate.

All meetings of Council's Principal Committees are open to the press and public. However, if warranted, certain prescribed matters may be referred for consideration in Closed Session, with the press and public excluded. In each case, the Council must state and record the reason for excluding the press and public.

3.2.4 **Current Functions and Responsibilities of Reference Groups**

- **Connecting Communities Reference Group**

To consider and resolve on matters involving actions contained in the key direction of Council's Strategic Plan – Connecting Communities.

- **Natural Environment Reference Group**

To consider and resolve on matters involving goals and initiatives contained in the key direction of Council's Strategic Plan – Natural Environment.

- **Leading and Learning Reference Group**

To consider and resolve on matters involving actions contained in the key direction of Council's Strategic Plan – Leading and Learning

- **Sustainable Towns and Villages Reference Group**

To consider and resolve on matters involving goals and initiatives contained in the key direction of Council's Strategic Plan – Sustainable Towns and Villages.

3.2.5 **Reference Group Charter**

Reference Group meetings are held quarterly or as determined by each Reference Group. Minutes from each Reference Group meeting will be referred to the relevant Principal Committee for its consideration. A copy of each Reference Group's charter is provided at **Attachments 1 to 4**.

3.2.6 Council appointed the following Chairpersons to each of the four (4) Principal Committees and four (4) Reference Groups at its meeting of 15 September 2014

Committee/Reference Group	Chairperson (Appointed 15 Sept 2014)
Connecting Communities Committee	Cr Kay Millar
Natural Environment Committee	Cr Ian White
Leading and Learning Committee	Cr Julie Hegarty
Sustainable Towns and Villages Committee	Cr Selena Griffith
Connecting Communities Reference Group	Cr Kylie Ferguson
Natural Environment Reference Group	Cr Alex McTaggart
Leading and Learning Reference Group	Cr Susan Young
Sustainable Towns and Villages Reference Group	Cr Bob Grace

3.3 POLICY IMPLICATIONS

The Code of Meeting Practice, Part 1, item 2 (Council and Principal Committee Meetings - Cycle), as adopted by Council on 4 February 2013, refers to the cycle of Principal Committee meetings.

3.4 RELATED LEGISLATION

Local Government Act 1993 – sections 360 and 373

Local Government (General) Regulation 2005 – section 251 and sections 260-272

3.5 FINANCIAL ISSUES

3.5.1 Budget

There are no budget implications in relation to the appointment of Principal Committees and Reference Groups or the election of Chairperson(s).

3.5.2 Resources Implications

The resource implications for the appointment processes are minimal due to the process being carried out in-house through a simple nomination and voting process.

4.0 KEY ISSUES

4.1 Functions, Responsibilities and Meeting Cycles of Principal Committees

In relation to the Chair of the Committees and Reference Groups, the Council's adopted Code of Meeting Practice states as follows:

1. *The Chairperson of each Committee of the Council must be:*
 - (a) *The Mayor; or*
 - (b) *if the Mayor does not wish to be the Chairperson of a Committee – a member of the Committee elected by the Council; or*
 - (c) *if the Council does not elect such a member – a member of the Committee elected by the Committee*
2. *A Council may elect a member of a Committee of the Council as Deputy Chairperson of the Committee. If the Council does not elect a Deputy Chairperson of such a Committee, the Committee may elect a Deputy Chairperson.*

3. *If neither the Chairperson nor the Deputy Chairperson of a Committee of a Council is able or willing to preside at a meeting of the Committee, the Committee must elect a member of the Committee to be acting Chairperson of the Committee.*
4. *The Chairperson is to preside at a meeting of a Committee of a Council. If the Chairperson is unable or unwilling to preside, the Deputy Chairperson (if any) is to preside at the meeting, but if neither the Chairperson nor the Deputy Chairperson is able or willing to preside, the acting Chairperson is to preside at the meeting.*

4.2 **Method of Voting to Elect a Chairperson(s)**

The method of voting for election of a Chairperson(s) to a Principal Committee or Reference Group of Council is by open voting (such as on the voices or by show of hands) as required by sections 251(5) and 265(3) of the *Local Government (General) Regulation 2005*.

5.0 **ATTACHMENTS / TABLED DOCUMENTS**

Attachment 1 – Connecting Communities Reference Group

Attachment 2 – Natural Environment Reference Group

Attachment 3 – Leading and Learning Reference Group

Attachment 4 – Sustainable Towns and Villages Reference Group

6.0 **SUSTAINABILITY ASSESSMENT (view Council Report Template tool)**

6.1 **GOVERNANCE & RISK**

6.1.1 **Community Engagement**

- Membership for the Reference Groups includes up to four individual residents and up to twelve representatives from community groups or associations based or operating in Pittwater.
- Council appointed new members to Reference Groups for a two-year term from May 2015 after an open Expression of Interest process.
- Reference Groups provide an avenue for community members to gain an insight into the strategic issues facing Pittwater and provide feedback for the implementation of the Pittwater 2025 Strategic Plan.

6.1.2 **Risk Management**

- Risk relating to the achievement of strategic goals is reduced as Council business within key direction is facilitated and focused through the Principal Committees.
- Risks relating to delivery of service to the community are minimised by effective community engagement through the Reference Groups through engagement with the development and delivery of the key directions of the strategic plan.

6.2 **ENVIRONMENT**

6.2.1 **Environmental Impact**

The report has no environmental impact.

6.3 **SOCIAL**

6.3.1 **Strengthening Local Community**

- The functions and responsibilities of the Principal Committees enable each key direction of the strategic plan to be targeted within Council business.
- Reference Groups play a key role in providing community input into how Council may consider the objectives, challenges and opportunities of each strategy and deliver on the key directions of the strategic plan.

6.4 **ECONOMIC**

6.4.1 **Economic Development**

The report has no impact on economic development.

Report prepared by
Sonya Gallery, Principal Officer - Governance

Warwick Lawrence
MANAGER, ADMINISTRATION & GOVERNANCE

CONNECTING COMMUNITIES REFERENCE GROUP

Established	13 October 2008
Function:	To consider and resolve on matters involving actions contained in the key direction of Council's Strategic Plan – Connecting Communities.
This Reference Group will consider objectives, challenges and opportunities within each strategy contained within the relevant Key Direction of the Community Strategic Plan.	Key Direction 1 <ul style="list-style-type: none"> • Building Communities Strategy • Recreational Management Strategy • Traffic and Transport Strategy
Composition/Membership Notes: <ul style="list-style-type: none"> ➤ Up to fourteen (14) members consisting of: <ul style="list-style-type: none"> - Up to 12 members from registered community groups and community organisations with a maximum of one (1) representative from any one group. Each appointed reference group member will nominate an alternative representative. - Up to four (4) individual Pittwater residents ➤ Community representatives (non-members) may be seconded to Working Groups, subject to approval by Council, for a specific period working under the direction of the Reference Group investigating specific issues. ➤ Interested observers are invited to attend ➤ All other Councillors are invited to attend and observe. 	<ul style="list-style-type: none"> • Tenure of community membership to be two years • The Chairperson elected by Council and the Chairperson of the corresponding Principal Committee of Council. • The following Community Groups are represented: <ul style="list-style-type: none"> – Clareville and Bilgola Plateau Residents Committee – Mona Vale Hospital Auxiliary – Mona Vale Residents Association – Newport Residents Association – Pittwater Community Arts Inc. – Rotary Club of Pittwater – Save Mona Vale Hospital Community Action Group – Scotland Island Residents Association (SIRA) – Warriewood Residents Association – Zonta Club of Northern Beaches Inc • The following Pittwater Resident Representatives are appointed: <ul style="list-style-type: none"> – Lynne Mason – Louise Anderson – Robert Ryn – Katherine Glass
Ex Officio Advisors:	Officers of Government and Statutory Corporations or other advisors as required.
Quorum:	A majority of members provided at least 1 Councillor is present.
Reporting Procedures:	Minutes of meetings to be reported to Connecting Communities Committee for consideration.
Meetings:	Quarterly, or as determined by the Committee.
Council Members Appointed:	Chairperson: Cr Kylie Ferguson

NATURAL ENVIRONMENT REFERENCE GROUP	
Established:	13 October 2008
Function:	To consider and resolve on matters involving goals and initiatives contained in the key direction of Council's Strategic Plan – Natural Environment.
This Reference Group will consider objectives, challenges and opportunities within each strategy contained within the relevant Key Direction of the Community Strategic Plan.	Key Direction 2 <ul style="list-style-type: none"> • Beach and Coastal Management Strategy • Catchment Management Strategy • Flora and Fauna Management Strategy
Composition/Membership Notes: <ul style="list-style-type: none"> ➤ Up to fourteen (14) members consisting of: <ul style="list-style-type: none"> - Up to 12 community representatives from community organisations working with the community in Pittwater and representatives from community groups registered on Council's "Register of Community Groups" with a maximum of two (2) representatives from any one group - Up to four (4) Individual - Pittwater residents ➤ Community representatives (non-members) may be seconded to Working Groups, subject to approval by Council, for a specific period working under the direction of the Reference Group investigating specific issues. ➤ Interested observers are invited to attend. They must advise the minute secretary at least 24 hours in advance of their intention to attend. Observers are invited as observers and are not acting as regular members appointed to reference groups. ➤ All other Councillors are invited to attend and observe. 	<ul style="list-style-type: none"> • The Chairperson elected by Council and the Chairperson of the corresponding Principal Committee of Council. • The following Community Groups are represented: <ul style="list-style-type: none"> Bayview - Church Point Residents Association Clareville and Bilgola Plateau Residents Association Manly Warringah and Pittwater Historical Society Mona Vale Residents Association Newport Residents Association Palm Beach and Whale Beach Association Pittwater Community Gardens Radio Northern Beaches Scotland Island Residents Association Surfrider Foundation Sustainability Pittwater West Pittwater Community Association • The following Pittwater Resident Representatives are appointed: <ul style="list-style-type: none"> Margaret Makin Andrew Ginns
Ex Officio Advisors:	Officers of Government and Statutory Corporations or other advisors as required.
Quorum:	A majority of members provided at least 1 Councillor is present.
Reporting Procedures:	Minutes of meetings to be reported to the Natural Environment Committee of Council for consideration.
Meetings:	Quarterly, or as determined by the Committee.
Council Members Appointed:	Chairperson: Cr Alex McTaggart

LEADING & LEARNING REFERENCE GROUP	
Established:	13 October 2008
Function:	To consider and resolve on matters involving goals and initiatives contained in the key direction of Council's Strategic Plan – Leading and Learning
This Reference Group will consider and resolve on matters relating to the strategic objectives within the associated Key Direction	Key Directions 3 & 5 <ul style="list-style-type: none"> - Corporate Management Strategy - Disaster, Risk and Emergency Management Strategy - Community Education and Learning Strategy
Composition/Membership Notes: <ul style="list-style-type: none"> ➤ Up to fourteen (14) members consisting of: <ul style="list-style-type: none"> - Up to 12 community representatives from community organisations working with the community in Pittwater and representatives from community groups registered on Council's "Register of Community Groups" with a maximum of one (1) representative from any one group - Up to four (4) Individual - Pittwater residents ➤ Community representatives (non-members) may be seconded to Working Groups, subject to approval by Council, for a specific period working under the direction of the Reference Group investigating specific issues. ➤ Interested observers are invited to attend. ➤ All other Councillors are invited to attend and observe. 	<ul style="list-style-type: none"> • Tenure of community membership to be two years • The Chairperson elected by Council and the Chairperson of the corresponding Principal Committee of Council. • The following Community Groups are represented: <ul style="list-style-type: none"> Aboriginal Support Group Anglers Action Group (Sydney Northside) Avalon Palm Beach Chamber of Commerce Bayview - Church Point Residents Association Clareville and Bilgola Plateau Residents Association Manly Warringah and Pittwater Historical Society Mona Vale Residents Association Newport Residents Association Scotland Island Residents Association Sustainability Pittwater <p>Pittwater Resident Representatives:</p> <p>Ms Suzanne Atteridge Ms Sandra Blamey Mr Gary Grocott</p>
Ex Officio Advisors:	Officers of Government and Statutory Corporations or other advisors as required.
Quorum:	A majority of members provided at least 1 Councillor is present.
Reporting Procedures:	Minutes of meetings to be reported to the Leading & Learning Committee of Council for consideration.
Meetings:	Quarterly or as determined by the Committee.
Council Members Appointed:	Chairperson: Cr Susan Young

SUSTAINABLE TOWNS AND VILLAGES REFERENCE GROUP

Established:	13 October 2008
Function:	To consider and resolve on matters involving goals and initiatives contained in the key direction of Council's Strategic Plan – Sustainable Towns and Villages
This Reference Group will consider and resolve on matters relating to the strategic objectives within the associated Key Direction	Key Direction 3 & 4 <ul style="list-style-type: none"> • Land Use and Development Strategy • Town and Village Strategy • Economic Development Strategy
Composition/Membership Notes: <ul style="list-style-type: none"> ➤ Up to fourteen (14) members consisting of: <ul style="list-style-type: none"> - Up to 12 members from registered community groups and community organisations with a maximum of one (1) representative from any one group. Each appointed reference group member will nominate an alternative representative. - Up to four (4) individual Pittwater residents ➤ Community representatives (non-members) may be seconded to Working Groups, subject to approval by Council, for a specific period working under the direction of the Reference Group investigating specific issues. ➤ Interested observers are invited to attend ➤ All other Councillors are invited to attend and observe. 	<ul style="list-style-type: none"> • The Chairperson elected by Council and the Chairperson of the corresponding Principal Committee of Council. • The following Community Groups are represented: <ul style="list-style-type: none"> Avalon Palm Beach Business Chamber Inc Clareville and Bilgola Plateau residents association (CABPRA) Climate Action Pittwater Elanora Heights Resident's Association Friends of Narrabeen Lagoon Catchment Mona Vale Residents Association Inc Newport Residents Association Palm Beach and Whale Beach Association Inc. Scotland Island Residents Association (SIRA) West Pittwater Community Association • The following Pittwater Resident Representatives are appointed: <ul style="list-style-type: none"> Sophie Butler Dale Cohen Billy Bragg Steven Koolloos
Ex Officio Advisors:	Officers of Government and Statutory Corporations or other advisors as required.
Quorum:	A majority of members provided at least 1 Councillor is present.
Reporting Procedures:	Minutes of meetings to be reported to the Sustainable Towns and Villages Committee for consideration.
Meetings:	Quarterly, or as determined by the Committee.
Council Members Appointed:	Chairperson: Cr Grace

C11.2 Councillor Expenses Policy No 145

Meeting: Leading and Learning Committee

Date: 21 September 2015

COMMUNITY STRATEGIC PLAN STRATEGY: Corporate Management

COMMUNITY STRATEGIC PLAN OBJECTIVE:

To provide leadership through ethical, accountable and legislative decision-making processes

DELIVERY PROGRAM ACTION:

To effectively manage Council's corporate governance responsibilities

1.0 EXECUTIVE SUMMARY

1.1 SUMMARY

Section 252 of the Local Government Act 1993, requires Council to annually review and adopt a Policy for the Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors, within 5 months of the end of each year, for submission to the NSW Department of Local Government.

The proposed policy, even though no amendments are required, is required to be placed on public exhibition to allow the public the opportunity to comment.

At the end of the 28 day exhibition period the matter will be reported back to Council for consideration of any submission received.

2.0 RECOMMENDATION

- 1. *That the attached Policy for the Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors, (refer Attachment 1) be placed on public exhibition for a period of 28 days.***
 - 2. *At the completion of the Public Exhibition period a further report be brought to Council with details of submissions received.***
-

3.0 BACKGROUND

3.1 PURPOSE

To review and adopt Council's Policy for the Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors

3.2 BACKGROUND

Section 252 of the Local Government Act 1993, requires Council to annually review and adopt a Policy for the Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors, within 5 months of the end of each year, for submission to the NSW Department of Local Government.

In making this Policy, Council has taken into consideration the requirements of the amended "Model Code of Conduct for Local Councils in NSW, Department of Local Government – June 2008".

Council last adopted this policy at its meeting held on 1 December 2014 with an amendment made to address local travel arrangements and expenses.

There are no amendments recommended to this policy at this time.

Council is required to place this policy on public exhibition prior to adoption regardless of whether there are recommended changes or not.

3.3 POLICY IMPLICATIONS

This report relates to the annual review of Policy No 145 – Policy for the Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors.

3.3.1 RELATED LEGISLATION

Local Government Act 1993 – Section 252

3.4 FINANCIAL ISSUES

3.4.1 Budget

No budget implications in relation to the review of this policy

3.4.2 Resources Implications

No resourcing implications in relation to the review of this policy

4.0 KEY ISSUES

- Review of the policy within the 5 month time limit imposed
- Consideration of any public submission

5.0 ATTACHMENTS / TABLED DOCUMENTS

Attachment 1 – Policy No 145

6.0 SUSTAINABILITY ASSESSMENT

6.1 GOVERNANCE & RISK

6.1.1 Community Engagement

The policy is required to be placed on public exhibition for a period of 28 days after which time a further report will be presented to Council on any submission received

6.1.2 Risk Management

- This policy sets out those expenses which Councillors can claim and the facilities which Council makes available to them as a consequence of carrying out their civic responsibilities.
- Claims made outside this policy will be refused as a breach of this policy may have serious legal and/or reputational risk implications.

6.2 **ENVIRONMENT**

6.2.1 **Environmental Impact**

- This report has no environmental impact

6.3 **SOCIAL**

6.3.1 **Strengthening local community**

- By allowing the public the opportunity to comment on this policy it will create an environment of openness and transparency in the way the policy is reviewed.

6.4 **ECONOMIC**

6.4.1 **Economic Development**

- This report has no impact on economic development

Report prepared by

Warwick Lawrence
MANAGER, ADMINISTRATION & GOVERNANCE



Council Policy – No 145 Version: 18	Adopted:	OM04.07.94
	Amended	OM17.10.94, OM24.07.95, OM25.11.96, OM07.04.97, OM08.09.97, OM23.10.00, OM14.04.03, OM21.06.04, OM09.08.04, OM13.12.04, OM14.02.05, OM09.10.06, OM20.11.06, OM07.04.08, OM15.12.08, 21.09.09, OM06.12.10, OM17.10.11, OM03.12.12, OM01.12.14

TITLE: POLICY FOR THE PAYMENT OF EXPENSES AND PROVISION OF FACILITIES TO THE MAYOR, DEPUTY MAYOR AND COUNCILLORS

STRATEGY: Corporate Management

BUSINESS UNIT: Administration and Governance

RELEVANT LEGISLATION: Local Government Act 1993 (Section 252)

RELATED POLICIES: None

Objective

To ensure that the details and range of benefits provided to Councillors by the Council is clearly stated and fully transparent and acceptable to the local community.

Policy Statement

The purpose of this Policy is to ensure accountability and transparency in the reimbursement of expenses incurred by councillors and that the facilities provided to assist councillors to carry out their civic duties are reasonable.

TABLE OF PROVISIONS

PART 1 – INTRODUCTION

- Title, commencement of the Policy**
- Purpose of the Policy**
- Objectives and coverage of the Policy**
- Making and adoption of the Policy**
- Reporting requirements**
- Reporting of equipment and facilities costs**
- Legislative provisions**
- Other Government Policy Provisions**
- Approval arrangements**

PART 2 – PAYMENT OF EXPENSES

GENERAL PROVISIONS

Payment of expenses generally

- Allowances and Expenses
- Reimbursements and Reconciliation of Expenses
- Payment in Advance

Establishment of monetary limits and standards

Spouse and partner expenses

Payment of annual Councillor fee into a complying superannuation fund

SPECIFIC EXPENSES FOR MAYORS AND COUNCILLORS

Attendance at seminars and conferences

- Who May Attend Conferences
- What Conferences May Be Attended
- Registration
- Categories of Payment or Reimbursement

Training and educational expenses

Local travel arrangements and expenses

- Travel Outside the LGA Including Interstate Travel
- Telephone Costs and Expenses
- Internet
- Care and Other Related Expenses
- Insurance Expenses and Obligations
- Legal Expenses and Obligations

PART 3 – PROVISION OF FACILITIES

GENERAL PROVISIONS

- Provision of Facilities and Equipment for Councillors
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PROVISION OF ADDITIONAL EQUIPMENT AND FACILITIES FOR MAYOR

PART 4 – OTHER MATTERS

- Acquisition and Returning of Facilities and Equipment by Councillors
- Payment of Councillor Fees Into a Complying Superannuation Fund
- Status of the Policy

PART 1 – INTRODUCTION

- **Title, commencement of the Policy**

The title of this policy is “Policy for the Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors”. This policy takes effect from 4 December 2006.

- **Purpose of the Policy**

The purpose of this policy is to ensure that there is accountability and transparency in the reimbursement of expenses incurred or to be incurred by councillors. This policy also ensures that the facilities provided to assist councillors to carry out their civic duties are reasonable.

- **Objectives and coverage of the Policy**

The objective of this policy is to ensure that the details and range of benefits provided to Councillors by the Council is clearly stated and fully transparent and acceptable to the local community.

This policy covers the specific expenses for which Councillors are entitled to receive reimbursement. Councillors can only receive reimbursement for expenses when the expense is identified in this policy.

- **Making and adoption of the Policy**

This policy is made in accordance with the requirements of the Local Government Act 1993 and as adopted by Pittwater Council. Any substantial amendments to this policy will not take effect unless the proposed amendment has been placed on public notice and at least 28 days provided for public submissions. Before adopting or amending the policy, the Council will consider any submission made within the time allowed for submissions and make any appropriate changes to the draft policy or amendment.

- **Reporting requirements**

Section 428 of the Local Government Act 1993 requires councils to include in their annual report:

- The council's policy on the provision of facilities for, and the payment of expenses to, mayors and councillors.
- The total amount of money expended during the year on providing those facilities and paying those expenses
- Additional information as required by the Local Government (General) Regulation 2005.

Clause 217 of the Local Government (General) Regulation 2005 requires councils to include additional reporting information in their annual reports.

The additional reporting information required is for the purposes of transparency and accountability and should not be seen as a disincentive for the payment of appropriate expenses to councillors.

Councils are required to report separately on:

- the total cost of expenses and the provision of facilities for the mayor and all councillors, as well as:

- **Expenses**

- the cost of phone calls including mobiles, home located landlines, facsimile and internet services.
- Spouse/ partner/ accompanying person expenses
- Conference and seminar expenses
- Training and skill development expenses
- Interstate travel expenses
- Overseas travel expenses
- Care and other related expenses

- **Provision of facilities**

- The cost of the provision, including rental, of dedicated office equipment allocated to councillors on a personal basis such as laptop computers, mobile phones, telephones and facsimile machines and internet installed in the councillors' homes. This item does not include the costs of using this equipment, such as calls.

- **Reporting of equipment and facilities costs**

In addition to the statutory reporting requirements, Council will report other costs where these are significant. For example, the cost of the provision of facilities and equipment where such provision is above what would normally be required for the day-to-day running of the council.

- **Legislative provisions**

Provisions under the *Local Government Act 1993*

Recent changes to sections 252(5) and 253 of the *Local Government Act 1993*, made by the *Local Government Amendment Act 2005*, require councils to make and submit their expenses and provision of facilities policies annually to the Department of Local Government.

Section 252 of the *Local Government Act 1993* requires councils to adopt or amend a policy annually for the payment of expenses and the provision of facilities to mayors, deputy mayors and other councillors. Mayors and councillors can only be reimbursed for expenses and provided with facilities in accordance with this policy.

Section 252 also makes provision for a council to reduce the amount payable to mayors and councillors (under sections 248-251 of the *Local Government Act 1993*) by the amount representing any private benefit of a facility provided by the council to them. It also requires that the policy be made under the provisions of this Act, the Local Government (General) Regulation and any relevant guidelines issued under section 23A of the Act.

Section 252 states:

- (1) *Within 5 months after the end of each year, a council must adopt a policy concerning the payment of expenses incurred or to be incurred by, and the provision of facilities to, the mayor, the deputy mayor (if there is one) and the other councillors in relation to discharging the functions of civic office.*

- (2) *The policy may provide for fees payable under this Division to be reduced by an amount representing the private benefit to the mayor or a councillor of a facility provided by the council to the mayor or councillor.*
- (3) *A council must not pay any expenses incurred or to be incurred by, or provide any facilities to, the mayor, the deputy mayor (if there is one) or a councillor otherwise than in accordance with a policy under this section.*
- (4) *A council may from time to time amend a policy under this section.*
- (5) *A policy under this section must comply with the provisions of this Act, the regulations and any relevant guidelines issued under section 23A.*

Section 253 specifies actions that council must undertake before a policy concerning expenses and facilities can be adopted or amended.

Section 253 states:

- (1) *A council must give public notice of its intention to adopt or amend a policy for the payment of expenses or provision of facilities allowing at least 28 days for the making of public submissions.*
- (2) *Before adopting or amending the policy, the council must consider any submissions made within the time allowed for submissions and make any appropriate changes to the draft policy or amendment.*
- (3) *Despite subsections (1) and (2), a council need not give public notice of a proposed amendment to its policy for the payment of expenses or provision of facilities if the council is of the opinion that the proposed amendment is not substantial.*
- (4) *Within 28 days after adopting a policy or making an amendment to a policy for which public notice is required to be given under this section, a council is to forward to the Director-General:*
 - (a) *a copy of the policy or amendment together with details of all submissions received in accordance with subsection (1), and*
 - (b) *a statement setting out, for each submission, the council's response to the submission and the reasons for the council's response, and*
 - (c) *a copy of the notice given under subsection (1).*
- (5) *A council must comply with this section when proposing to adopt a policy each year in accordance with section 252 (1) even if the council proposes to adopt a policy that is the same as its existing policy.*

Section 254 requires that a part of a council or committee meeting which considers the adopting or amending of such a policy must not be closed to the public.

The public is able to inspect during office hours at the council, and at no charge, the current version and the immediately preceding version of the council's expenses and facilities policy. The public are also entitled to a copy of the policy either free of charge or on payment of a reasonable copying charge.

Section 23A makes provision for the Director-General of the Department of Local Government to prepare, adopt or vary guidelines that relate to the exercise by a council of any of its functions. It also requires that a council must take the relevant guidelines into consideration before exercising any of its functions.

Section 428(2) (f) requires a council to include in its annual report:

The total amount of money expended during the year on mayoral fees and councillor fees, the council's policy on the provision of facilities for use by councillors and the payment of councillors' expenses, together with a statement of the total amount of money expended during the year on the provision of such facilities and the payment of such expenses.

In addition Section 428 (r) requires that councils must report on any other information required by the regulations.

Provisions under the *Local Government (General) Regulation 2005*

Note that changed reporting requirements are to be made under an amendment to clause 217 of the above regulation to allow different reporting arrangements in the annual report.

Clause 217 (Additional information for inclusion in annual reports) states in part:

(1) For the purposes of section 428(2) (r) of the Act, an annual report of a council is to include the following information:

(a) Details (including the purpose) of overseas visits undertaken during the year by councillors, council staff or other persons representing the council (including visits sponsored by other organisations),

Clause 403 (Payment of expenses and provision of facilities) states:

A policy under section 252 of the Local Government Act 1993 must not include any provision enabling a council:

(a) to pay any councillor an allowance in the nature of a general expense allowance, or

(b) to make a motor vehicle owned or leased by the council available for the exclusive or primary use or disposition of a particular councillor other than a mayor.

- **Other Government Policy Provisions**

Department of Local Government Guidelines

As noted above under section 252(5) of the *Local Government Act 1993* the council expenses policy must comply with these guidelines issued under section 23A of the Act.

Department of Local Government Circulars to Councils

The policy must take into account the following Circulars.

- Circular 05/08 *Legal assistance for councillors and council employees.*
- Circular 02/34 *Unauthorised use of council resources.*

The Model Code of Conduct for Local Councils in NSW

The policy should be consistent with the *Model Code of Conduct for Local Councils in NSW, Department of Local Government – June 2008*. The following parts of the code are particularly relevant to s252 policies:

Use of Council Resources (Pages 20-21)

- 10.12 *You must use council resources ethically, effectively, efficiently and carefully in the course of your official duties, and must not use them for private purposes (except when supplied as part of a contract of employment) unless this use is lawfully authorised and proper payment is made where appropriate.*
- 10.14 *You must be scrupulous in your use of council property including intellectual property, official services and facilities and should not permit their misuse by any other person or body.*
- 10.15. *You must avoid any action or situation which could create the appearance that council property, official services or public facilities are being improperly used for your own benefit or the benefit of any other person or body.*
- 10.16 *the interests of a councillor in their re-election is considered to be a private interest and as such the reimbursement of travel expenses incurred on election matters is not appropriate. You must not use Council letterhead, council crests and other information that could give the impression it is official council material for these purposes.*
- 10.17 *You must not convert any property of the council to your own use unless properly authorised.*
- 10.18 *You must not use council's computer resources to search for, access, download or communicate any material of an offensive, obscene, pornographic, threatening, abusive or defamatory nature.*

ICAC Publication – No Excuse for Misuse, Preventing the Misuse of Council Resources

Councils should also be aware of and take account of the Independent Commission against corruption (ICAC) publication *No Excuse for Misuse, Preventing the Misuse of Council Resources (Guidelines 2) November 2002*. This publication is available on the ICAC website in at www.icac.nsw.gov.au.

• Approval arrangements

The following delegation of authority approval arrangements apply to the Mayor for the attendance by Councillors at conferences, seminars and meetings:

- (i) With the General Manager, authorise attendance at conferences which either have been included in Council's annual program of Conferences or for which attendance by Councillors has been authorised by resolution of Council.
- (ii) With the General Manager, authorise attendance on a study tour involving domestic travel where the study forms part of a task force / project plan and funds are available in the Task Force / Budget Project.
- (iii) With the General Manager, authorise attendance at day long industry seminars or workshops as the need arises subject to the availability of funds and only where local or domestic travel is involved.

(OM 13.12.04)