



Agenda

Ordinary Meeting

Notice is hereby given that a Ordinary Meeting of Council will be held at Council Chambers, 1 Belgrave Street, Manly, on:

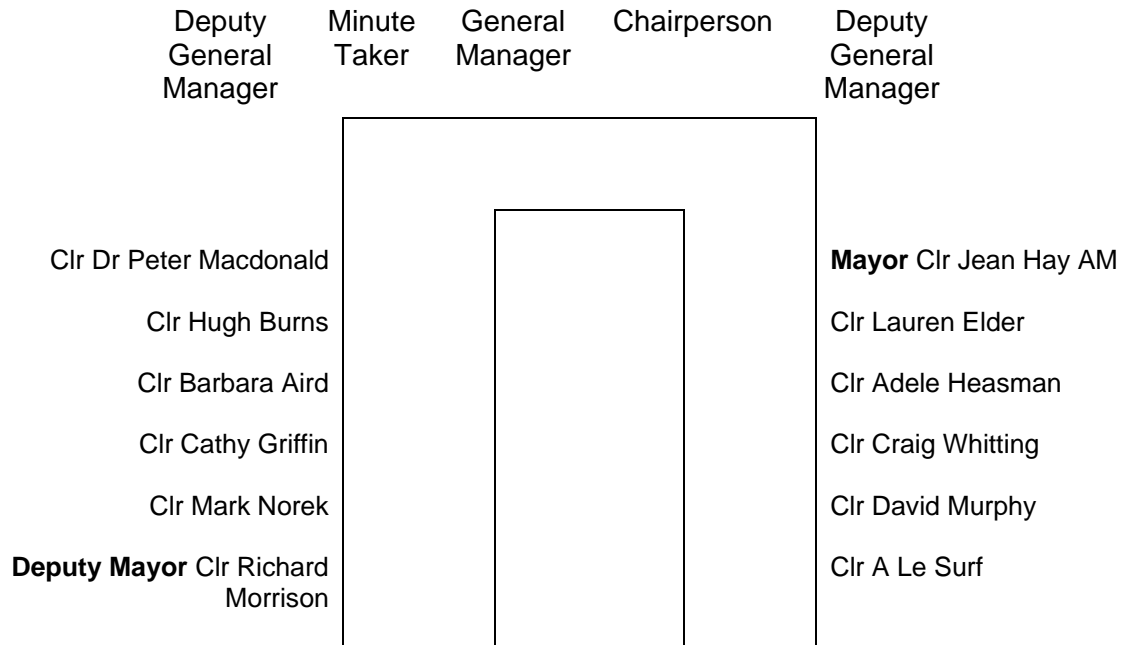
Monday 14 March 2011

Commencing at 7:30 PM for the purpose of considering items included on the Agenda.

Persons in the gallery are advised that the proceedings of the meeting are being taped for the purpose of ensuring the accuracy of the Minutes. However, under the Local Government Act 1993, no other tape recording is permitted without the authority of the Council or Committee. Tape recording includes a video camera and any electronic device capable of recording speech.

*Copies of business papers are available at the Customer Services Counter at Manly Council, Manly Library and Seaforth Library and are available on Council's website:
www.manly.nsw.gov.au*

Seating Arrangements for Meetings



Press

Public
Addresses

Public Gallery

Chairperson: The Mayor, Clr Jean Hay AM
Deputy Chairperson: Deputy Mayor Clr Richard Morrison

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PUBLIC FORUM	
(In accordance with Clause 66 in Council's Code of Meeting Practice, Public Forum is for a maximum of fifteen (15) minutes for <i>matters that are not listed on the Agenda</i> . A total of five (5) people may address Council for a maximum of three (3) minutes each.)	
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CIVIC AND URBAN SERVICES DIVISION**Civic and Urban Services Division Report No. 4**

4 Peronne Avenue, Clontarf – Modification of fence to improve sight distance 26

QUESTIONS WITHOUT NOTICE**MATTERS OF URGENCY**

(In accordance with Clause 241 of the Local Government (General) Regulations, 2005)

CLOSED SESSION**CONFIDENTIAL COMMITTEE OF THE WHOLE****Planning And Strategy Division Report No. 8**

Tender T2011/21 - Stormwater harvesting basin and associated hydraulic works, in
Balgowlah Golf Course

It is recommended that the Council resolve into closed session with the press and public excluded to allow consideration of this item, as provided for under Section 10A(2) (d) of the Local Government Act, 1993, on the grounds that the report contains commercial information of a confidential nature that would, if disclosed (i) prejudice the commercial position of the person who supplied it; or (ii) confer a commercial advantage on a competitor of the council; or (iii) reveal a trade secret.

******* END OF AGENDA *******

TO: Ordinary Meeting - 14 March 2011
REPORT: Notice of Motion Report No. 7
SUBJECT: Seahorse Habitat
FILE NO:

Councillor Cathy Griffin will move:

That Council investigate and report on a viable seahorse habitat friendly and sustainable replacement for the suspended netting currently used for the swimming enclosure at Manly Cove.

RECOMMENDATION

That the Notice of Motion be submitted for consideration.

ATTACHMENTS

There are no attachments for this report.

OM140311NM_1

***** End of Notice of Motion Report No. 7 *****

TO: Ordinary Meeting - 14 March 2011
REPORT: Notice of Motion Report No. 9
SUBJECT: Poll of Residents as to preferred location of local Manly Hospital
FILE NO:

Councillor Hugh Burns will move:

That at the State Election on Saturday 26th March a poll also be carried out in the State Seat of Manly to ask eligible voters to indicate their preferred location for a new or upgraded hospital.

Being:

- a) a substantially knocked down and rebuilt (modernised) Manly Hospital at the existing location on Darley Road North Head (retaining only the original 1929 heritage building)
- b) a newly-built hospital at Frenchs Forest

That fair and impartial "for" and "against" cases be prepared by Council staff for the two locations and development of facilities proposed above.

RECOMMENDATION

That the Notice of Motion be submitted for consideration.

ATTACHMENTS

There are no attachments for this report.

OM140311NM_2

***** End of Notice of Motion Report No. 9 *****

TO: Ordinary Meeting - 14 March 2011
REPORT: Notice of Motion Report No. 10
SUBJECT: Manly Ferry Forward Fleet Planning
FILE NO:

Councillor Hugh Burns will move:

- 1) That Manly Council seeks a firm commitment from Transport NSW and the present government and opposition that a conventional ferry service between Manly and the city of Sydney will be operated and maintained indefinitely.
- 2) That Manly Council calls on the management of Sydney Ferries and Transport NSW to fully outline plans over the next 10 years for continuing to providing suitable vessels to service the Manly to Circular Quay Route.

Such plans are to include but not be limited to details of:

- a) proposed replacement ferries including hull configuration, size, passenger capacity, sea keeping ability, construction cost, funding source and projected purchase timeframes
 - b) life extension investment in the existing four Manly ferries for a further 10 to 20 years service including expected budget, indicative works and timeframe.
- 3) That Manly Council be formally included as a stakeholder representing local residents in all departmental planning meetings for the Manly Ferry Service, including any planned changes as regards operation of the service, including any proposed privatisation of the existing operating franchise (currently held by government run Sydney Ferries).

Background

It is reported that Sydney Ferries believes the economic life of the existing 4 conventional ferries is nearly up with only a five year service life remaining on the MV Freshwater (with a few more years on the other three later built sister ships).

MV Freshwater entered service in December 1982 and was last dry-docked earlier this year in Queensland. To remain in service the four vessels need to be regularly dry docked for hull inspection repair and maintenance. Currently the vessels are dry docked every 5 years.

To replace all four existing ships with similar vessels to existing, constructed new, would be around \$100 million dollars.

RECOMMENDATION

That the Notice of Motion be submitted for consideration.

ATTACHMENTS

There are no attachments for this report.

OM140311NM_3

***** End of Notice of Motion Report No. 10 *****

TO: Ordinary Meeting - 14 March 2011
REPORT: Item For Brief Mention Report No. 4
SUBJECT: Items for Brief Mention
FILE NO:

1. Complaints made to the General Manager as at March 2011

Matter No.	Received	Nature of complaint	Outcome	Status
COMP2010-10-03; COMP2010-10-04	October	Alleged misuse of resources and conflict of interests	No prima facie evidence of breach of code of conduct. No further action.	Finalised
COMP2010-12-03	December	Complaint re compliance matter	No breach of code of conduct. No further action.	Finalised
COMP2010-12-06	December	Complaint re compliance matter	Issues previously dealt with and no supporting evidence. No further action.	Finalised

2. Notices of Motion status report.

The following Notices of Motion are currently in progress.

Res No.	Meeting Date	Subject	Resolution	Status
250/10	13 Dec	Investigation of Feasibility of Tri-generation for Manly Council	That following on from Council's recent Kinesis report results, that Manly Council liaise with City of Sydney to produce a report back to Manly Council on the feasibility, (including environmental and cost benefits) of Council following Sydney's lead in embarking on a program of sourcing its electricity from tri-generation plants. An initial focus for investigation should be the Council Chambers and the Swim Centre.	Report has been requested from Kinesis.
231/10	13 Dec	Tree Policy	That Manly Council develops and publish a Tree Policy to ensure the enhancement, preservation, conservation and increase the number of trees in the Manly LGA. Such a policy would recognise the value of trees in the Manly LGA and guide Council staff, residents, developers and other authorities in the management of trees as an asset in Manly.	Meeting programmed and revised version of draft doc distributed to members.
230/10	13 Dec	Little Penguins	4. Fencing on the boardwalk be upgraded to provide an effective barrier to people, fishermen and dogs entering the nesting areas.	To be completed by Friday 18 March 2011.

Item For Brief Mention Report No. 4 (Cont'd)

			6. Council install CCTV to monitor the nesting area on Federation Point, particularly covering public egress to the nesting sites.	Installation job has been logged with Energy Australia by Council's electrician, we are waiting on a EA reference number to follow up with the inspector.
			8. Dogs be prohibited from entering upon the public reserve including the Federation steps.	Signs being manufactured and installed within 2 weeks.
173/ 10	11 Oct	Road Reserve Lease for 4 Peronne Avenue, Clontarf	Subject to statutory provisions and the Manly Traffic Committee approval, and modifications to the front fence and the proposed layback alteration to improve visibility and sight lines that a 5 year road reserve lease be granted to 4 Peronne Avenue, Clontarf for an area no bigger than that currently defined by the proposed amendments to the existing unauthorised fence.	Report to Council 14 March 2011.
44/ 10	19 April	Manly Council to Investigate Resuming Provision of Street Lighting in the Manly Municipality	<p>That Council conducts an investigation and produces a report on the feasibility or taking over all or part of the street lighting in the Manly Municipality, currently run by Energy Australia at Council's expense.</p> <p>That such a report include but not be limited to the following items:</p> <ul style="list-style-type: none"> - Identification of possible areas to be taken over including staging options and outlining selection methodology/criteria, - Identification of any additional costs or savings from taking over these assets over say a 20 year term. - Consideration of whether the transfer would assist Council to make the street lighting installation more energy efficient and likely cost savings and environmental benefits from such a change. - Consideration of whether such a transfer would enable Council to place more lighting wiring underground to make selected areas more attractive and the installations less prone to damage. - Consideration of whether there would be further cost savings from undertaking the street lighting on a regional or SHOROC based scale. 	Waiting for response from EA.
20/ 11	14 Feb	Manly CBD Tramway Loop	That subject to the Manly 2015 progressing, the Council support the proposed Tram Loop for an initial comprehensive feasibility study as part of the Manly2015 vision.	Draft project report prepared waiting sign off by GM.

Item For Brief Mention Report No. 4 (Cont'd)

19/ 11	14 Feb	Opposition to forced zoning changes which threaten our critical public infrastructure.	1. That Council urgently expresses its strong opposition to the directive of the NSW State Govt. to force Council to change the zoning of our schools, hospitals and public facilities from the protective zoning of "Special Use" or "Special Purpose" to new zonings that match the surrounding area.	Letter sent 5 March 2011.
			2. That Council urgently writes to all major political parties in NSW calling on them to commit to removing this requirement when a new parliament is formed after the election on 26/3/11.	Letter sent 5 March 2011.
			3. That until the State Government determines to allow Council to retain the protective "Special Use" and "Special Purpose" zoning on its critical public infrastructure, Council takes no further steps to process the standard instrument LEP.	Letter sent 5 March 2011.
18/ 11	14 Feb	Dredging project located at Manly Lagoon	That the General Manager provide a report to Council on the dredging project located at Manly Lagoon detailing: 1. The proposed completion date; 2. How much debris has been removed to date, commenting on how council checks and records the amount and where it is discarded; 3. How much sediment has been removed to date, commenting on how council checks and records the amount and where it is discarded; 4. If the exposed sediment island located near Riverview Parade will be removed/dredged by the project's completion; and 5. When will Manly's Lagoon Website be active for residents to follow the project's progress on line.	Report is being prepared and will be presented to the 4 April 2011 OM.
16/ 11	14 Feb	Support for Oz Harvest	In view of the great opportunity to tackle the problems of food waste from businesses and at the same time help those in need in our community, that Manly Council promotes the work of Oz Harvest to businesses in our LGA.	Letter sent to Oz Harvest. Letters prepared and will be sent to all shop owners by 11 March 2011.
08/ 11	14 Feb	Masterplan for the site bounded by Wentworth St, Darley Road, Victoria Parade and South Steyne	1. That design control guidelines be prepared for the site bounded by Wentworth Street, Darley Road, Victoria Parade and South Steyne from which a development control plan could be developed to address the significant access, parking, urban design, landscape and environmental planning issues on the site which Council has previously identified.	Design options being prepared by staff. Letter sent 5 March 2011.

Item For Brief Mention Report No. 4 (Cont'd)

			2. That Council call upon the Leader of the Opposition of NSW to indicate how if elected to government on 26 March 2011 it intends to amend the EPA Act to provide for community consultation and community concurrence to replace part 3A.	Letter sent 5 March 2011.
05/11	14 Feb	Status report (4 Peronne Avenue, Clontarf)	4. That the resolution of Council on 13 December (No.235/10) be reiterated to bring a report back to Council on the feasibility to relocate the centre line, sight distance, no stopping, laybacks and other measures regarding 4 Peronne Avenue, Clontarf.	Report to Council 14 March 2011.
03/11	14 Feb	Public Toilet Facilities	That Council: 1. Bring back a detailed report on the current operational hours of the toilets, likely cost of operating for longer hours and implications if the hours are extended.	Report to P&S 4 April 2011.

3. Documents to be tabled

Date	Author	Subject
9 March 2011	Bernard Carlon Divisional Director, Sustainability Programs, Climate Change, Policy and Program	Non bio-degradable plastic bags in NSW.

RECOMMENDATION

1. That the information be received and noted.
2. That the report be received and noted.
3. That the information be received and noted.

ATTACHMENTS

AT- Inward ltr from Environment, Climate Change and Water regarding plastic
1 bags.

1 Page

OM140311IBM_1

***** End of Item For Brief Mention Report No. 4 *****

ATTACHMENT 1

Item For Brief Mention Report No. 4 - Items for Brief Mention

Inward ltr from Environment, Climate Change and Water regarding plastic bags.



Environment,
Climate Change
& Water

Your reference: 161210/BT:EM
Our reference: MD11/132

Mr Henry Wong
General Manager
Manly Council
PO Box 82
MANLY NSW 1655



Dear Mr Wong

I refer to your letter of 20 December 2010 to the Premier, the Hon Kristina Keneally MP, regarding plastic bags. The Premier referred your correspondence to the Minister for Climate Change and the Environment, the Hon Frank Sartor MP, who then referred it to the Department of Environment, Climate Change and Water, and I am responding on his behalf.

The longstanding goal of the Environment Protection and Heritage Council (EPHC), which comprises Environment Ministers from the Australian, State and Territory Governments, has been to work towards the phase out of plastic bags. This work has already led to a substantial reduction in their use. The EPHC is also progressing the development of a full suite of standards for degradable and biodegradable plastics, so that consumers can be confident these bags perform as claimed.

For the time being, studies show that a reusable bag, such as the common green bag, has less overall environmental impact than the alternatives, even compared to paper bags. The EPHC's work to date has influenced more supermarkets to supply these alternative bags at a cheaper price.

In addition to the national work, the Department recently released *Reducing Waste: Implementation Strategy 2011-2015*, following a comprehensive review and consultation. The implementation strategy is available from our website at <http://www.environment.nsw.gov.au/warr>. The strategy includes accelerating the introduction of compostable bin bags for food waste to enable streaming with garden waste collection and phasing out the use of non-compostable bags (other than reusable carry bags) in food and grocery outlets.

I trust this information is of assistance.

Yours sincerely

BERNARD CARLON
Divisional Director
Sustainability Programs
Climate Change, Policy and Program

PO Box 3720 Parramatta NSW 2124
10 Valentine Ave Parramatta NSW
Tel: (02) 9895 6211 Fax: (02) 9895 7834
ABN 30 841 387 271
www.environment.nsw.gov.au

TO: Ordinary Meeting - 14 March 2011
REPORT: Report Of Committees Report No. 8
SUBJECT: Minutes for Adoption by Council - Special Purpose Committees - without recommendations of a substantial nature.
FILE NO:

The minutes of the following Special Purpose Committee Meetings are tabled at this meeting.

Minutes of Meetings for adoption without recommendations of a substantial nature.

- i) Audit and Risk Committee – 23 November 2010
- ii) Meals on Wheels Committee – 9 February 2011

RECOMMENDATION

That the minutes of the following Special Purpose Committee Meetings be adopted:

- i) Audit and Risk Committee – 23 November 2010
- ii) Meals on Wheels Committee – 9 February 2011

ATTACHMENTS

There are no attachments for this report.

OM140311RC_1

***** End of Report Of Committees Report No. 8 *****

TO: Ordinary Meeting - 14 March 2011
REPORT: Report Of Committees Report No. 9
SUBJECT: Minutes for Adoption by Council - Traffic Committee - 14 February 2011
FILE NO:

This report was dealt with at the Traffic Committee meeting of 14 February 2011 and was listed as a Recommendation in those minutes. The item is hereby submitted to the Ordinary Meeting, together with the minutes for formal adoption by Council.

1. ITEM 6/11 4 PERONNE AVENUE, CLONTARF – MODIFICATION OF FENCE TO IMPROVE SIGHT DISTANCE

For Council to determine the appropriate action to address the safety concerns of the residents of Number 2 Peronne Avenue Clontarf.

RECOMMENDATION

That the minutes of the Traffic Committee meeting on 14 March 2011 be adopted including the following items:

1. ITEM 6/11 4 PERONNE AVENUE, CLONTARF – MODIFICATION OF FENCE TO IMPROVE SIGHT DISTANCE

That the fence line of 4 Peronne Avenue is modified, as shown on Drawing attached to these minutes, so that a minimum forward visibility of 45m is achieved for vehicles exiting Number 2 Peronne Avenue and sufficient space is provided for the resident of Number 2 Peronne Avenue to turn and exit onto Peronne Avenue in a forward direction.

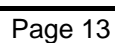
ATTACHMENTS

AT- 1 Drawing 4 Peronne Ave Clontarf 1 Page

OM140311RC_2

***** End of Report Of Committees Report No. 9 *****

Report Of Committees Report No. 9 - Minutes for Adoption by Council - Traffic Committee - 14 February 2011
Drawing 4 Peronne Ave Clontarf



TO: Ordinary Meeting - 14 March 2011
REPORT: Corporate Services Division Report No. 4
SUBJECT: Constitutional Recognition of Local Government - A Role for Councils
FILE NO:

SUMMARY

Over the past year the Australian Local Government Association (ALGA) has been running a campaign for a referendum on the constitutional recognition of Local Government and has been providing copies of fact sheets and brochures designed to highlight the importance of local government to local communities. Advice has now been received from ALGA inviting Council to become directly engaged in the campaign for constitutional recognition by passing a resolution endorsing the position that a referendum be held by 2013 to change the constitution.

REPORT

Following the 2010 Federal Election the Prime Minister committed to holding a dual referendum on the constitutional recognition of local government and the recognition of Indigenous Australians. The referendum is likely to be held in conjunction with the 2013 Federal Election. The challenge for local government is threefold: to ensure the referendum is held; to ensure that the type of recognition sought meets its requirements; and to make sure the referendum is successful.

The need for constitutional change was highlighted by the decision of the High Court in *Pape v Federal Commissioner of Taxation*. In that case the High Court set out limitations of the Australian Governments powers and, in doing so, clearly indicated that the Australian Government does not have the powers to fund local government directly.

Therefore it is necessary for the constitution to be changed to give the Federal Government the capacity to fund Councils directly.

ALGA have not ruled out recognition of local government in a Preamble to the Constitution if one is proposed but such limited recognition alone would not meet local government's requirements and address the uncertainty highlighted by the *Pape* case.

The form of financial recognition of local government proposed by ALGA has been endorsed by all local government associations and it is important that the position also be endorsed by all councils. It is ALGA's intention that a Constitutional Declaration for Councils be submitted for signature by council representatives at the conclusion of the 2011 National General Assembly of Local Government on 22 June 2011.

Councils are asked to write to the Prime Minister, the Leader of the Opposition and their local Federal Member of Parliament to advise them of Council's support for recognition after councils have passed a resolution (enclosed are suggested text for such letters)

RECOMMENDATION

That Manly Council declares its support for financial recognition of local government in the Australian Constitution so that the Federal Government has the power to fund local government directly and also for inclusion of local government in any new Preamble to the Constitution if one is proposed, and calls on all political parties to support a referendum by 2013 to change the Constitution to achieve this recognition.

ATTACHMENTS

AT- 1 ALGA - Constitutional Recognition of Local Government 2 Pages
OM140311CSD_2

***** End of Corporate Services Division Report No. 4 *****

ATTACHMENT 1

Corporate Services Division Report No. 4 - Constitutional Recognition of Local Government - A Role for Councils

ALGA - Constitutional Recognition of Local Government

AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION



Cr Jean Hay
Mayor
Manly Council
PO Box 82
MANLY NSW 1655



Dear Mayor Hay,

Constitutional Recognition of Local Government – A role for Councils

In June last year, following the 2010 National General Assembly of Local Government, Geoff Lake wrote to you providing an update of progress on the Australian Local Government Association's (ALGA's) campaign for a referendum on the constitutional recognition of local government and providing copies of fact sheets and a brochure designed to highlight the importance of local government to local communities. I am now writing to advise you of further progress and to invite your council to become directly engaged in the campaign for constitutional recognition.

Following the 2010 Federal Election, Prime Minister Gillard committed to holding a dual referendum on the constitutional recognition of local government and the recognition of Indigenous Australians. The referendum will most likely be held in conjunction with the 2013 Federal Election. The challenge for local government is now threefold: to ensure the referendum is held; to ensure that the type of recognition sought meets our requirements; and to make sure we have a positive result in the referendum itself.

ALGA has devoted considerable resources over the past three years to developing the case for constitutional reform and the need for reform. That need was highlighted in stark terms in 2009 by the decision of the High Court in *Pape v Federal Commissioner of Taxation*. In that case the High Court set out the limitations of the Australian Government's powers and, in doing so, clearly indicated that the Australian Government does not have the power to fund local government directly.

It is obviously in the best interests of local communities that Federal Governments, whatever their political persuasion, have the capacity to fund councils directly to achieve national objectives. This is why our preference is for a pragmatic and simple change to the Constitution (most likely to Section 96) which would allow direct funding to continue. ALGA's research shows that this simple and pragmatic change is most likely to garner the necessary public support. ALGA has not ruled out recognition of local government in a Preamble to the Constitution if one is proposed but such limited recognition alone would not meet local government's requirements and address the uncertainty highlighted by the *Pape* case.

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ATTACHMENT 1

Corporate Services Division Report No. 4 - Constitutional Recognition of Local Government - A Role for Councils

ALGA - Constitutional Recognition of Local Government

The form of financial recognition of local government proposed by ALGA, which will not impact on the relationship between councils and state governments, has been endorsed by your local government association and all other state and territory local government associations. ALGA believes it is now important that this position also be endorsed by all councils to demonstrate to Federal and state governments, oppositions and political parties that the position has widespread support within local government.

I am therefore writing to all councils to ask them to pass a resolution in council chambers in the first few months of 2011 endorsing the position that a referendum be held by 2013 to change the Constitution to allow direct funding of local government bodies by the Commonwealth Government and also to include local government in any new Preamble to the Constitution if one is proposed. I have attached the draft text of a possible resolution for your assistance.

It is ALGA's intention that a Constitutional Declaration for Councils will be submitted for signature by council representatives at the conclusion of the 2011 National General Assembly of Local Government on 22 June 2011. ALGA's objective is that all councils will be in a position to sign the Declaration supporting financial recognition at that time.

As part of local government's campaign, it is also important to ensure that national political leaders are left in no doubt about our commitment to constitutional recognition. I am therefore also asking that councils write to the Prime Minister, the Leader of the Opposition and their local Federal Member of Parliament to advise them of councils' support for recognition after councils have passed a resolution in council chambers. I have enclosed some suggested text for such letters which you might find useful.

I will be writing to you again in the coming months with further materials which will help council in a campaign to win broad public support for constitutional recognition. While the challenge of reform is substantial, I have no doubt that by working together we can overcome any obstacles and bring about a much more sustainable and secure future for councils and local communities throughout Australia.

Yours sincerely



Cr Genia McCaffery
President

TO: Ordinary Meeting - 14 March 2011
REPORT: Corporate Services Division Report No. 5
SUBJECT: Report on Council Investments as at 31 January 2011
FILE NO:

SUMMARY

In accordance with clause 212 of the Local Government (General) Regulation 2005, a report setting out the details of money invested must be presented to Council on a monthly basis.

The report must also include certification as to whether or not the Investments have been made in accordance with the Act, the Regulations and Council's Investment Policy.

REPORT

Council is required to report on a monthly basis, all invested funds which have been made in accordance with the Local Government Act 1993, The Local Government (General) Regulation 2005, and Council's Investment Policy.

Attached is the report of the bank balances and investment performance for January 2011.

Legislative & Policy Implications

Manly Council Investment Policy
Section 625 Local Government Act 1993
Clause 212 Local Government (General) Regulation 2005
DLG Circular 08-48 – Ministerial Investment Order
DLG Circular 10-11 – Investment Policy Guidelines

Certification – Responsible Accounting Officer

I hereby certify that the investments listed in the attached report have been made in accordance with Section 625 of the Local Government Act 1993, clause 212 of the Local Government (General) Regulation 2005 and Council's Investment Policy.

The following securities held are currently rated less than the minimum required under the Ministerial Investment Order. Council is permitted to hold securities under the grandfathering clause in the Ministerial Investment Order dated 31 July 2008.

- Flinders CDO currently rated BB
- Parkes CDO currently rated CCC-
- Scarborough CDO currently rated CCC-
- Torquay CDO currently rated CC
- Coolangatta CDO – B+ (unwinding)
- Global Bank Note - B- (unwinding)

Investment Performance

The Investment Report shows that Council has total Investments of \$14,355,153, comprising a combined Bank Balance of \$768,249; and Investment Holdings of \$10,536,904 directly managed and \$3,050,000 externally managed.

Investments overall performed above the 90 day average Bank Bill Swap Rate (BBSW) for the month providing a return of 5.27% (Council Benchmark =5.02% - benchmark is 90 day average BBSW)

Corporate Services Division Report No. 5 (Cont'd)

The reduced interest returns for January are a result of several investments not paying interest coupons and initiating capital guarantee mechanisms to protect the investment. These include Emu Note (Dresdner Bank), ANZ Climate Change Trust, and Lehman Bros Zircon (Coolangatta) and Beryl (Global Bank Note).

The average rate of return for investments paying interest is 6.21%

Lehman Brothers Australia (Grange) Portfolio Performance

Return on Lehman Brothers Australia Limited (Grange) Managed Funds since inception was 3.63%, less than the benchmark UBSWA Index of 5.55% (for the month of January 2011 the monthly return was 0.82% above the benchmark UBSWA Index). Whilst the current market value of these investments (included in the report for information) shows a reduction in the value and the returns reported by Lehman Brothers Australia (Grange) indicate a return below benchmark, it is important to note that the Investments are recorded by Council at their original principal face value, and there would be no erosion of Council's initial capital investment if the investment continues to be held at the present time to maturity.

Movements in Investments for the Month of January 2011**Investments Made**

<u>Issuer</u>	<u>Particulars</u>	<u>Face Value</u>
Police & Nurses Credit Union	Term Deposit	\$500,000.00

Investments Matured

<u>Issuer</u>	<u>Particulars</u>	<u>Face Value</u>	<u>Redeemed Value</u>
Police & Nurses Credit Union	Term Deposit	\$500,000.00	\$500,000.00

Comment

The Reserve Bank decided at its February meeting to leave the cash rate unchanged. This decision saw a slight softening in both the BBSW rates and term deposit rates. However, competition amongst ADIs still provided opportunities to pick up good term deposit rates. Some of the major banks were quite aggressively seeking funds and they offered some very good rates.

The outlook for the economy is mixed with some commentators now indicating that interest rates may not rise again until around June. The recent severe natural disasters are expected to reduce economic growth in the short term but a major pick up is predicted in the second half of the year when the reconstruction phase commences. Inflation remains the biggest uncertainty, with strong commodity prices, fresh food shortages caused by the disasters and rising petrol prices indicating that inflationary pressures may rise in the near term. If this occurs then the Reserve Bank may act to increase interest rates earlier than expected.

RECOMMENDATION

That: the statement of Bank Balances and Investment Holdings as at 31 January 2011 be received and noted.

ATTACHMENTS

AT- 1 Investment Report

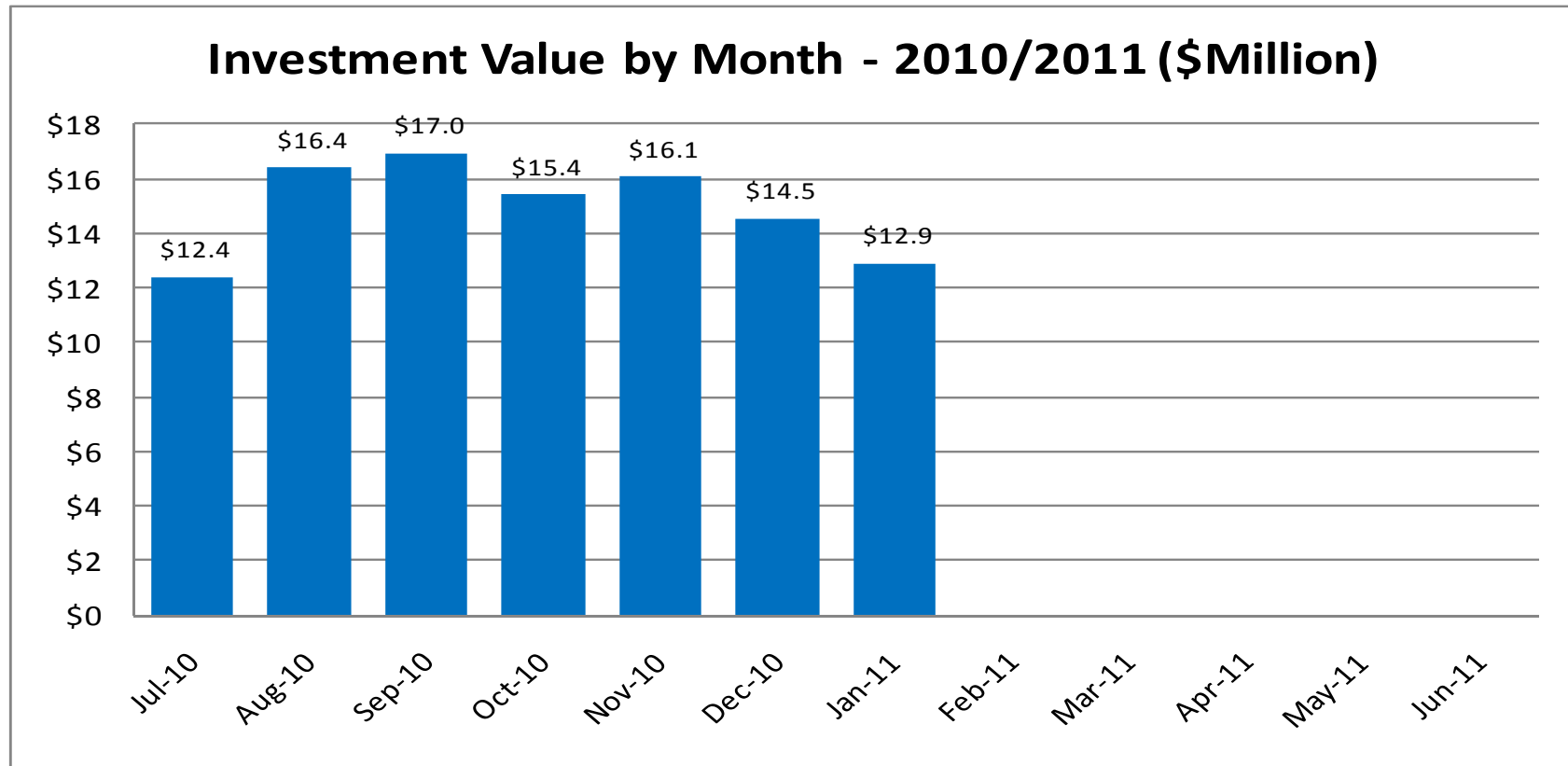
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***** End of Corporate Services Division Report No. 5 *****

ATTACHMENT 1

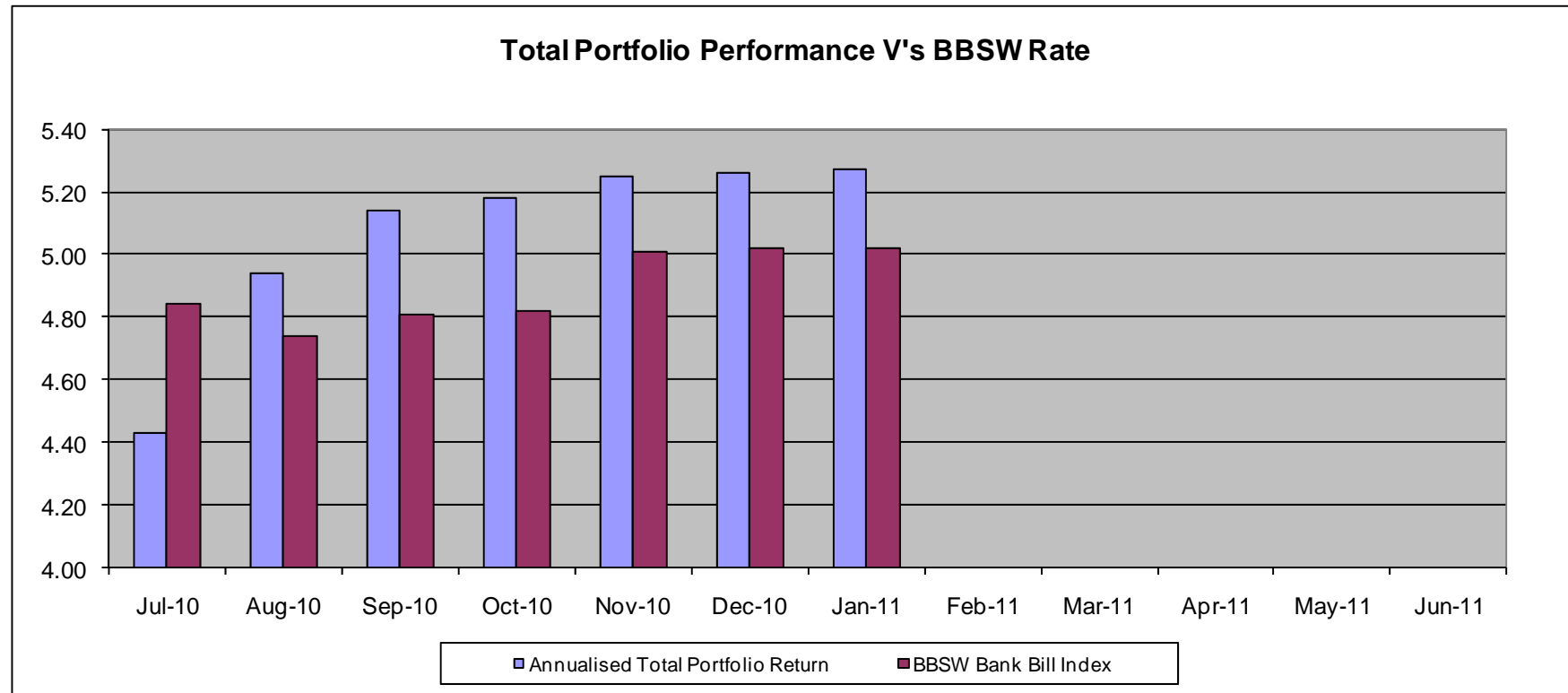
Corporate Services Division Report No. 5 - Report on Council Investments as at 31 January 2011 Investment Report

MANLY COUNCIL INVESTMENT PORTFOLIO as at 31 January 2011										Investment Returns Interest Rate	Interest Accrual	
	Form of Investment	Investment in AUSS\$		Percentage of Portfolio	S & P Rating	Date Invested	Call/Maturity Date				YTD	Jan 2011
Directly Managed Funds												
Trading Account												
CBA Trading Account	Cash	768,249	<i>Market Val</i> 768,249	5.35%	AA -	.	.			3% ⁽³⁾	\$ 27,459	\$ 5,607
Others												
Emu Note - Dresdner Bank	Structured Note	500,000	382,750	3.48%	AAA	25/10/2005	13/12/2012			0.00%	\$ -	\$ -
ANZ Climate Change Trust	Structured Note	500,000	423,310 ⁽⁵⁾	3.48%	AA	21/12/2007	21/12/2013			0.00%	\$ -	\$ -
Credit Union Australia	Term Deposit	500,000	500,000	3.48%	Cr Union	23/08/2010	21/02/2011			6.18%	\$ 13,630	\$ 2,624
Bank of Queensland	Term Deposit	500,000	500,000	3.48%	BBB+	5/07/2010	30/06/2011			6.30%	\$ 18,123	\$ 2,675
Adelaide and Bendigo Bank	Term Deposit	719,877	719,877	5.01%	BBB+	5/07/2010	30/06/2011			6.20%	\$ 25,679	\$ 3,791
Suncorp Metway	Term Deposit	500,000	500,000	3.48%	AA	6/07/2010	30/06/2011			6.30%	\$ 18,123	\$ 2,675
ING Direct Limited	Term Deposit	453,004	453,004	3.16%	A	23/08/2010	23/02/2011			6.36%	\$ 12,708	\$ 2,447
ING Direct Limited	Term Deposit	445,550	445,550	3.10%	A	23/08/2010	23/02/2011			6.36%	\$ 12,499	\$ 2,407
AMP Limited	Term Deposit	500,000	500,000	3.48%	A	8/09/2010	8/09/2011			6.31%	\$ 12,534	\$ 2,680
Savings & Loans Credit Union	Term Deposit	500,000	500,000	3.48%	Cr Union	6/10/2010	5/04/2011			6.11%	\$ 9,793	\$ 3,042
Heritage Building Society	Term Deposit	500,000	500,000	3.48%	BBB+	19/10/2010	18/04/2011			6.10%	\$ 8,774	\$ 2,590
Credit Union Australia	Term Deposit	500,000	500,000	3.48%	Cr Union	29/11/2010	30/05/2011			6.36%	\$ 5,489	\$ 2,701
Community CPS Credit Union	Term Deposit	500,000	500,000	3.48%	Cr Union	8/12/2010	7/03/2011			6.25%	\$ 4,623	\$ 2,654
Defence Force Credit Union	Term Deposit	500,000	500,000	3.48%	Cr Union	7/12/2010	7/03/2011			6.25%	\$ 4,716	\$ 2,658
Police & Nurses Credit Union	Term Deposit	500,000	500,000	3.48%	Cr Union	5/01/2011	5/04/2011			6.00%	\$ 2,137	\$ 2,137
LGFS Fixed Out-Performance Cash Fund	@ Call	58,270	58,270	0.41%	AA -	At call	At call			5.61%	\$ 1,798	\$ 272
LGFS Ethical Fund	@ Call	32,391	32,391	0.23%	A	At call	At call			7.46%	\$ 1,217	\$ 199
Macquarie Cash Management Account	@ Call	216	216	0.00%	AAA	At call	At call			4.50%	\$ 4,772	\$ 1
AMP Limited	@ Call	2,540,373	2,540,373	17.70%	A	At call	At call			5.75%	\$ 52,379	\$ 12,404
Commonwealth Bank	@ Call	287,222	287,222	2.00%	AA -	At call	At call			4.00%	\$ 78,338	\$ 9,959
Total		10,536,904	10,342,964	73.40%								
Total Directly Managed Funds		11,305,153	11,111,213									
Lehman Brothers Australia (Grange) Managed Funds (All in AUSS\$)												
Approved Deposit Institutions (Bank)												
HSBC	Floating Rate Note	500,000	500,335	3.48%	AA	20/03/2007	22/09/2011			5.28%	\$ 15,162	\$ 2,194
Total		500,000	500,335	3.48%								
Interest Bearing Securities (Non Bank)												
Magnolia (Flinders)	Floating Rate CDO	300,000	266,304	2.09%	BB	20/03/2007	20/03/2012			6.45%	\$ 11,188	\$ 1,626
MAS6-7 (Parkes IIA)	Floating Rate CDO	500,000	37,555	3.48%	CCC -	20/03/2007	20/06/2015			8.25%	\$ 14,452	\$ 3,465
Heli0308 (Scarborough)	Floating Rate CDO	250,000	31,205	1.74%	CCC -	21/06/2007	23/06/2014			6.83%	\$ 8,251	\$ 1,419
Corsair (Torquay)	Floating Rate CDO	500,000	7,025	3.48%	CC	20/03/2007	20/06/2013			6.60%	\$ 11,318	\$ 2,772
Zircon (Coolangatta)	Floating Rate CDO	500,000	445,000	3.48%	B+	20/03/2007	20/09/2014			0.00%	\$ -	\$ -
Beryl (Global Bank Note)	Floating Rate Note	500,000	510,000	3.48%	B -	3/04/2007	20/09/2014			0.00%	\$ -	\$ -
Total		2,550,000	1,297,089	17.76%								
Total Grange Managed Funds		3,050,000	1,797,424	21.25%								
Retired Investments											\$ 98,214	-\$ 54
TOTAL PORTFOLIO		14,355,153	12,908,637	100.00%						5.27%	\$ 473,376	\$ 74,945
BENCHMARK										5.02%		
Notes:												
1 Benchmark is 90 day Average BBSW												
2 CDO - Collateralised Debt Obligation												
3 Balances less than \$250,000 earn 3% , \$250,000 to \$499,999 earn 3.25% , \$500,000 to \$750,000 earn 3.5% & greater \$750,000 earn 3.75%												
4 CBA Trading & At Call account not included in the monthly portfolio return calculation												
5 Valuation as at 31 December 2010												
In 2008 Council's Portfolio was written down from Face Value to its Market Value by \$2.2million. Since then there has been partial recovery of some write downs and overall there has been no further deterioration in Council's Portfolio Market Value												

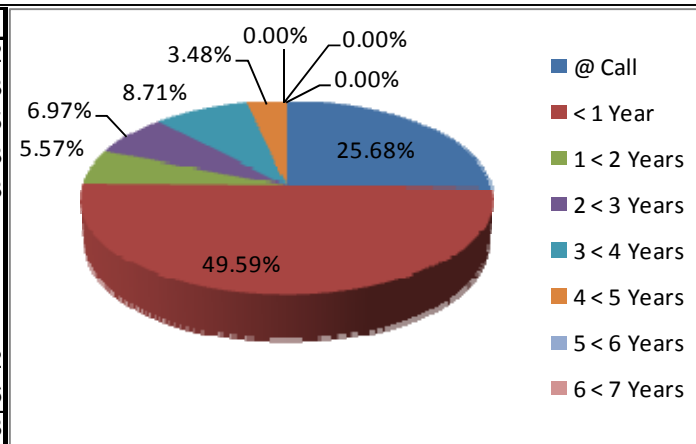


ATTACHMENT 1

Corporate Services Division Report No. 5 - Report on Council Investments as at 31 January 2011 Investment Report

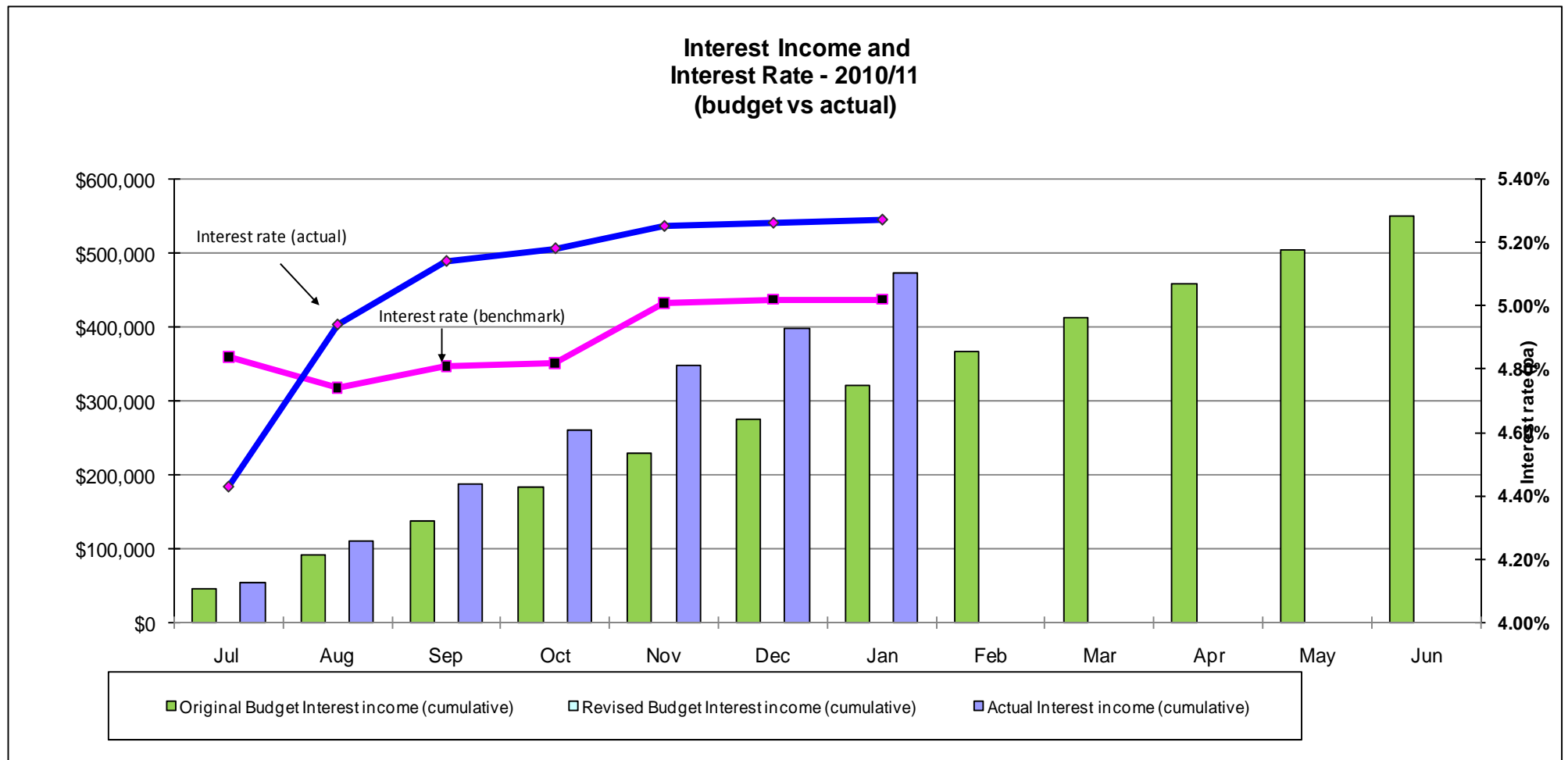


Summary by Credit Rating		No.
AAA	3.48%	2
AA	10.45%	3
A	27.66%	5
AA-	7.76%	3
BBB+	11.98%	3
BB	2.09%	1
B+	3.48%	1
B-	3.48%	1
CC	3.48%	1
CCC-	5.22%	2
Credit Union	20.90%	6
	100.00%	28



Corporate Services Division Report No. 5 - Report on Council Investments as at 31 January 2011

Investment Report



TO: Ordinary Meeting - 14 March 2011
REPORT: Corporate Services Division Report No. 6
SUBJECT: Revenue Policy – Application for Special Rate Variation
FILE NO:

SUMMARY

This report provides information to Council on the process should Council resolve to seek a Special Variation to General Income.

REPORT

Recent changes to regulation of local government rates and charges included the transfer to the Independent Pricing and Regulatory Tribunal (IPART) for:

- the setting of the annual “rate peg”,
- the assessment and determination of council’s application for special variations, and
- the assessment and determination of council’s application to increase ordinary and/or special rate minimums above statutory limit.

As a result Council is now required to make an application to IPART for a Special Variation to General Income (in lieu of the Division of Local Government), and to include details in its Draft Community Strategic Plan.

Report

IPART have set a 2.8% general variation rate increase for 2011/2012, based on a Local Government cost index of 3% less a productivity factor of 0.2%.

A 2.8% rate peg increase equates to an increase in general rates revenue of approximately \$666,000. (Total estimated general rate revenue for 2011/2012 is \$24,475,000).

However this barely keeps pace with inflation, wages and other costs increases, and increases in government fees and charges (for example the NSW Fire Brigade Levy increased by \$50,750 (10.6%) in 2010/11; Street lighting charges increased by \$225,000 as a result of a 50% increase in public lighting assets. These two increases alone account for over 41% of the permissible rate peg increase. These increases are on top of other cost shifting costs by the State Government, such as the Department of Planning Levy, Valuer General Fees, etc).

Other cost increases that Council will have to factor into the 2011/2012 Budget include an award salaries and wages increase (2.1% from 1 July); CPI increases in contractors charges; increases in materials and fuel costs; increases in electricity charges for Council facilities.

At the Council Weekend Workshop held 5th – 6th February 2011, amongst the presentations made to Councillors, was a Draft Infrastructure Asset Management Strategy and Policy. The Draft Infrastructure Asset Management Strategy and Policy indicated there was a gap of some \$2.79 Million for asset maintenance and replacement.

One of the recommendations from the Weekend Workshop, recommended that Council seek a 6% special variation rate increase, being 4% for infrastructure levy and 2% environment levy.

There are two (2) types of applications a Council can make for a special rate variation: -

Corporate Services Division Report No. 6 (Cont'd)

1. Section 508(2) – one off percentage increase. This percentage increase can be applied to a specific year and can be ongoing, or for a fixed period of years. For example if Council had to fund an initiative that has a limited life span, the increase would only apply for that period.
2. Section 508A – multi-year percentage increase for fixed period up to 7 years. This allows a Council to apply multiple increases to rates for between 2 and 7 years.

Applications for Special Variation are linked with Councils Integrated Planning & Reporting requirements. Thus IPART's consideration of special variations takes into account the IP&R framework and encourages councils to provide services that reflects their community's demands.

Councils may apply for a special variation for a range of purposes, such as:

- Community service requirements (eg unmet demand for services, demand for new services or community support for enhanced services);
- Infrastructure requirements (including essential infrastructure associated with new developments or to address infrastructure backlogs);
- Projects of regional significance;
- Other special or unique cost pressures.

The purpose for which the special variation is being made will generally dictate the type of special variation (i.e. under S.508(2) or S.508A).

Consequently the assessment criteria for each of these is different, as each would have a different impact on Council's financial position and on its ratepayers.

Timetable for Applications

Task	Timeframe
Release guidelines	December 2010
Workshops with councils	November-December 2010
Deadline for councils to notify intention to apply for a s508A variation	28 January 2011
Applications for s508(2) single year variations due	25 March 2011
Applications for s508A variations due	25 March 2011
Applications for minimum rate variations due	25 March 2011
Determine applications	10 June 2011

In making an application for a special variation, Council must show that it has satisfied the following criteria:

- Demonstrated need
- Community consultation (this could be by public meetings, consulting with reference groups, etc)
- Reasonable impact on ratepayers
- Sustainable financing strategy consistent with principles of intergenerational equity
- Productivity improvements in the past and planned.

Corporate Services Division Report No. 6 (Cont'd)

Given the tight timeframe to make an application, and the requirement for Council to consult with the Community as part of the application process, it is doubtful that Council would be able to meet the deadline imposed by IPART to lodge an application this year.

Should Council resolve to proceed with an application for a special rate variation, Council would need to seek an extension of time for lodgement with IPART.

RECOMMENDATION

That the report be received and noted.

ATTACHMENTS

There are no attachments for this report.

OM140311CSD_3

***** End of Corporate Services Division Report No. 6 *****

TO: Ordinary Meeting - 14 March 2011
REPORT: Civic and Urban Services Division Report No. 4
SUBJECT: 4 Peronne Avenue, Clontarf – Modification of fence to improve sight distance
FILE NO:

SUMMARY

For Council to determine the appropriate action to address the safety concerns of the residents of Number 2 Peronne Avenue.

REPORT

Council at its' meeting of 13 December 2010, in adopting the Minutes of the Manly Local Traffic Committee meeting held 8 November 2010 resolved that:

“Item 77/10, 4 Peronne Avenue, Clontarf to allow the Traffic Engineer to provide further advice to Council on the feasibility to relocate the centre line, sight distance, no stopping, laybacks and other measures Council take no action to remove the fence in the meantime.”

At their meetings on the 8 November and 13 December 2011, Council considered whether the existing fence in front of the garage of 4 Peronne Avenue, Clontarf should be modified to improve the sight distance for vehicles exiting the neighbouring driveway of 2 Peronne Avenue.

The installation of a fence around the the garage of 4 Perone Avenue has reduced the visibility for vehicles exiting the driveway of 2 Peronne Avenue as well as preventing drivers turning so that they can enter Peronne Avenue in a forward direction.

The agenda to the 8 November 2010 meeting of the MLTC explained that:

- For a road with a 50km/h design speed the recommended minimum safe stopping distance (this is the distance a driver needs to see, react and come safely to a stop) is 45m (*Road Design Guide*, RTA 2002)
- To achieve the minimum recommended sight distance for vehicles exiting 2 Peronne Avenue would require the fence along the southern side of the garage and 4.8m of the fence along the frontage of 4 Peronne Avenue be removed
- Removal of these sections of the fence would also allow a vehicle to be manoeuvred so that it could exit the driveway of 2 Peronne Avenue in a forward direction rather than having to reverse onto Peronne Avenue.

Based on the above information, it was recommended to the MLTC that Council authorise the removal of this fence. Council resolved (Report No. 49 , item 173/10):

“Subject to statutory provisions and the Manly traffic Committee approval , and modifications to the front fence to improve visibility and sight lines that a 5 year road reserve lease be granted to 4 Peronne Avenue, Clontarf for an area no bigger than that currently defined by the existing unauthorised fence.”

Following the 8 November 2010 MLTC meeting, to assist them to make a recommendation, members were provided with:

- A report prepared by the external traffic engineering consultant Mr Craig McLaren which recommended that: “the obstructing fence be removed” [to improve sight lines], and;

Civic and Urban Services Division Report No. 4 (Cont'd)

- Information regarding the legality of the fence from General Counsel which advised that: "a portion of the fence structure at the front of 4 Peronne Avenue, Clontarf is an unauthorised structure. In particular, the section of the fence forward of the garage is located on Council owned land, namely road reserve, for which the owner does not have a lease. Accordingly, Council is entitled to order the removal of this section of the fence".

In response to the above advice the MLTC members advised that they were in support of the removal of the fence.

Subsequently, council officers discussed the removal of the fence with the resident of 4 Peronne Avenue. The resident stated that the fence was installed for security, and that as it has been in place for some time it should remain.

A possible solution was taken to the 13 December meeting of the MLTC which recommended modifying the fence line so that the minimum safe stopping distance of 45m is achieved even though this would not provide sufficient space for the resident of 2 Peronne Avenue to maneuver and exit their driveway in a forward direction. Council resolved on the 13 December that (Report No. 50, item 235/10):

1. *That the Minutes of the Manly Traffic Committee meeting held 13 December 2010 be adopted with the exception of Item 77/10, 4 Peronne Avenue, Clontarf to allow the Traffic Engineer to provide further advice to Council on the feasibility to relocate the centre line, sight distance, no stopping, laybacks and other measures.*
2. *Council take no action to remove the fence in the meantime.*

REPORT:

Peronne Avenue is approximately 10.0m wide. This road width provides sufficient space for two 3.5m traffic lanes of traffic and a 3.0m parking lane on the western side of the road (see Attachment 2).

In 2009 the centre line of Peronne Avenue was realigned, between the entry to Contarf Reserve and approximately No. 19 Peronne Avenue. The realignment of the centre line located all parking onto the western side of the road. This provided an increased number of parking spaces and improved the flow of traffic. The relocation of the centre line also moved the southbound traffic lane closer to the property entrances on the eastern side of the street, including properties No. 2 and 4.

The centre line could be relocated to improve the sight distance for vehicles exiting No. 2 Peronne Avenue (refer to Attachment 1). This would require the loss of some parking (approximately 20 spaces) and would require the construction of a kerb build-out, on the eastern side of Peronne Avenue. This kerb build-out would physically prevent vehicles encroaching on the edge of the road when travelling south.

Construction of a kerb build-out and the relocation of the centerline are estimated to cost approximately \$10,000 (excluding any costs associated with drainage or utilities). In addition, approximately 20 parking spaces would need to be removed. These spaces would be the spaces nearest to the Contarf Reserve which are in high demand at weekends and holidays. Because of the cost and loss of parking, the proposal to move the centre line is not recommended.

There is currently no parking permitted on the eastern side of Peronne Avenue so restricting parking will not improve the visibility for vehicles exiting 2 Peronne Avenue.

The option of improving the setback of the driveway to 2 Peronne Avenue is not feasible. This is because of the steep angle of the driveway (see Attachment 2).

Civic and Urban Services Division Report No. 4 (Cont'd)

The proposal to modify the fence would provide the residents of No. 2 adequate visibility to exit their property. Modifying the fence could also provide sufficient space for a standard sized car to turn and exit in a forward direction.

RECOMMENDATION

That the fence line of 4 Peronne Avenue is modified, as shown on Drawing attached to these minutes, so that a minimum forward visibility of 45m is achieved for vehicles exiting Number 2 Peronne Avenue and sufficient space is provided for the resident of Number 2 Peronne Avenue to turn and exit onto Peronne Avenue in a forward direction. (Refer to Attachment 1).

ATTACHMENTS

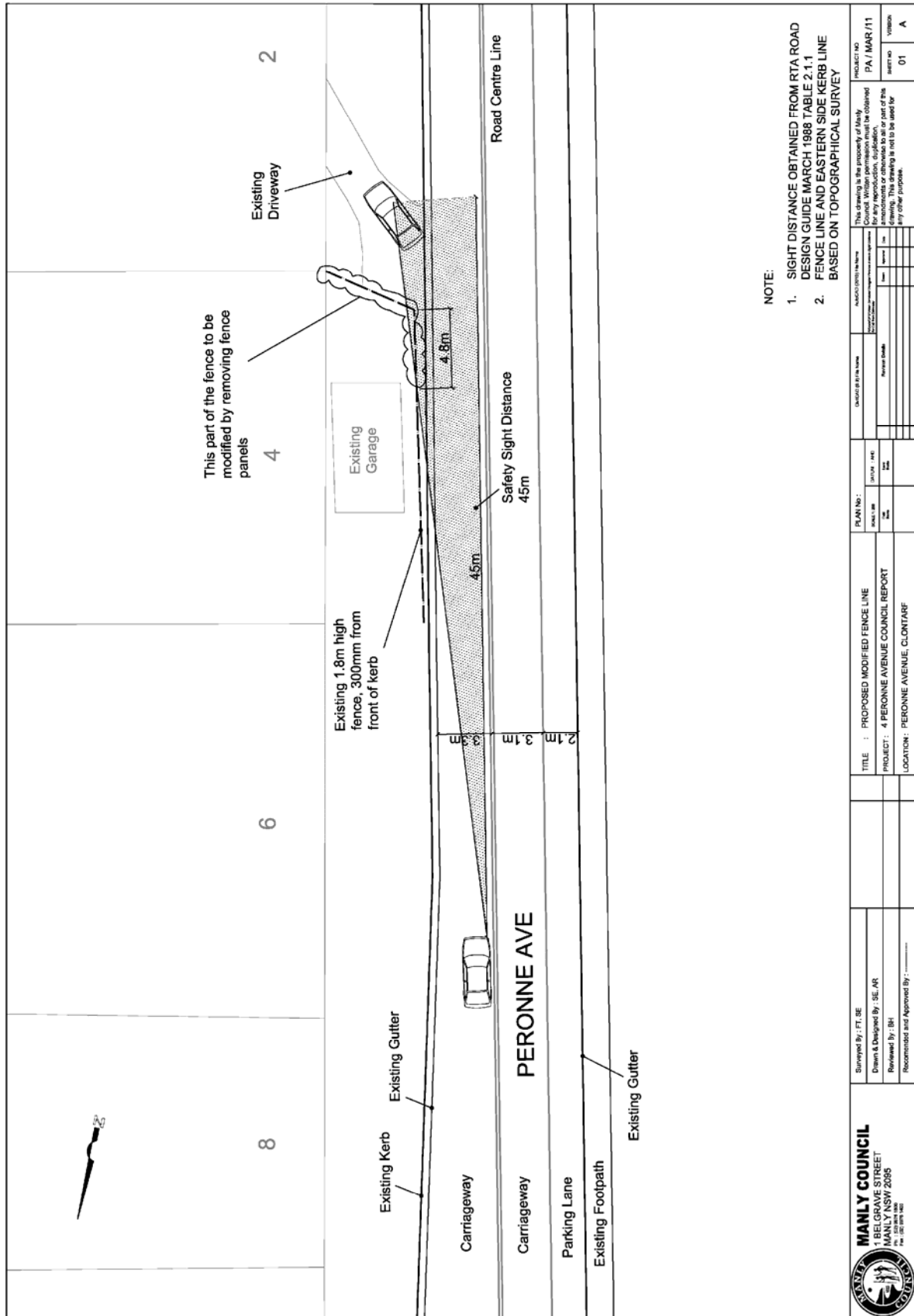
- AT- 1** Proposed relocation of centre line - 4 Peronne Avenue, Contarf 1 Page
AT- 2 Photographs - 2 and 4 Peronne Avenue 1 Page

OM140311CSU_2

***** End of Civic and Urban Services Division Report No. 4 *****

ATTACHMENT 1

Civic and Urban Services Division Report No. 4 - 4 Peronne Avenue, Clontarf – Modification of fence to improve sight distance Proposed relocation of centre line - 4 Peronne Avenue, Clontarf



ATTACHMENT 2

Civic and Urban Services Division Report No. 4 - 4 Peronne Avenue, Clontarf – Modification of fence to improve sight distance Photographs - 2 and 4 Peronne Avenue



Photo 1: Showing centreline and parking lane at 2 and 4 Peronne Avenue



Photo 2: Access to No 2 and 4 Peronne Avenue

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