

SHOALHAVEN CITY COUNCIL

EXTRA – ORDINARY MEETING

To be held on Monday, 25 January, 2016
Commencing at 4.00 pm.

City Administrative Centre
Bridge Road
NOWRA NSW 2541

20 January, 2016

Councillors,

NOTICE OF MEETING

You are hereby requested to attend the Extra-Ordinary Meeting of the Council of the City of Shoalhaven, **to be held in the Council Chambers at the City Administrative Centre, Bridge Road, Nowra on Monday, 25 January, 2016 commencing at 4.00 pm** for consideration of the following business:

1. "Determine Council's opposition to the NSW Government's Merger Proposal with Kiama Municipal Council;
2. Implement an education campaign to engage Shoalhaven residents regarding the weaknesses and threats that the Merger Proposal represents with up to \$50,000 of funding to facilitate an effective program;
3. Resolve to request the support of the Member for Kiama and Parliamentary Secretary to the Premier for the Illawarra and South Coast Gareth Ward MLA, the Member for South Coast and Speaker of the Legislative Assembly the Hon Shelley Hancock MLA and the Chair of the Fit for the Future Enquiry the Hon. Paul Green MLC, in lobbying the Premier and Minister for Local Government accordingly."

C Krogh
Acting General Manager

Membership
All Councillors

BUSINESS OF MEETING

1. **Apologies / Leave of Absence**
2. **Declarations of Interest**
3. **Mayoral Minute**
4. **Deputations**
5. **Business as stated above**
6. **Notices of Motion**

Rescission Motion - Development Application – Temporary Function Venue at Lot 2 DP 855905, No.4 Battys Road, Upper Kangaroo River. Applicant: Plannex Environmental Planning. Owner: PJ and SH Crowe

Notice of Motion - Development Application – Temporary Function Venue at Lot 2 DP 855905, No.4 Battys Road, Upper Kangaroo River. Applicant: Plannex Environmental Planning. Owner: PJ and SH Crowe

Note:- This meeting has been called in accordance with section 366 of the Local Government Act following a request from Clr Guile, Clr Watson and Clr Findley.

Cell Phones:

Council's Code of Meeting Practice states that "All cell phones are to be turned off for the duration of the meeting".

LOCAL GOVERNMENT ACT 1993

Chapter 3

Section 8(1) - The Council's Charter

(1) The council has the following charter:

- to provide directly or on behalf of other levels of government, after due consultation, adequate, equitable and appropriate services and facilities for the community and to ensure that those services and facilities are managed efficiently and effectively
- to exercise community leadership
- to exercise its functions in a manner that is consistent with and actively promotes the principles of multiculturalism
- to promote and to provide and plan for the needs of children
- to properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible, in a manner that is consistent with and promotes the principles of ecologically sustainable development
- to have regard to the long term and cumulative effects of its decisions
- to bear in mind that it is the custodian and trustee of public assets and to effectively account for and manage the assets for which it is responsible
- to facilitate the involvement of councillors, members of the public, users of facilities and services and council staff in the development, improvement and co-ordination of local government
- to raise funds for local purposes by the fair imposition of rates, charges and fees, by income earned from investments and, when appropriate, by borrowings and grants
- to keep the local community and the State government (and through it, the wider community) informed about its activities
- to ensure that, in the exercise of its regulatory functions, it acts consistently and without bias, particularly where an activity of the council is affected
- to be a responsible employer.

MAYORAL MINUTE
EXTRA ORDINARY MEETING
MONDAY, 25 JANUARY 2016

1. NSW State Government Merger Proposal - Shoalhaven & Kiama Council

File 52579E

PURPOSE:

Our City Shoalhaven

In 2015 Shoalhaven City Council was deemed to be "Fit for the Future", financially sustainable and capable and realistic in its future planning. Council was assessed as having sufficient size and capacity to stand alone as a strong and sustainable LGA in NSW.

Shoalhaven City is the largest regional Council in NSW (based on est 100,000 population) outside Newcastle-Sydney-Wollongong.

The complex composition of our city, its 49 villages and towns, its vast collection of community assets and services, its varied and distinctive population composition of Defence Force Personnel, the large Aboriginal community and a high percentage of aged 'sea change' demographic and many large and small local businesses including a range of manufacturing both in our villages and CBD's, agriculture is still a strong focus and growing and, along with the highest regional tourism visitation, brands 'The Shoalhaven' as a truly unique coastal Australian city.

Shoalhaven too is currently on the brink of massive change; with Nowra Bomaderry to become a NSW regional hub. The city has had unprecedented regional grant support for major infrastructure and road renewal from both State and Federal levels. Defence installations, domestic housing, business investment and developer interest is growing in the Shoalhaven as evidenced by demand in housing, population growth and significant increases in DA applications (third largest in the state).

The administration of a modern coastal city of this current size and complexity requires positive, capable and innovative management and leadership and as Mayor I am very proud of the staff and managers of our Council. Our 13 Councillors have the best interests at heart for our community.

The Local Government Reform

In the Progress Report which announced the Governments merger proposals, Premier Mike Baird stated:

"Four years of industry and community consultation and independent assessments, including the recent IPART report, has told us the current system is not working as well as it should and that we can no longer maintain 152 Councils".

In the same document, Local Government Minister Paul Toole MP stated that the next phase of reforms, which include the merger proposals, focuses on three key reforms, including:

- “Creating stronger councils
- Improving performance and governance of councils
- Strengthening the system of local government”

The Government’s case for the Kiama/Shoalhaven merger is outlined in a Merger Proposal document dated January 2016. The document has been carefully examined with issues of concern or requiring clarification being referred to Government and addressed/outlined in a Council Discussion Paper which has been placed on Council’s website, circulated to media and Community Consultative bodies.

This Council has supported and continues to support the need, rationale and principles of the NSW State Local Government Reform. It recognises the need and importance of change, the need to build sustainable and strong councils and thereby stronger regional alliances and hubs throughout NSW. We recognise that over the years technology will improve and communications will make distance shorter, certainly something this City will welcome.

The reform urges NSW Local Councils to think bigger, plan bigger, share administrative capabilities and services, build sustainable processes for income generation, asset development and maintenance into the next 50 years.

Council has proven its positive and proactive support of the Reform process in a number of ways, including:

1. A once-off above rate pegged statutory rate variation with revenue raised ring-fenced to address inherited and growing infrastructure back-logs.
2. By undertaking a two year restructure which, has resulted in streamlined management and operations delivering a \$6.5 million bottom line benefit ... and a “can do” attitude Council.
3. By actively participating in the establishment of the Illawarra Joint Organisation of Councils (Wollongong, Shellharbour, Kiama & Shoalhaven) to facilitate collaboration in regional planning, advocacy and leadership. The J.O also provides opportunity for regional resource sharing, task allocation, procurement and other administrative measures with the potential to maximise savings.

Council’s Position

In 2015 Council resolved to express its desire to be a stand alone Council considering the positive feedback from the State Government’s IPART review of our ‘Fit for the Future’ plan.

Following the Premier and Minister for Local Government’s merger announcement in late December 2015 and subsequent communique and delegate meetings in early January 2016, Council has deferred its formal response, preferring to await all elements and aspects of the proposal and progress community consultation.

My view, is that this merger proposal, presented in its current form, contains several anomalies, statement of financial processes and rating proposals that could well jeopardise Shoalhaven City's capability to grow and retain its 'Fit for the Future' status.

The merger proposal also does not address complex planning, rating, administrative and infrastructure issues arising from the different sewer and water supply arrangements in the two Local Government areas.

Questions of each LGA's investment in "brand" for economic and promotional purposes, and options for brand retention also warrant further consideration. The proposed name of a merged council will be critical in this regard.

Council will elaborate further on these and other matters in its submission to the Delegate, Greg Wright as will the results of a proposed community survey on the reform proposal for which a budget of \$10,000 is proposed.

In my opinion, therefore, the current merger model is unworkable as no long term benefits have been explained.

Council's submission should address the 10 Heads of consideration from the Act, any anomalies in the adjusted Merger Proposal document and the points made in this Mayoral Minute & the published council Discussion Paper.

One issue council will need to provide an opinion on is the question of "Wards or No Wards" in the event that a merger does proceed. This is specifically included in the Heads of consideration. In a larger geographic & dispersed area it may be difficult for councillors to be well known across the whole City and therefore Wards may still be the best option. Wards also allow less costly extra-ordinary elections should the need arise at any future time. On the other hand having councillors elected across the whole City reinforces the need for councillors to take a City- wide approach to decision making rather than a parochial view point.

However it is also very important that we keep open the doors of communication between Council and the Delegate, the Premier and Minister for Local Government progressing the reform and our preferred outcomes for the good of the community

It is now timely, armed with more relevant information, to inform our community of Council's stance, the reasons for our conclusion and how members of the public can participate in feedback using the assessment criteria, to the Delegate and the Public Inquiry.

Recommended that

- a) **Council accept the Mayoral Minute for information.**
- b) **Council form the view that the NSW Government's Shoalhaven Kiama Merger Proposal, presented in its current form and on the evidence available contains several anomalies in criteria, statements of financial process and other matters that could well jeopardise Shoalhaven City's sustainability going forward and retain its 'Fit for the Future' status...and is therefore unworkable.**

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- c) Council continue to maintain an open and positive dialogue over the Reform Merger with the State government on all advice, issues and concerns and leave the door open for further submissions.
 - d) Council seek the support of our local members of State Parliament Hon Shelley Hancock MP South Coast and (Speaker of the House), Gareth Ward MLA Member for Kiama and Hon Paul Green MLC in promoting dialogue between Council and the State.
 - e) Council develop a response under the 10 assessment criteria objecting to the proposed merger in its present form, as presented by the State government, and present this to State Government and the Public Inquiry on Feb 3rd 2016 reflecting the position outlined in this minute and the Discussion Paper prepared by the General Manager.
 - f) Council determine its preferred position in respect to councillor representation and whether Wards are preferred to be retained (and if so, how many) in the event that a merger does occur.
 - g) The General Manager develop a community information package to clearly outline Council's response, information available and process of participation in providing feedback to the Delegate and the inquiry.
 - h) Council undertake a community survey in relation to the proposal and allocate a sum of \$10,000 for this purpose.
 - i) Should any further information come forward in respect to the proposal, a further meeting of council be convened and a further supplementary submission be made before 28th February if required and relevant.

Joanna Gash (Mrs)
Mayor

REPORT OF GENERAL MANAGER

EXTRA ORDINARY MEETING

MONDAY, 25 JANUARY 2016

GENERAL MANAGER

1. Community Information Campaign – State Government Merger Proposal

File 52579E

PURPOSE:

To provide additional information in response to Part 2 of the Notice of Motion to the Extraordinary Council meeting regarding the implementation of a community education campaign and the associated costs.

RECOMMENDED that the information contained in this report be noted.

DETAILS

Council is aware that during the merger proposal period Council is bound by the State Government guidelines “*Council decision making during merger proposal periods*”. These guidelines clearly specify the requirements that must be met for the conduct of information campaigns in respect to merger proposals. This includes the requirements that any information campaigns:

- *should be conducted for the purposes of informing the local community about the merger proposal and should be proportionate to this purpose*
- *should not involve disproportionate or excessive expenditure or use of council resources*
- *should be conducted in an objective, accurate and honest manner and should not be deliberately misleading*
- *should not be used to endorse, support or promote councillors, individually or collectively, political parties, community groups or candidates or prospective candidates at any election, Local, State or Federal.*

Merger-related information campaigns should be approved by councils at an open council meeting. Councils should also publicly approve a budget for the campaign at an open council meeting before incurring any expenditure on the campaign.

Any variations to the budget should also be publicly approved by the council at an open meeting. Councils should account fully and publicly for the costs of merger-related information campaigns, including staff and contractor costs. This information should be accessible to the community on councils’ websites.

In accordance with these guidelines the information campaign activities and options for future activities that Council could undertake are detailed below for consideration.

Current Communication/Engagement Activities:

A number of activities have been undertaken to inform the Shoalhaven community about the merger proposal. These have been conducted as part of standard council operations. Council has aimed to provide the facts and figures behind the proposal and to provide information to the community as it becomes available from the State Government.

The community has been encouraged to access the State Government Boundary Review website to view the proposal and to make a submission. The following activities have been undertaken to date to provide factual and non biased information to the community about the proposal:

- The provision of a dedicated webpage accessed from a banner located on the front page of the Council website
- Online discussion paper and other background information and links
- Social media posts
- Emails to CCBs
- Media releases and media articles
- Comment on radio (2st, ABC, Triple U FM)

Council has been very clear that the information is provided to enable the community to make their own decisions about the merger proposal and to communicate their views to the Delegate. This is to ensure that Council meets the requirements of the OLG guidelines.

It must also be recognised that a number of activities that have been undertaken in other Council areas are being carried out by community groups or community representatives rather than being Council run or supported communication/information campaigns.

Community Survey

Council currently utilises IRIS research to conduct Councils Annual Community Survey. IRIS Research is a long established, leading social market researcher specialising in community consultation for local government in Australia. They have serviced one third of all NSW LGAs in the past 10 years. They are regional firm based in Wollongong and understand regional issues and culture.

By utilising IRIS to conduct a survey on the merger proposal, Council may leverage off other surveys being conducted and obtain direct comparisons or use similar representative questions, to other regional councils.

Council is able to choose the questions that are used for conduct of the survey, within the professional advice provided by IRIS and may want to use similar questions to other regional councils for comparative purposes.

As a **guide only** IRIS have provided Council with some questions that could be utilised. It would be expected that the survey could be conducted within the next few weeks and the results be included as part of Council's submission to the inquiry. The questions could include:

- Do you agree with the State government's intention to amalgamate Shoalhaven City Council with Kiama Municipal Council (Y/N)
- Amalgamation will benefit my local community (an agreement scale question)
- Shoalhaven Council best understands and represents my community's interests (an agreement scale question)
- I prefer Shoalhaven Council to remain an independent council (either Y/N or an agreement scale question)

The format of the survey would include the following features:

- Sample size n=400 or 500
- Up to 4 questions
- Representative sampling
- CATI deployed survey

IRIS would provide Council with question design assistance and advice. An analysis and report would be provided by IRIS following the conduct of the survey. They have estimated that the process would be a five day turnaround from start to finish. The cost estimate of this exercise would be in the order of \$7000.00

Further Information Campaign Options

There are a number of options available to Council to provide further information to the community about the merger proposal. It is noted that the merger proposal has already received significant media attention and that any information campaign run by Council must meet the OLG guidelines.

Council staff will continue to undertake a range of social media posts, webpage updates, CCB notifications and media releases as part of normal Council operations. Other activities could include:

- Additional public meetings
- Drop in sessions
- Flyers and brochures in all Council facilities
- Email/mail out to all community contacts and databases
- Advertisements in local papers
- Paid social media posts
- Paid online advertisement
- Email newsletter
- Hard copy newsletters
- Banners/flags/signage at council buildings
- Mail out to all residents
- Additional fact sheets, submission forms (hard copy and online)

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- Community events
 - Market stall at markets or other events
 - Attendance at community meetings/committees

FINANCIAL IMPLICATIONS:

It would be expected that to run a community survey on the merger proposal that an amount of around \$10,000 would need to be made available, and a source of these funds would need to be identified. This would cover the cost of the survey and any staff time required in the process.

Additional information activities that are beyond the scope of normal council operations such as a mail out to all community would need to be provided with an additional specific budget. For example, the estimated cost of a mail out to all the community is \$40,000.

COMMUNITY ENGAGEMENT:

The purpose of this report is to detail the community engagement activities that could be carried out to inform the community about the merger proposal.

C Krogh
ACTING GENERAL MANAGER

NOTICES OF MOTION

EXTRA ORDINARY MEETING

MONDAY, 25 JANUARY, 2016

1. **Rescission Motion - Development Application – Temporary Function Venue at Lot 2 DP 855905, No.4 Battys Road, Upper Kangaroo River. Applicant: Plannex Environmental Planning. Owner: PJ and SH Crowe File DA15/1522 (PDR)**

The following Rescission Motion of which due notice has been given, is submitted for Council's consideration:

That Council rescind the Motion relating to Addendum Report 2 Weddings and Functions in Kangaroo Valley DA15/1522 of the Council Meeting held on Tuesday 15 December 2015.

Signed
Clr Guile
Clr Findley
Clr McCrudden

Note: The following resolution was adopted at the Ordinary Meeting held Tuesday 15 December 2015:

That:

- a) *The balance of the Development Application not referred to in Part b) below be deferred pending further discussions between the applicant and the residents before final decision of Council;*
- b) *Council delegate authority to the General Manager (Planning and Development Services) to make a part determination of the Development application in relation to the 5 planned/booked events in the period between January to April 2016 inclusive.*

Note by General Manager: The Motion for Rescission was received after the close of the Ordinary Council meeting of 15/12/15. In accordance with Council's Code of Meeting Practice, a rescission motion lodged after the closure of a Council meeting may not prevent the original decision being acted upon. Staff have therefore continued to act upon the Council resolution and sought additional information concerning the application. At the time of writing, the status of the application is that, the first part of the application for 5 events, is likely to be determined this week.

2. Development Application – Temporary Function Venue at Lot 2 DP 855905, No.4 Battys Road, Upper Kangaroo River. Applicant: Plannex Environmental Planning. Owner: PJ and SH Crowe File DA15/1522 (PDR)

The following Notice of Motion of which due notice has been given, is submitted for Council's consideration:

That Council refuse the Development Application for the reasons of unacceptable noise and impacts on amenity.

Signed
Clr Guile
Clr Findley
Clr McCrudden