

ITEM NO: 2

SUBJECT: THE COUNCIL MEETING SCHEDULE FOR 2008-2009

FILE NO: C01055

Recommendations:

1. *That the Council note that the council meetings scheduled for 22 April 2008 and 15 July 2008 fall within NSW Public School Holidays.*
2. *The Council adopt one of the options for meeting dates outlined in this report.*

Report by General Manager:

Background

The Council decides on an Ordinary Council Meeting Schedule for the next year calendar year (2008) and two months into the following year (2009) in order to allow for:

- Work planning;
- The setting of Briefing Session, Working Party and other committee meeting dates;
- Communicating the schedule to the public through the Business Paper, the Internet and the Communicator in the Gazette.

The Local Government Act 1993 specifies that a council must give notice to the public of the times and place of its meetings (Section 9) and that the council is required to meet at least 10 times each year, each time in a different month (Section 365).

The Council adopted the following meeting schedule at its ordinary meeting 30 October 2007.

| <i>Time</i> | <i>Date</i> |
|---------------|---|
| <i>7:30pm</i> | <i>29 January 2008</i> |
| <i>7:30pm</i> | <i>19 February 2008</i> |
| <i>7:30pm</i> | <i>11 March 2008</i> |
| <i>7:30pm</i> | <i>1 April 2008</i> |
| <i>7:30pm</i> | <i>22 April 2008</i> |
| <i>7:30pm</i> | <i>13 May 2008</i> |
| <i>7:30pm</i> | <i>3 June 2008</i> |
| <i>7:30pm</i> | <i>24 June 2008</i> |
| <i>7:30pm</i> | <i>15 July 2008</i> |
| <i>7:30pm</i> | <i>5 August 2008</i> |
| <i>7:30pm</i> | <i>26 August 2008</i> |
| <i>7:30pm</i> | <i>16 September 2008</i> |
| <i>7:30pm</i> | <i>14 October 2008 (Mayoral Election)</i> |
| <i>7:30pm</i> | <i>4 November 2008</i> |
| <i>7:30pm</i> | <i>25 November 2008</i> |

| | |
|--------|------------------|
| 7:30pm | 16 December 2008 |
| 7:30pm | 27 January 2009 |
| 7:30pm | 17 February 2009 |

The Council also asked for a report on which meetings fell within school holidays.

Three week cycle for Council meetings

As resolved by Council on 10 May 2005, the three week cycle allows the Council Business papers to be delivered to Councillors and the public a week before each council meeting. It would be impossible to comply with this Council Resolution if the meeting schedule was reduced to a two week cycle.

The Council meeting Schedule for 2008 and the first two months of 2009 takes account of the:

- three weekly meeting schedule, where practical;
- Public Holidays;
- Council Elections in September 2008;
- Annual NSW Local Government Shires Conference in October 2008; and
- Annual Australian Local Government Shires Conference in November 2008 (date not published at time of writing the report).

School Holidays

Where possible, given Council's three weekly cycle, Public School holidays have been taken into account. There are however, two overlap dates between Council meetings and school holidays in 2008. These occur on 22 April and 15 July. Two options are available to the Council.

Option 1

No changes to the meeting dates adopted in the Business Paper of 30 October 2007.

It should be noted that the Council has the discretion to alter the schedule should it deem appropriate.

Option 2

Council could cancel the meeting of 22 April with no other changes to the schedule until July.

Council could cancel the meeting of 15 July but would need to reschedule a July meeting. This would lead to other changes schedule for August and September meetings to comply with the 3 weekly cycle. Taking this into account the revised dates and table are outlined below:

1. *The meeting scheduled for 22 April 2008 be cancelled*
2. *The meeting scheduled for 15 July 2008 be rescheduled to 22 July 2008*
3. *The meeting scheduled for 5 August 2008 be rescheduled to 12 August 2008*
4. *The meeting scheduled for 16 September 2008 be rescheduled to 2 September 2008*
5. *A meeting be scheduled for 23 September 2008*

| <i>Time</i> | <i>Date</i> |
|---------------|---|
| <i>7:30pm</i> | <i>29 January 2008</i> |
| <i>7:30pm</i> | <i>19 February 2008</i> |
| <i>7:30pm</i> | <i>11 March 2008</i> |
| <i>7:30pm</i> | <i>1 April 2008</i> |
| <i>7:30pm</i> | <i>13 May 2008</i> |
| <i>7:30pm</i> | <i>3 June 2008</i> |
| <i>7:30pm</i> | <i>24 June 2008</i> |
| <i>7:30pm</i> | <i>22 July 2008</i> |
| <i>7:30pm</i> | <i>12 August 2008</i> |
| <i>7:30pm</i> | <i>2 September 2008</i> |
| <i>7:30pm</i> | <i>23 September 2008</i> |
| <i>7:30pm</i> | <i>14 October 2008 (Mayoral Election)</i> |
| <i>7:30pm</i> | <i>4 November 2008</i> |
| <i>7:30pm</i> | <i>25 November 2008</i> |
| <i>7:30pm</i> | <i>16 December 2008</i> |
| <i>7:30pm</i> | <i>27 January 2009</i> |
| <i>7:30pm</i> | <i>17 February 2009</i> |

Conclusion

The Council Meeting Schedule for 2008 and the first two months of 2009 provides both work planning and communication in relation to the business of the Council. Development of the schedule has taken account of Council Meeting practices as well as significant known dates that impact the schedule.

ITEM NO: 3

SUBJECT: RATES INSERTS – ADVERTISING MATERIAL

FILE NO:

Recommendations:

1. *That the Council notes an investigation to determine the merit or otherwise of including advertising material in rates notices has taken place.*
 2. *That the Council does not undertake to include advertising material in Rates Notices at this stage.*
-

Report by Group Manager, Community and Corporate:

Reasons for report

This report responds to the 15 February 2005 Council resolution regarding advertising material, such as retail vouchers and promotional flyers, being inserted into the quarterly rates notices. This scheme was considered as a potential source of revenue for the Council to develop so that less reliance might be placed on the rates revenue stream.

Background

A notice of Motion was passed during the 15 February 2005 Council meeting that gave rise to the following Council resolution:

“Subject: Inclusion of Advertising Material in Rates Notices -

1. *That a report come to Council regarding the inclusion of advertising material in the Blue Mountains City Council rates notices.*
2. *That this report detail the reasons behind the inclusion of advertising material, financial benefits for Council and the process used to determine which material is included.*
3. *That this matter be referred to the Policy Review Working Party to form a set of guidelines in relation to advertising material distributed with Council notices.”*

(Minute No. 42)

On 16 October 2007 the matter was discussed at the Councillor Briefing Session. The following aspects of the proposal were canvassed:

Advantages

- A potential revenue stream
- Promoting local and other businesses
- Potential work for the Council’s in-house printing operation within the Information & Customer Service Branch

Disadvantages

- Potential for ratepayer backlash with respect to junk mail and the environment, perceived Council endorsement of advertised products or businesses and the improper use of ratepayer’s private information for direct marketing
- Distraction from the payment of rates and the Council’s ‘News from the Hill’
- Hidden administration and complaint management costs
- Restricted opportunity for cost effective distribution of internal Council inserts
- That any financial return was directly tied to the market response.

Sustainability – regard was given to the experience of several other Councils, as well as factors relating to alternative advertising options available to potential sponsors of the scheme, limited catchment of local business and the anticipated public reaction. These considerations cast strong doubts over the scheme’s sustainability.

Options to proceed – the merits and limitations of four options were covered:

- Attempt to establish a relationship with an external marketing facilitator
- Sourcing potential advertisers through ongoing expressions of interest
- Inserting advertising material in the existing News from the Hill publication
- Not proceeding.

Sustainability assessment

There are no additional environmental, social or economic impacts to consider.

Financial implications

In establishing the potential revenue opportunities of the scheme, an assumption of eight inserts per year at 15 cents per insert was considered. Whilst this scenario would stand to deliver an annual revenue stream of \$37,800, it was held that the likelihood of strong and sustainable revenue was very low, and would in any case be severely eroded by ensuing administrative costs.

Legal and risk management issues

Nil.

External consultation

Several other Councils which had previous or current experience with advertising inserts were consulted. These included Lake Macquarie, Blacktown, Ashfield, Wollondilly, Fairfield, Shoalhaven and Baulkham Hills.

Conclusion

In light of the above it is recommended that the Council note an investigation of the proposal has occurred and as a consequence of the findings of this investigation, it undertakes not to include advertising material in rates notices at this stage.

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ITEM NO: 4

SUBJECT: FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2007

FILE NO: C00738

Recommendations:

1. *That the comments of Mr Dennis Banicevic, the Council external Auditor, of PriceWaterhouseCoopers, be noted in respect to the Financial Reports.*
 2. *That the Financial Reports be presented and this report be received and noted.*
 3. *That the Common Seal of the Council be affixed to the necessary documents dealing with this matter.*
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Report by Group Manager Community and Corporate:

In accordance with Section 419 of the Local Government Act the 2006/2007 Annual Financial Reports and Special Purpose Financial Reports, together with the external Auditor's Reports are hereby presented. Copies of the documents are enclosed separately. Further copies will be available at the meeting and are readily available to any person who seeks a copy.

Mr Dennis Banicevic, the Council external Auditor from PriceWaterhouseCoopers, will be present to address the meeting in respect to the key financial indicators contained in the Financial Statements.

Pursuant to Section 420 of the Local Government Act 1993 public notice has been given of the meeting at which the Financial Reports will be presented, inviting submissions on the reports from members of the public. Submissions are required to be lodged with the Council in writing by 4:00 pm on Tuesday, 27 November 2007. If any submissions are received, a further report on the submissions, together with officer comment, will be presented to the Council.

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Enclosures (1)

ITEM NO: 5

SUBJECT: FIRST QUARTER 2007-2008 REPORT - MANAGEMENT PLAN (INCLUDING CAPITAL WORKS PROGRAM) AND OPERATING BUDGET

FILE NO: F02977

Recommendations:

1. *That the General Manager’s report together with the accompanying documents titled “Quarterly Review Management Plan including Capital Works September 2007 – 2007/2008” and “Quarterly Review Budget September 2007 – 2007/2008” (both separately enclosed) be noted and endorsed.*

2. *That the variations of income and expenditure as identified in the accompanying documents be noted and endorsed.*

Report by General Manager:

This is the first quarterly progress report on this year’s performance targets and represents the first quarter of Year 4 of the Council four-year Management Plan. This is the final year of the Council’s 2004-2008 Management Plan.

The document “*Quarterly Review Management Plan including Capital Works September 2007 – 2007/2008*” (separately enclosed) provides more detailed information on overall progress and performance in a concise and readable format.

Summary of First Quarter 2007/2008 Progress

| Item | No. | Not Started | On-Target | Behind Target | Complete | Will Not Complete | % On-Target*** |
|--|------------|--------------------|------------------|----------------------|-----------------|--------------------------|-----------------------|
| <i>Management Plan Sustainability Priorities</i> | 18 | 7 | 9 | 2 | 0 | 0 | 89% |
| <i>Management Plan Milestones*</i> | 28 | 7 | 19 | 2 | 0 | 0 | 93% |
| <i>Capital Works Projects & Programs**</i> | 56 | 4 | 49 | 2 | 1 | 0 | 96% |
| <i>Environmental Levy Actions</i> | 19 | 0 | 19 | 0 | 0 | 0 | 100% |
| TOTAL | 121 | 18 | 96 | 6 | 1 | 0 | 95% |

**Excluding Capital Works Program projects and programs*

***Equates to 218 individual projects – refer to table in section below “Summary of First Quarter 2007/2008 Capital Works Program (excluding Lawson Town Centre and Cultural Centre)”*

****Includes projects not scheduled to have commenced and completed projects*

Other Key Achievements for the First Quarter by Principal Activities***Providing Good Government***

- The Council commenced a "Promoting Better Review" process for a range of Council services.
- The Council continued to participate in the development of "Workforce Planning Toolkit" for local government with the Local Government and Shires Association.
- "Code of Conduct" training was developed for staff and Councillors.

Looking after Environment

- The purchase of five new domestic waste trucks have provided the Waste Services team with improved lift times and operational payloads. Ultimately, this equipment will provide improved reliability of the domestic waste service.

Looking after People

- Katoomba Sports and Aquatic Centre was a finalist in the Fitness NSW industry awards for excellence in the Fitness Centre of the Year (small business category).
- Family Day Care (FDC) held a Quality Assurance celebration dinner on 1 September at the Grandview Hotel, Wentworth Falls. The dinner celebrated FDCs High Quality Accreditation outcome under the National FDC Accreditation system. The dinner acknowledged the Carers' contribution to the successful accreditation outcome.
- The Family Day Care (FDC) service was centralised in Lawson in July. This move has consolidated the staff team and has enabled a refocusing of staff positions to be undertaken. Outreach services have operated from Blaxland FDC office and the Council HQ for families and carers.
- Funding has been received from the Blue Mountains Consortium to recruit a part time Family Day Care (FDC) staff member in 2007-2008 to support the "Brighter Futures" Program which is a program is a NSW Department of Community Services initiative to assist vulnerable families through family support and the provision of childcare. The FDC position will support the Carers who have had "Brighter Futures" children placed with them.

Using Land for Living

- The Council's statistical report for the Department of Planning 'Local Government Performance Monitoring' for 2006-2007 and the 'e-planning Readiness Survey' was completed.
- Council staff attended workshops organised by the Department of Planning, discussing new ideas for planning, innovation and best practice in development assessment.
- A new Facilities Liaison Team was established within the Call Centre, to improve coordination of booking the Council's facilities and to achieve better customer service outcomes.

Moving Around

- The Pavements Team, working in conjunction with Mechanical Services, successfully modified the Flocon paving truck with an automatic emulsion spray bar to improve efficiency and increase output on the Priority Sewerage Program project for Sydney Water.

Working and Learning

- Blue Mountains Library can now send reservation and overdue notices by email. Staff have been adding the email address on request to the library borrower card. This cuts down on the number of reservation and overdue notices sent via Australia Post. Previously this had been up to 300 notices per day. Now the mail ranges from 80 up to 200 per day instead. As more email addresses are captured retrospectively, this number will continue to decline.

Exceptions Reported for the First Quarter by Principal Activities***Sustainability Priorities***

Complete Sustainable Asset Management Plans (SAMPs) for the following Assets classes/components:

- Stormwater Drainage - Drainage Channels, Pipelines, Kerb and Gutter and Quality Improvement Devices;
- Building Operational and Commercial - Council Admin and Depot Buildings and Commercial Buildings; and
- Natural Assets (vegetation).

SAMPs for Community Buildings, RFS/SES and Cemeteries, Libraries, Admin and Depots, Commercial Buildings are behind schedule - an Expression of Interest to complete these SAMPs was developed. SAMPs for Stormwater Drainage, Picnic Areas and Monuments commenced.

Implement Property Disposal and Investment Program (PDIP).

Staff vacancies have delayed sales. PDIP work plan has been discussed with Council management and McLachlanLister (property advisor). Staff vacancies and other property priorities are slowing progress.

Looking after Environment

Commence implementation of Council's adopted Sewage Strategy including actions that reduce negative impacts of on-site effluent in unsewered areas.

This project has been deferred due to staff being reallocated to other projects. An external consultant has been reviewing submissions and a report on the submissions is anticipated for the meeting of 22 January 2008 prior to adoption of the Sewage Strategy.

Using Land for Living

Blaxland Waste Management Facility Leachate Management.

The works have been delayed due to Sydney Water requirements and budget issues. The Trade Waste Agreement was accepted and negotiation by the Council has resulted in a substantial reduction in the proposed Sydney Water charge.

Winmalee Tennis Courts - 2 Additional.

Carryover project from 2006-2007. Rocks Services contract terminated on 12 September. Subcontractor hired to complete retaining wall.

Working and Learning

Continue to progress implementation of Council's adopted Infrastructure Strategy for the City *Infrastructure Strategy 75% reviewed.*

Summary of First Quarter 2007/2008 Capital Works Program

This year’s Capital Works Program (CWP) budget is \$11,288,821 after incorporation of adopted carryovers and recommended Quarter 1 variations. At the end of the first quarter, 96% of the capital projects and programs were on-target.

At the conclusion of the first quarter, the Capital Works Program is on-target to be completed on time and within budget. The table below provides a summary of the Council’s Quarter 1 progress compared to previous financial years.

| | Sep Qtr 2003/2004 | Sep Qtr 2004/2005 | Sep Qtr 2005/2006 | Sep Qtr 2006/2007 | Sep Qtr 2007/2008 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total Budget* | \$ 14,469,176 | \$ 15,029,447 | \$13,240,655 | \$8,046,598 | \$7,954,429 |
| Total Dollars Spent plus Committals | \$ 3,114,055 | \$ 3,413,308 | \$3,396,161 | \$2,009,998 | \$1,145,380 |
| % Spent | 21.52% | 22.71% | 25.65% | 24.98% | 14.40% |
| Total Number of Projects** | 107 | 106 | 178 | 190 | 218 |
| Number of Projects Completed | 16 | 31 | 74 | 7 | 52 |
| % Completed | 15% | 29.24% | 41.57% | 3.68% | 23.9% |
| <i>Lawson Town Centre Total 07/08 Budget</i> | | | | | \$2,671,692 |
| <i>Lawson Town Centre Total Dollars Spent plus Committals</i> | | | | | \$431,059 |
| <i>Cultural Centre, Library and Mixed Use Precinct CWP Total 07-08 Budget</i> | | | | | \$662,700 |
| <i>Cultural Centre, Library and Mixed Use Precinct Total Dollars Spent plus Committal</i> | | | | | \$4,200 |
| TOTAL CWP BUDGET | | | | | \$11,288,821 |
| TOTAL CWP DOLLARS SPENT | | | | | \$1,580,639 |

*Excludes Lawson Town Centre projects and Cultural Centre

**Equates to 56 Projects and Programs - refer to summary table in section above "Summary of First Quarter 2007/2008 Progress"

Councillors are referred to the separately enclosed document titled “*Quarterly Review Management Plan including Capital Works September 2007 – 2007/2008*” for comments on individual capital projects and programs.

Summary of First Quarter 2007/2008 Major Projects

Lawson Town Centre Project Implementation

During 2007-2008 the Council is planning to commence the first year of redevelopment work for Lawson Town Centre civil works.

As at 30 September 2007, advice indicated that the modified Development Application would not need to be re-advertised. (It is noted that subsequent advice has indicated a modified DA will need to be re-advertised.) The Council was awaiting the revised Safety Audit and resolution of levels for the un-named car park, which will then be submitted to Development Application (DA) assessors. The retaining wall and new fence on road widening on the corner of Benang Street was almost complete.

The Council was also preparing for a meeting with the RTA to discuss the shared funding for the project and is also preparing revised estimates for the project. The revised subdivision plan with the Council land acquisition and potential swaps was also being finalised by the Council’s surveyors.

Blue Mountains Cultural Centre, Library & Mixed Use Precinct

The Council is planning to undertake the following works during 2007-2008 to continue the Cultural Centre and Mixed Used Precinct project including:

- Commencement of Blue Mountains Cultural Centre site works;
- Progressing planning and design for new Katoomba Library;
- Strategic development of public art program; and
- Design development of Civic Centre redevelopment; pedestrian linkages and civic connections.

As at 30 September 2007, the Development Application (DA) pre-lodgement process was completed by the Council and Minister. The DA for development was lodged on 15 August 2007. The design for the Library was completed. The Public Art Program planning commenced. Civic Centre and Civil works were ongoing.

Summary of First Quarter 2007/2008 Financial Position

Councillors are referred to the separately enclosed document titled “*Quarterly Review Budget September 2007 – 2007/2008*”. The Budget Review is prepared by the Responsible Accounting Officer in accordance with the Local Government (Financial Management) Regulation and details the budget variations that have now been identified and which have not previously been adopted by the Council.

An analysis of the actual results as at September 2007 has resulted in a decrease in working capital of \$116,326 from the original budget, giving a revised total working capital as at 30 June 2008 of \$1,692,911.

The following reconciliation illustrates the expected Working Capital position as at 30 September 2007 review:

| | |
|--|----------------------------|
| Actual Working Capital – 1 July 2007 | 1,797,000 |
| Original Budget 2007/2008 Forecast Improvement in Working Capital | 12,237 |
| Original Budget Working Capital – 30 June 2008 | 1,809,237 |
| Adopted Council Resolutions | (10,846) |
| September 2007 Review | (105,480) |
| Revised Estimated Working Capital – 30 June 2008 | 1,692,911 |
| Working Capital is the net amount of uncommitted funds consisting of: | Estimated 2007/2008 |
| Unrestricted current cash | 766,000 |
| Current receivables | 6,000,000 |
| Inventories | 350,000 |
| Prepayments | 340,000 |
| Payables (excluding liabilities budgeted next year 2007/2008) | (5,608,000) |
| Cash (overdraft) | (155,000) |
| Total | 1,693,000 |

Under the Local Government (Financial Management) Regulation the Council's Responsible Accounting Officer is also required to formally report on whether the Council's financial position is considered "satisfactory" and if not, what remedial action needs to be taken. The optimum level of working capital for the Council has previously been identified in the range of \$1.5 million to \$1.6 million, which represents the industry standard to allow for stores and the provision of hard-core debtors. Subject to the Council adopting the recommended variations, the estimated effective working capital of \$1,692,911 is satisfactory.

Further Information

Councillors and residents are reminded that they are welcome to contact the Group Managers if they would like further information on what is contained in the First Quarter 2007/2008 Reviews.

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Separate Enclosures (2)

Enclosure 1 - "Quarterly Review Management Plan including Capital Works September 2007 – 2007/2008"

Enclosure 2 - "Quarterly Review Budget September 2007 – 2007/2008"