

ITEM NO: 1

SUBJECT: SCHEDULE OF INVESTED MONIES

FILE NO: C00694

Recommendation:

That the Schedule of Invested Monies as at 31 August 2007 be received.

Report by Group Manager, Community & Corporate:

This report is submitted for the purpose of financial accountability and in satisfaction of the investment reporting requirements of the Local Government (Financial Management) Regulation 1999 and the Local Government Act, 1993 (Section 625). The report also certifies that Council investments comply with the forms of investment made by order of the Minister under section 625(2) of the Local Government Act 1993. The current Ministerial Order was issued under Council Circular 05-53 on 23 September 2005.

The Schedule of Council Invested Monies as at 31 August 2007 is attached for information.

The increased returns, above budget, on the Council investments are due to a greater than anticipated rise in interest rates and increased cash position for the financial year.

Recent Market developments

Global credit markets experienced exceptionally high volatility in July, which is impacting the value of worldwide credit products including Collateralised Debt Obligations (CDOs) that Council has exposure to within its investment portfolio (i.e. \$6M of the Grange Securities Portfolio). During the month of August there was a partial recovery on the Grange Securities Portfolio. Council's cash position is sufficient to enable Council to hold its CDO's to maturity and thus not incur a capital loss.

* * * * *

Attachment 1

BLUE MOUNTAINS CITY COUNCIL

SCHEDULE OF INVESTED MONIES

Report prepared to 31 August 2007

<i>Institution and Fund</i>	<i>Return for Month</i>	<i>Investment Valuations</i>	<i>Investment Valuations Previous Month</i>	<i>Comments</i>
National Australia Bank – Call A/C			380,000	Withdrawal for cash flow
UBS Credit Enhanced Cash			286	Withdrawn
Adelaide Bank Managed Funds	6.9%	8,529,312***	2,000,000	Cash flow investment
CBA – Palladin Portfolio Note	7.38%	492,500*	500,000	Market revaluation.
Rim Securities Ltd - Generator Income Notes	8.45%	905,606**	905,606	
Grange Securities Portfolio	7.45%	10,638,718***	10,457,450	Market revaluation
ANZ Floating Rate Note	7.93%	500,000*	499,000	Market revaluation
Aberdeen Cash Plus	1.57%	14,512***	15,120	Monthly returns
CBA – Equity Linked Note	Variable	1,000,000***		Cash flow investment
CBA – Callable CPI Linked Note	7.5%	934,400*	1,000,000	Market revaluation
ICAP – Bank Note	6.7%	505,167*	500,000	Market revaluation
ABN-AMRO Bank Note	9.4432%	500,000**	500,000	
CBA – Yield Enhanced Note	7.15%	504,650*	500,000	Market revaluation
CBA – Range Accrual Note	7.55%	1,000,000**	1,000,000	
Total		25,524,865	18,257,462	

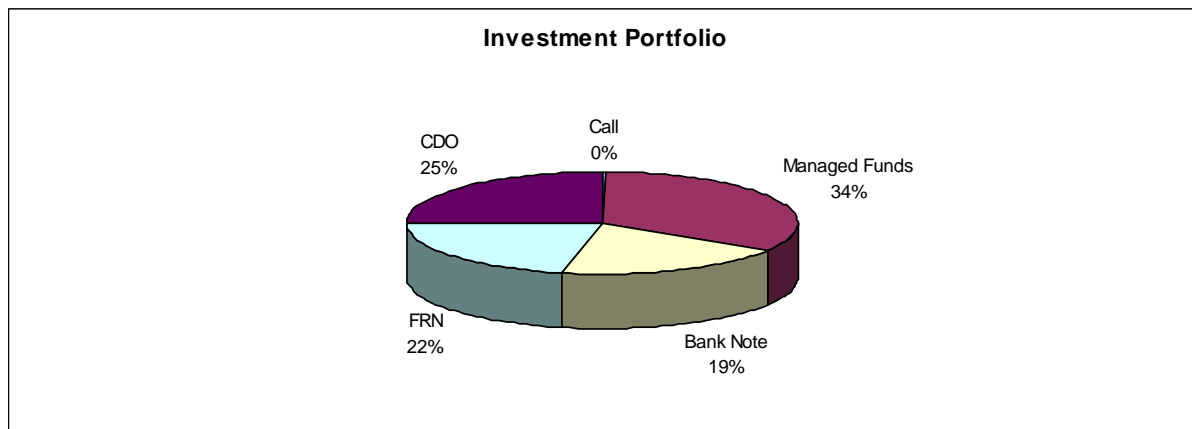
UBSA Bank Bill Index 6.43%

Average Rate of Return for Month 7.2%

The increase from \$18,257,462 to \$25,524,865 reflects the change in investment valuations and funds invested and/or withdrawn during the month.

The valuations are as at 30 June 2007 unless subsequently further advised. The valuations are indicative with no assurance that trades could be completed at such values.

- * Market valuation as at 30 June 2007.
- ** Market valuation as at 31 July 2007.
- *** Market valuation as at 31 August 2007.



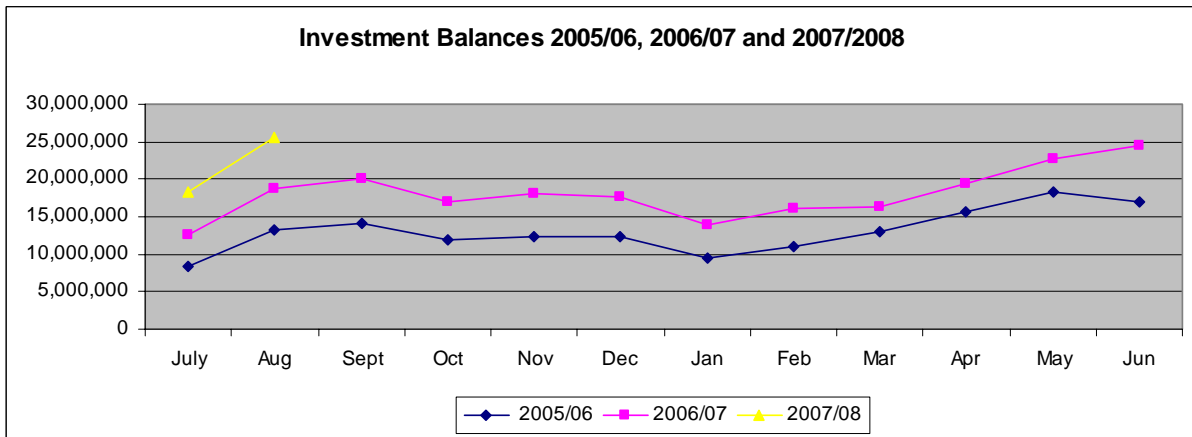
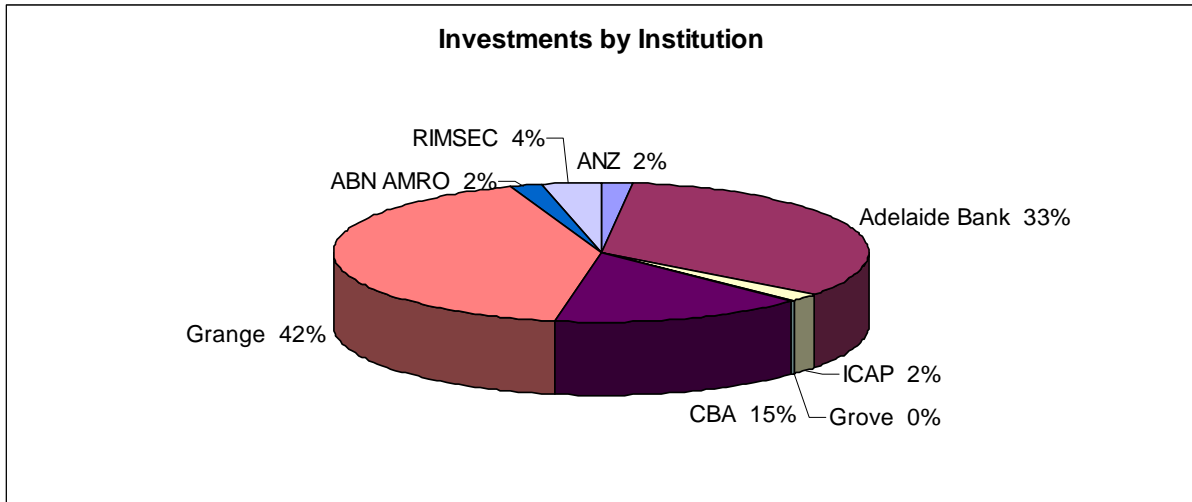
Call – Cash at Call

Managed Funds – Managed Funds

Bank Note – Structured Notes

FRN – Floating Rate Note

CDO – Collateralised Debt Obligation



Interest Income - Budget vs Actual

	Year to Date	Full Year
Original Budgeted Return	\$182,917	\$1,097,500
Revised Budgeted Return	\$182,917	\$1,097,500
Council's Actual Return	\$246,387	\$1097,500 (estimated)

I certify and report that the Schedule of Invested Monies listed above describes all Council's funds invested by virtue of Section 625 of the Local Government Act, 1993. The monies referred to in this Schedule are invested in accordance with the Local Government Act, 1993 (Section 625 and Order of the Minister dated 23/09/2005), and Local Government Regulation 1999 (Clause 16) and Council's Policy.

Neil Farquharson
Responsible Accounting Officer

ITEM NO: 2

**SUBJECT: COMPLETION OF FINANCIAL REPORTS FOR THE YEAR ENDED
30 JUNE 2007**

FILE NO: C00738

Recommendations:

1. *That the Council form the opinion that:*
 - a) *The Annual Financial Reports and Special Purpose Financial Reports for the financial year ended 30 June 2007 have been drawn up in accordance with:*
 - *the Local Government Act, 1993 and Regulations,*
 - *the Local Government Code of Accounting Practice and Financial Reporting, and*
 - *the Australian Accounting Standards and Professional Pronouncements.*
 - b) *The Annual Financial Reports and Special Purpose Financial Reports present fairly the Council financial position and operating result for the year;*
 - c) *The Annual Financial Reports and Special Purpose Financial Reports accord with the Council accounting and other records;*
 - d) *There are no circumstances known that would make the Annual Financial Reports or Special Purpose Financial Reports false or misleading in any way.*
 2. *That the attached statement be made and signed on behalf of the Council by the Mayor, one other Councillor, the General Manager and the Responsible Accounting Officer.*
 3. *That the 2006/2007 General Purpose and Special Purpose Financial Reports be forwarded to the Council external auditor for audit.*
-

Report by Group Manager, Community and Corporate:

Background

The Annual General Purpose Financial Reports and Special Purpose Financial Reports for the year ended 30 June 2007 have been completed and now need to be formally referred for audit to the Council auditors, PriceWaterhouseCoopers.

As required by the Local Government Act, 1993, the financial reports have been prepared in accordance with the Australian Accounting Standards, Local Government Code of Accounting Practice and Financial Reporting and the Local Government Asset Accounting Manual.

The Council opinion under section 413(2)(c) of the Act, now needs to be formed and the Annual and Special Purpose Financial Reports formally referred to PriceWaterhouseCoopers for audit.

A copy of the draft financial reports has been distributed to each Councillor in this Business Paper.

The financial reports have been prepared on the accrual basis of accounting, and except for those assets which are held at current cost or valuation, the reports have been prepared in accordance with the historical cost convention. They contain details of the Council financial transactions for the year to 30 June 2007 and have been prepared in a manner that satisfies the requirements as previously outlined.

On the basis that the Council passes the required resolution to form the opinion, a statement in the prescribed form (as attached to this report) must be signed by the Mayor, one other Councillor, the General Manager and the Responsible Accounting Officer. The statement will then form part of the Annual Financial Reports. As indicated, this will allow the auditors to undertake the audit and present to the Council an audit report that will also form part of the Annual Financial Reports.

Format of financial reports

The financial reports comprise the following:

- a) General purpose financial reports consisting of a statement of financial performance, statement of financial position, statement of changes in equity, and statement of cash flows along with a number of explanatory notes. These are presented for audit by the Council independent external auditors;
- b) Special schedules which present financial information specifically required by the Department of Local Government, the Department of Public Works, the Department of Urban Affairs and Planning and the Australian Bureau of Statistics; and
- c) Special purpose financial reports consisting of an operating statement by business activity, a statement of financial position also by business activity, and appropriate explanatory notes. These are also presented for audit by the Council independent external auditors.

Statement of Financial Performance

This statement shows that operations for the year, including the charge of \$13,763,000 for depreciation on assets held during the year, resulted in an operating loss of \$1,481,000 including depreciation (compared to an operating loss of \$3,375,000 in the previous financial year). This also included capital grants and contributions of \$2,617,000 (compared to \$2,210,000 in the previous financial year). In the Statement of Financial Performance this is called the “surplus/deficit from ordinary activities” because it is the net amount by which equity (i.e. total assets less total liabilities) increases or decreases as a result of operations for the year. It is important to remember that the operating result is different to the budget result. It is simply the net increase or decrease in assets or liabilities after meeting operating expenses for the reported year.

Statement of Financial Position

The Statement of Financial Position, which is sometimes referred to as the Balance Sheet, discloses the Council assets, liabilities and equity as at the reporting date. Along with the

explanatory notes, it provides information about the resources controlled by the Council, its financial structure and solvency.

The Statement of Financial Position can be summarised as follows:

	Current	Non-current	Net
	\$ '000	\$ '000	\$ '000
Assets	30,983	401,574	432,557
<i>Less:</i> Liabilities	16,360	33,920	50,280
Net Assets	14,623	367,654	382,277

The column headed “Current” generally refers to assets expected and able to be realised in the next twelve-month period and liabilities due during the next twelve-month period. The column headed “Non-current” generally refers to assets not expected or able to be realised during the next twelve-month period, or liabilities due beyond the next twelve-month period. The total net assets (total assets less total liabilities) may also be referred to as the accumulated surplus or equity of the Council.

Statement of Changes in Equity

Equity, which is the residual interest in the Council assets after deducting liabilities, decreased by \$5,642,000. This is represented by \$1,481,000 as a result of operations and \$4,161,000 as a result of the inclusion of an asset and provision for remediation for the four landfill sites as required by the adoption of International Financial Reporting Standards. The total equity of \$382,277,000 represents the accumulated surplus, or net assets, as shown in the statement of financial position.

Not all of the accumulated surplus is available for funding future operations. The analysis on the following page identifies the proportion of the surplus that is working capital from a budgetary viewpoint:

	Current \$ '000	Non-current \$ '000	Net \$ '000
Non-current Receivables		353	
Investments accounted for using equity method		249	
Property, Plant & Equipment & Investment Property		400,972	
		<u>401,574</u>	
<i>Less:</i> Debt and Provisions		<u>44,716</u>	356,858
Restricted Investments			23,614
Working Capital *			<u>1,805</u>
Accumulated Surplus (Net assets)			<u><u>382,277</u></u>
 * Working Capital is a component of the above Accumulated Surplus amount and comprises:			
Cash and Investments		24,379	
<i>Less:</i> Overdraft	154		
Restricted Investments	<u>23,614</u>	<u>23,768</u>	611
Receivables		5,946	
Inventories		326	
Other assets		332	
		<u>6,604</u>	
			7,215
<i>Less:</i> Liabilities		6,111	
<i>Add:</i> Liabilities (estimate payable after 12 mths)		701	
			<u>5410</u>
			<u><u>1,805</u></u>

Statement of Cash Flows

The Statement of Cash Flows shows the nature and amounts of the Council cash inflows and outflows. The following summary shows in net terms the cash flows for the year:

	Current \$ '000	Non-current \$ '000	Net \$ '000
Cash at 30 June 2006	2,653		
Net Cash from Operations	<u>15,792</u>	18,445	
<i>Less:</i> Cash used to purchase assets	18,498		
Cash used to reduce Borrowings	<u>2,586</u>	<u>21,084</u>	(2,639)
Proceeds from loans and other sources			<u>7,629</u>
Cash at 30 June 2007			<u><u>4,990</u></u>

It should be noted that the cash on hand is not available for general purposes but is subject to restrictions as to its use as shown below:

	\$ '000
Restricted by Legislation for specific purposes	11,552
Restricted by Council for specific purposes	12,062
Operational Cash/Investments	611
	<hr style="width: 100%; border: 0.5px solid black;"/>
	<u>24,225</u>

Specific details relating to restricted assets are contained within Note 6 of the General Purpose Financial Reports.

Actual result and budget result

As already indicated in this report, the operating result is not the budget result for the year. The Statement of Financial Performance in the General Purpose Financial Report contains the cost of goods and services provided and the extent to which that cost has been recovered from revenues during the reporting period. As such, the operating result does not reflect the basis upon which rates have been levied for the year. The budget is prepared to plan the inflow of funds from revenues, borrowings and sale of assets and the outflow of funds on operations, the acquisition of assets and the repayment of long-term debt. The budget result also excludes non-cash items such as depreciation, which is not cash funded.

Further action

Following receipt of the Auditor’s reports the Council is required under the Act to take the following steps:

- a) Submit copies of the financial reports and the Auditor’s report to the Director General of the Department of Local Government and to the Australian Bureau of Statistics.
- b) Present the financial reports and Auditor’s reports to a meeting of the Council of which public notice has been given. The public notice must be given at least two weeks before the meeting and the meeting must be held not more than one month after the receipt of the Auditor’s reports. The auditor may attend the meeting and must do so if requested in writing by the Council.
- c) The public notice must specify that the financial reports and Auditor’s reports will be considered at the meeting and must indicate the right of any person to lodge submissions within 14 days after the meeting. The notice must include a summary of the financial reports.
- d) Consider submissions at a subsequent meeting of the Council and advise the Department of any matter which requires amendment to the financial reports.
- e) Have available for public inspection copies of the financial reports and Auditor’s reports.

A request has been made to the Auditor that they attend the Council Meeting at which the financial reports and Auditor’s reports will be formally presented.

* * * * *

BLUE MOUNTAINS CITY COUNCIL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2007

**STATEMENT BY COUNCILLORS AND MANAGEMENT
MADE PURSUANT TO SECTION 413 (2)(c)
OF THE LOCAL GOVERNMENT ACT 1993 (as amended)**

The attached General Purpose Financial Report has been drawn up in accordance with:

- The Local Government Act 1993 (as amended) and the Regulations made thereunder,
- The Local Government Code of Accounting Practice and Financial Reporting, and
- The Australian Accounting Standards and professional pronouncements.

To the best of our knowledge and belief, these reports

- Present fairly the Council financial position and operating result for the year, and
- Accord with the Council accounting and other records.

We are not aware of any matter that would render the reports false or misleading in any way.

Signed in accordance with a resolution of Council made on 9th October 2007

Signed.....

MAYOR

Signed.....

COUNCILLOR

Signed.....

GENERAL MANAGER

Signed.....

RESPONSIBLE ACCOUNTING OFFICER

ITEM NO: 3

SUBJECT: CODE OF MEETING PRACTICE

FILE NO: F02471

Recommendations:

That the Council adopt the Code of Meeting Practice 2007.

Report from the General Manager:

Background

The Local Government (General) Regulation 2005 outlines the conduct of meetings of Councils and Committees of Councils. A Council may adopt a Code of Meeting Practice that incorporates the Regulations and supplements them with provisions that are not inconsistent with the Regulations.

If the Council adopts a Code of Meeting Practice, it must conduct its meetings and committees in accordance with the adopted Code of Meeting Practice.

At the Ordinary Council Meeting of 5 June 2007, the Council resolved to place on public exhibition the draft Code of Meeting Practice. The draft Code was on exhibition from 20 June to 17 July 2007.

Section 362 of the Local Government 1993 states that the Council, after considering all submissions received by it concerning the draft Code, may decide to amend the draft Code of Meeting Practice. If the Council decides to amend this draft Code, it may publicly exhibit the amended draft or, if the council is of the opinion that the amendments are not substantial, can adopt the amended draft Code without public exhibition.

Public Exhibition submissions

Six submissions were received. The following table outlines suggestions received from three community members, two staff members and one Councillor.

Suggestion	Response
<p>1. The Code of Meeting Practice should be re exhibited with all the changes since 2000 (when it was last exhibited) highlighted.</p> <p>Not recommended</p>	<p>Changes made to the code since 2000 have been minor. Opportunity for the general public to comment on any aspect of the Code has been provided. Not considered an efficient use of Council resources to re exhibit the Code. However, all changes to the Code since 2000 are now highlighted in bold and italic in the enclosed Code.</p>

Suggestion	Response
<p>2. The Code’s Introduction should have included, word for word, section 362 of the Local Government Act 1993 No 30, Adoption of the draft code.</p> <p>Not recommended</p>	<p>Not necessary to be included in the Code.</p>
<p>3. An increase from 3 to 5 minutes for members of the public to address the Council. This is particularly necessary for large and complex issues.</p> <p>Not recommended</p>	<p>Most speakers are able to conduct their business in the 3 minute timeframe. This is consistent with other Councils, although other Council’s who have longer speaking times, require speakers to register the day before the Council meeting. This may prevent some members of the public from addressing the Council if they have not accessed the Business Paper until the day of the Council Meeting.</p>
<p>4. Allow members of the public to speak to mayoral minutes and notices of motion. This will allow Councillors to make more informed decisions.</p> <p>Not recommended</p>	<p>Mayoral Minutes are provided at the Mayor’s discretion.</p> <p>Notices of Motion are matters raised by Councillors that require the provision of a future report by staff. At that point members of the public are able to speak to the matter.</p> <p>Members of the public can address the Council on any item in the Business Paper other than Minutes by the Mayor, responses to Questions without Notice, Notices of Motion (including rescission motions), the Précis of Correspondence and Matters of Urgency.</p>
<p>5. Add to part (a) of section 1.6 the following: “Registering with the Administration Officer at the Council meeting before the item has been completed will also be considered a written representation to the General Manager.”</p> <p>Not recommended</p>	<p>Registering to speak at a Council meeting cannot imply a submission to the General Manager. The functions and roles of the General Manager and elected Councillors are quite different.</p>
<p>6. Disclosure to the public of items not listed in the business paper agenda, with written copies of the item/s available at the start of meetings.</p> <p>N/A</p>	<p>This is current procedure. If it has not happened in the past, this is the result of an error.</p>

Suggestion	Response
<p>7. Increased and better advertised meeting notice requirements for extra-ordinary meetings and meetings called by the mayor. Notice periods for these meetings should be no less than 5 days with prominent notices in Council offices and on council's web site and libraries.</p> <p>Not recommended</p>	<p>Extraordinary meetings are usually urgent. Three days is adequate notice. Notice is provided on the website and on a prominent notice board in the Council foyer.</p>
<p>8. More detailed and accurate information in council reports. These reports should provide legible drawings, maps, illustrations and photographs etc. and include all LEP protected zonings and areas such as environmental protection, ecological buffer, slope constraint zones etc. as well as a list of vegetation types and watercourse locations. The reports should also record public submissions and petitions complete and accurate.</p> <p>Not recommended</p>	<p>Business Paper Reports to Council Meetings will continue to provide relevant details and information to enable Councillors to make informed decisions. Not a Code of Meeting Practice issue.</p>
<p>9. A fairer representation of Précis of Selected Correspondence with the inclusion of complaints as well as commendations.</p> <p>Not recommended</p>	<p>Only letters outlined in specific resolutions of Council including incoming and outgoing correspondence and petitions should be included in the Précis of Correspondence, not complaints or compliments from residents. However, the Mayor can request items to be included in the Précis.</p>
<p>10. A specific procedure setting out access to minutes and business papers of closed meetings.</p> <p>N/A</p>	<p>This is provided in 1.8, 2.3 and 6.2.7</p>
<p>11. Closed Council and Working Party meetings should be not be permissible. The public should be entitled to information and could provide vital information at these meetings.</p> <p>Not recommended</p>	<p>Section 10 of the Local Government Act sets out the circumstances under which meetings of the Council can be closed.</p> <p>Council Working Parties are not decision making committees of Council, but rather meetings where issues are discussed. It is important that Councillors and staff have the opportunity to discuss Council matters fully and frankly.</p>
<p>12. Disclosure in Council reports of terms and conditions of lease and commercial agreements on public land in which council may be the landowner or</p>	<p>The details of commercial leases, if disclosed, could commercially disadvantage Council's business activities. Leases between the Council and</p>

Suggestion	Response
<p>manager. The public are entitled to this information considering lease or commercial activities are occurring on public land and the choice of the lessor or commercial entity to do so.</p> <p>Not recommended</p>	<p>Community groups are available for viewing at the Council's offices.</p>
<p>13. A report should come to Council concerning the outcome of Court decisions involving council. The Councillors should be made aware of all Court decisions that provide feedback.</p> <p>Not recommended</p>	<p>Councillors are provided with quarterly information about legal matters.</p>
<p>14. A higher frequency of Code of Meeting Practice revisions involving public participation. Public participation last occurred in March 2000.</p> <p>Not recommended</p>	<p>The Code will be reviewed every four years at the commencement of each Council. Only substantial changes require exhibition.</p>
<p>15. A higher frequency of prominent public notices when Code of Meeting Practice revisions occur. For example, ongoing BM Gazette advertisements are required during the exhibition period.</p> <p>Not recommended</p>	<p>This is considered to be an unnecessary expense.</p>
<p>16. That an appropriate exclusion clause be provided for under the Protected Disclosures Act 1994 which protects public officials, including local councillors from reprisals</p> <p>N/A</p>	<p>This recommendation is outside the scope of this Code of Meeting Practice. It recommends a change to State Government legislation.</p>
<p>17. If a notice of motion to rescind or alter a resolution is given:</p> <p>(a) at the meeting at which the resolution is carried, the resolution must not be carried into effect until the motion of rescission or alteration has been dealt with (Section 372 (2) of the Act)</p> <p>(b) at any time after the meeting at which the resolution is carried, no further action to carry the resolution into effect may be taken after receipt of the notice of motion until the motion of rescission or alteration has been dealt with.</p> <p>Recommended</p>	<p>Include in Part 4.</p>

Suggestion	Response
<p>18. All references to the Regulation in the draft Code need to be corrected to ensure they are accurate in relation to the Local Government (General) Regulation 2005.</p> <p>Recommended</p>	<p>Corrected.</p>
<p>19. Members of the public must remain behind the roped barrier in front of the Councillors seating at all times. If members of the public wish to talk to Councillors they must remain behind the roped barrier. No communication with the Councillors is permitted once Councillors are seated.</p> <p>Recommended</p>	<p>Included in 1.6.1</p>

All changes made since the last public exhibition period in 2000 prior to the recent 2007 public exhibition period are in bold and italics.

Conclusion

The recommended inclusions do not substantially change the Code of Meeting Practice but rather clarify some elements for greater certainty in the conduct of Council meetings and committees for both Councillors and the public. Therefore, in line with Section 362(2) of the Local Government Act 1993, there is no necessity to re exhibit the draft Code.

The Final Draft of the Code of Meeting Practice is provided as an Enclosure to this Report.

All recommended changes have been included and the draft has been through all the required legislative process. It is now ready for adoption.

* * * * *

ITEM NO: 4

SUBJECT: WORLD HERITAGE INTERNATIONAL PARTNERSHIP MODEL

FILE NO: F00731

Recommendations:

- 1. That the Council note the Report on the World Heritage International Partnership Model;*
 - 2. That the Council assist the World Heritage Advisory Council to progress this model which will facilitate their role as the primary broker and relationship manager for World Heritage International Partnerships.*
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Report by General Manager:

Background

The Mayor receives multiple requests from both national and international locations to engage in some type of reciprocal relationship that is mutually beneficial to both parties. Previously there have been Sister City relationships as well as less formal Friendship relationships formed.

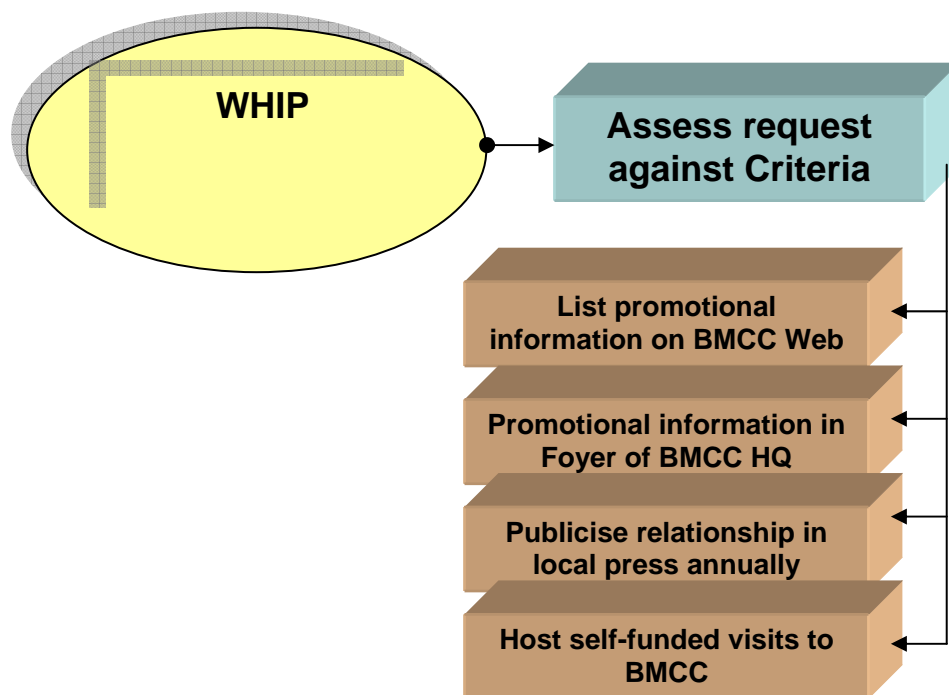
The character of these relationships has not been reviewed since large tracts of the Blue Mountains Local Government Area were designated a World Heritage Park in 2000. In light of this development and the State Government encouraging Councils to scrutinise the benefits of Sister City Relationships, it is timely to discuss and develop a model to manage the various requests to Blue Mountains City Council for a mutually beneficial relationship from both national and international world heritage locations.

The Model

A 'World Heritage International Partnership' Model (WHIP) has been developed for discussion and refinement with the World Heritage Advisory Council. This model is focussed on a particular type of relationship that is based on mutual benefit through co-promotion of world heritage status.

In order for a co-promotional relationship model to be successful, the criteria for setting the objectives of the relationship, particularly around sustainability principles and then assessing whether those can be met, is essential.

A model that has co-promotion as the core tenet is beneficial to not only the requesting region but the recipient region. The following diagram outlines a framework for how a WHIP relationship can be managed.



Progress to date

The Discussion Paper (contained in Attachment 1) has been presented to the World Heritage Advisory Council in August 2007. This item will again be discussed at the World Heritage Advisory Council Meeting in October 2007.

There are currently four requests with the Mayor from World Heritage Areas:

- Trongsa in Bhutan;
- Cinque Terre in Italy;
- Mount Wuyi, Wuyishan in China; and
- Korea – area unknown.

It is necessary to progress finalisation of the operating standards related to the model as soon as possible.

External consultation on the project to date

There has been external consultation with the World Heritage Advisory Council.

Sustainability Assessment

Effect	Positive	Negative
Social	Supports the development of National and International relationships within a sustainability paradigm.	
Economic	Potential to enhance economic development activities for the Blue Mountains LGA.	Could incur annual costs with limited economic benefit if criteria not used to establish a relationship.
Environmental	Provides a direct learning opportunity for the World Heritage Advisory Council in	

Effect	Positive	Negative
	terms of management practices within other World Heritage Areas. Potential to provide additional benefits for the World Heritage Park in terms of environmental sustainability.	

Financial implications

The World Heritage Advisory Council Meetings are funded and supported by the Council. The only additional costs are related to development of the web content and the annual advertising requirements which are estimated at \$2,500 for administering the WHIP Model. These budgetary requirements will be included in the 2008/09 budget allocation for the World Heritage Advisory Council Meeting management if this model is endorsed by the Council.

Any requirements for scheduled visitations will be addressed at that time in terms of assessing whether the Council would provide any support funds.

Legal and risk management issues

Nil.

Conclusion

The development of a robust WHIP Model enhances the capacity of the World Heritage Advisory Committee to consider requests for mutually beneficial relationships. There are many positive sustainability outcomes that can be achieved for the Blue Mountains LGA by the Council assisting the World Heritage Advisory Council in the completion of the operating standards for the WHIP Model and assisting with the advertising of those relationships.



World Heritage International Partnership Model

Discussion Paper

Compiled:
Julie Bargaquast
3 August 2007

INTRODUCTION

This report was requested by the General Manager on behalf of the Mayor. The request engaged the Executive Officer in the development of a model to manage the various requests to Blue Mountains City Council for a Sister City Relationship. There are currently four requests with the Mayor for this type of relationship:

- Trongsa in Bhutan;
- Cinque Terre in Italy;
- Mount Wuyi, Wuyishan in China; and
- Korea – area unknown.

With the State government moving away from a strong commitment to Sister City Relationships a new model for managing relationship requests from both National and International world heritage locations is required.

BACKGROUND

There has been discussion and consultation on the requirements of a relationship model that include the need for defining clearly what style of relationship the Council can commit to with another locality.

There are a number of other issues to consider in developing an informal relationship with another National or International world heritage location:

- The expectations of the requesting location;
- Objectives of such a relationship;
- The ability of the requesting location and BMCC to co-promote each other;
- Criteria for accepting a relationship that achieves social, economic and environmental sustainability outcomes;
- Alignment of that location with our own local government area eg World Heritage status and membership of the World Heritage Institute;
- Need for transparent management processes relative to the relationship when they are accepted;
- Cost to the Council of managing that relationship;
- Benefits of the relationship; and
- Review period for the relationship.

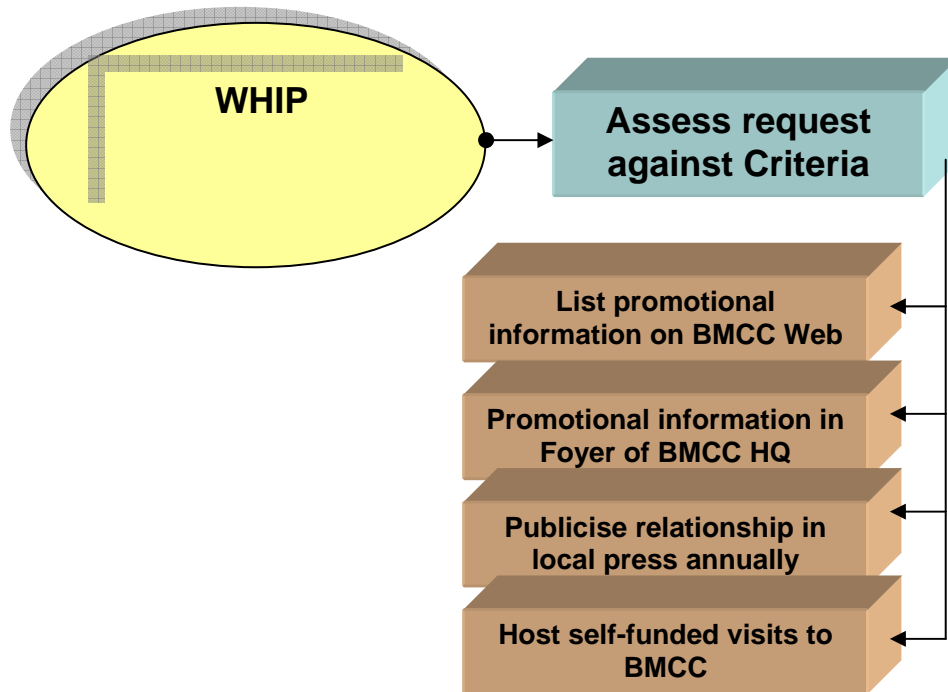
A PROMOTIONAL RELATIONSHIP MODEL

The issues previously outlined require addressing within a model that can meet the objectives of forming a relationship with a National or International location.

A 'World Heritage International Partnership' Model (WHIP) has been developed for discussion and refinement. This model is defining a particular type of relationship that is based on mutual benefit through co-promotion of world heritage status.

In order for a co-promotional relationship model to be successful the criteria for setting the objectives of the relationship, particularly around sustainability principles, and then assessing whether those can be met is essential.

A model that has co-promotion as the core tenet is beneficial to not only the requesting region but the recipient region. The following diagram outlines a framework for how a WHIP relationship can be managed.



Assessing a WHIP

A WHIP request is managed through the Mayor’s Office and only progresses to a WHIP Assessment when the relationship centres on world heritage status, particularly world heritage status for a natural environment.

Criteria for a WHIP

The following WHIP Assessment Criteria are offered as a draft set of principles under which a potential relationship would be established.

1. World Heritage Status for Natural Environment;
2. Ability to deliver social (cultural) sustainability outcomes for the Blue Mountains LGA;
3. Ability to deliver economic sustainability outcomes for the Blue Mountains LGA;
4. Ability to deliver environmental sustainability outcomes for the Blue Mountains LGA;
5. Beneficial exchange of information and research on World Heritage Park practices; and
6. Requesting World Heritage Park has clearly articulated their expectations of a co-promotional relationship and the benefits to both their region as well as the region of the Blue Mountains World Heritage Park.

These criteria need to be further developed and an Assessment Evaluation Program established which clearly defines the outcomes that the Blue Mountains LGA and Blue Mountains World Heritage Park will receive from the relationship.

List Promotional Material on BMCC Website

The materials listed on the website would not be greater than one page and would include details such as:

- A link to the World Heritage Website for that region;
- Some key facts about the World Heritage Park;
- Information on the synergies of that World Heritage Park with Blue Mountains World Heritage Park; and
- Key contacts in that World Heritage Park to ascertain social, economic and environmental information.

Promotional Material in BMCC Foyers of Offices

The foyers would contain at a minimum a brochure or booklet on the partner World Heritage Park.

Promotional Material in Local Press

At least once a year, during Local Government Week or Tourism Week or as part of a World Heritage celebration, there would be advertising of our co-promotional relationship with the World Heritage Park in the local press.

The type of advertising would be limited to one page of advertising for all of the relationships held during that year. Content would include similar information to that listed on the website.

Self-funded Visits

Opportunities should be provided to facilitate visits of WHIP's that are self-funded.

Criteria are required to be further developed to outline the type of in-kind assistance that the Blue Mountains can offer. Some types of assistance may be to:

- Further define how often a delegation could be managed eg every 2 or 5 years;
- Assist in developing an itinerary of relevant places to visit and cultural participation;
- Organise a point of contact in Tourism for management of accommodation etc; and,
- Host a Civic event for the Delegation eg morning tea with presentation.

FORWARD PROGRAM OF WORKS IN DEVELOPING THE WHIP MANAGEMENT PROCESS

The following tasks need to be completed in order to finalise a WHIP Management Process:

- Present this Discussion Paper to the World Heritage Institute and obtain agreement to the approach;

- Refine the WHIP Assessment Criteria;
- Develop the WHIP Assessment Template;
- Review and further define the Website Content that would be acceptable to display for each WHIP;
- Organise the budget for the Annual Advertising;
- Further refine the Advertising content that it would be acceptable to promote; and,
- Customise the existing Delegations Management Pack for WHIP Delegations.

ITEM NO: 5**SUBJECT: 2007 NATIONAL GENERAL ASSEMBLY OF LOCAL GOVERNMENT****FILE NO: C05451**

Recommendation:

1. *That the Council nominate one voting delegate for the 2007 National General Assembly of Local Government to be held at Darwin 26-29 November 2007.*
 2. *That the Council considers whether it wishes to nominate any further Councillors to attend the 2007 National General Assembly of Local Government.*
-

Report by General Manager:**Background**

For only the second time in the event's 14 year history, the Annual National General Assembly will be held outside of Canberra – in Darwin, Northern Territory. In 2002, the event was held in Alice Springs, Northern Territory, in recognition of the *Year of the Outback*.

2007 Conference

This year's theme is *A Climate for Change* and will address a range of important and topical issues facing local government. Over the last two years, local government has achieved several critical milestones.

Successes include:

- the passing of the parliamentary resolution on local government by both Houses of Parliament at the national level,
- the signing of the Intergovernmental Agreement on cost-shifting,
- expanded partnerships with the Australian Government in the areas of health, environment and aged care.

Under the theme *A Climate for Change*, this year's Assembly will further build on the Australian Local Government Association's (ALGA's) 3F campaign – Fair Funding; Fair Treatment and Formal Recognition. This enables delegates to explore a broad range of issues impacting on local government:

- Political climate – Constitutional recognition of local government
- Financial climate – infrastructure affordability and financial sustainability for local government
- Natural climate – climate change and its implications for local government

Speakers include:

- Prominent Futurist, Mr Richard Neville
- *Internationally acclaimed Environmentalist and 2007 Australian of the Year*, Professor Tim Flannery, BA, MSc, PhD
- Constitutional law expert, Professor Cheryl Saunders AO..

Financial implications

Registration costs will be \$770 per delegate (before 10 October) or \$880 per delegate (before 9 November), Accommodation will be approx \$105 – \$160 per delegate per night (3-4 days). Airfares are estimated at \$1170 per delegate.

Total Costs, including meals would be approximately \$2,670 per delegate for the conference. Previously, two Councillors from this Council attended the conference, one as a voting delegate, and the other as an observer. There are sufficient funds in the Budget to cover the expenses of two Councillors attending the conference.

Conclusion

Council nominate one voting delegate for the 2007 National General Assembly of Local Government and consider nominating a further councillor/s as observer.

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ITEM NO: 6

SUBJECT: CONFIDENTIAL BUSINESS PAPER - BUNGARRABEE

FILE NO: C01564

Recommendations:

1. *That the Business Paper be deferred for consideration until all other business of this meeting has been concluded.*

 2. *That the Council close part of the Council Meeting for consideration of the Business Paper pursuant to the provisions of Section 10A(2)(d)(i) of the Local Government Act 1993, as the report contains, and discussion is likely to involve commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.*
-

Report by Group Manager, Community and Corporate:

This matter has been listed in the Confidential Business Paper as consideration of the matter will involve discussion of sensitive commercial considerations that would best take place in a meeting which has been closed to the public in accordance with the provisions of Section 10A of the Local Government Act, 1993.

The matter to be dealt with relates to the provision of Council services which includes the associated pricing for such services.

Section 10A of the Act requires that any proposal to close part of a meeting to the public be notified in the agenda, and a resolution to close part of a meeting to the public be passed setting out reasons for doing so. In this case, the reason for closing that part of the meeting to consider the Confidential Business Paper is that the report contains, and discussion is likely to involve, information that would, if disclosed, prejudice the commercial position of the person who supplied it, or confer a commercial advantage on a competitor of the Council.

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