

# Council Meeting Minutes

**5 August 2024**

## **Our Vision**

*A City which values its heritage, cultural diversity,  
sense of place and natural environment.*

*A progressive City which is prosperous, sustainable  
and socially cohesive, with a strong community spirit.*

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City of  
Norwood  
Payneham  
& St Peters

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**VENUE** Council Chambers, Norwood Town Hall

**HOUR** 7.00pm

**PRESENT**

**Council Members** Mayor Robert Bria  
Cr Kester Moorhouse  
Cr Claire Clutterham  
Cr Garry Knoblauch  
Cr Josh Robinson  
Cr Kevin Duke  
Cr Connie Granozio  
Cr Victoria McFarlane  
Cr Scott Sims  
Cr Grant Piggott  
Cr Sue Whittington  
Cr John Callisto  
Cr Christel Mex

**Staff** Mario Barone (Chief Executive Officer)  
Derek Langman (General Manager, Infrastructure & Major Projects)  
Lisa Mara (General Manager, Governance & Civic Affairs)  
Andrew Hamilton (General Manager, Community Development)  
Eleanor Walters (Acting General Manager, Urban Planning & Environment)  
Natalia Axenova (Chief Financial Officer)  
Jenny McFeat (Manager, Governance)  
Simonne Whitlock (Manager, Strategic Communications & Advocacy)  
Michael Surnak (Project Officer, Civil)  
Tina Zullo (Administration Assistant, Governance & Civic Affairs)

**APOLOGIES** Cr Hugh Holfeld

**ABSENT** Nil

**1. KAURNA ACKNOWLEDGEMENT**

**2. OPENING PRAYER**

The Opening Prayer was read by Cr John Callisto.

**3. CONFIRMATION OF THE MINUTES OF THE COUNCIL MEETING HELD ON 1 JULY 2024**

*Cr Callisto moved that the Minutes of the Council meeting held on 1 July 2024 be taken as read and confirmed. Seconded by Cr Knoblauch and carried unanimously.*

**4. MAYOR'S COMMUNICATION**

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Monday, 1 July	<ul style="list-style-type: none"><li>Presided over a Council meeting, Council Chamber, Norwood Town Hall.</li></ul>
Tuesday, 2 July	<ul style="list-style-type: none"><li>Attended a meeting with the Chief Executive Officer and Mr Alan Morrison, Chief Executive Officer, Burnside Memorial Hospital, Norwood Town Hall.</li></ul>
Friday, 5 July	<ul style="list-style-type: none"><li>Attended the Eastern Region Alliance (ERA) Monthly Mayor's Breakfast, Luigi Delicatessen, Adelaide.</li></ul>

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Saturday, 6 July	<ul style="list-style-type: none"> <li>• Attended an on-site meeting with a resident, St Peters.</li> </ul>
Saturday, 6 July	<ul style="list-style-type: none"> <li>• Attended the 2024 SANFLW Grand Final - South Adelaide versus Norwood, Norwood Oval.</li> </ul>
Monday, 8 July	<ul style="list-style-type: none"> <li>• Attended an Information Session: East Waste, Mayor's Parlour, Norwood Town Hall.</li> </ul>
Monday, 8 July	<ul style="list-style-type: none"> <li>• Attended an Information Session: Updates on Various Council Projects, Mayor's Parlour, Norwood Town Hall.</li> </ul>
Tuesday, 16 July	<ul style="list-style-type: none"> <li>• Participated in an on-line meeting of the Mainstreet SA Committee.</li> </ul>
Friday, 19 July	<ul style="list-style-type: none"> <li>• Attended the SAROC tour of Eastern Region Alliance (ERA) Councils, Burnside Rugby Club.</li> </ul>
Friday, 19 July	<ul style="list-style-type: none"> <li>• Participated in a panel discussion at the Economic Development Australia (EDA) SA State Practitioners Networking Event 'Illuminating the Night: The South Australia Night-Time Economy' - UCity Building, Adelaide.</li> </ul>
Saturday, 20 July	<ul style="list-style-type: none"> <li>• Attended the Norwood versus Central Districts football match, Norwood Oval.</li> </ul>
Sunday, 21 July	<ul style="list-style-type: none"> <li>• Attended the 100<sup>th</sup> anniversary dinner for the Greek Orthodox Archdiocese of Australia in South Australia, Cyprus Community Club, Welland.</li> </ul>
Monday, 22 July	<ul style="list-style-type: none"> <li>• Attended a meeting with the General Manager, Governance &amp; Civic Affairs and representatives from the St Peters Residents Association, Mayor's Parlour, Norwood Town Hall.</li> </ul>
Tuesday, 23 July	<ul style="list-style-type: none"> <li>• Presided over a meeting of the Norwood Parade Precinct Committee, Mayor's Parlour, Norwood Town Hall.</li> </ul>
Saturday, 27 July	<ul style="list-style-type: none"> <li>• Attended the President's function followed by the Glenelg versus Norwood football match, Glenelg Oval, Glenelg.</li> </ul>
Sunday, 28 July	<ul style="list-style-type: none"> <li>• Attended the Official Opening of the SA Ambulance Station, Maylands.</li> </ul>
Monday, 29 July	<ul style="list-style-type: none"> <li>• Attended a meeting with Mr Roger Bryson, President, Kensington Residents Association, Mayor's Office, Norwood Town Hall.</li> </ul>
Monday, 29 July	<ul style="list-style-type: none"> <li>• Attended an Information Session: Local Government Finance Authority, Mayor's Parlor, Norwood Town Hall.</li> </ul>
Monday, 29 July	<ul style="list-style-type: none"> <li>• Attended an Information Session: Volunteer Strategy, Mayor's Parlour, Norwood Town Hall.</li> </ul>
Thursday, 1 August	<ul style="list-style-type: none"> <li>• Pre-recorded interview with Stacey Lee, Fiveaa.</li> </ul>
Friday, 2 August	<ul style="list-style-type: none"> <li>• Attended the Eastern Regional Alliance (ERA) of Councils monthly breakfast, Luigi Delicatessen, Adelaide.</li> </ul>
Monday, 5 August	<ul style="list-style-type: none"> <li>• Attended a meeting with the Chief Executive Officer, Ms Lauren Brooks (Principal) and representatives from St Ignatius College, Mayor's Office, Norwood Town Hall.</li> </ul>

• **Meeting with Mr Alan Morrison, Chief Executive Officer – 2 July 2024**

Mayor Bria advised the Council he and the Council's Chief Executive Officer, met with Mr Alan Morrison, Chief Executive Officer of the Burnside Memorial Hospital. Mr Morrison provided Mayor Bria and the Chief Executive Officer, with advance notice regarding the construction of new buildings associated with the hospital and regarding on-street carparking.

- **SAROC Tour of Eastern Region Alliance (ERA) Council Projects – 19 July 2024**

Mayor Bria briefed the Council about the SAROC bus tour of Eastern Regional Alliance (ERA) project sites. The tour was also attended by Mr Clinton Jury, Chief Executive Officer of the Local Government Association of SA, Mayor Dean Johnson, President of Local Government Association of South Australia and staff from the Local Government Association of South Australia. The six sites visited were:

- Thorndon Park Reservoir Playground (Campbelltown City Council);
- Payneham Memorial Swimming Centre (City of Norwood Payneham & St Peters);
- Broadview Football Club facilities (City of Prospect);
- Walkerville Oval and TMCA site (Town of Walkerville);
- Kensington Gardens Reserve (City of Burnside); and
- Ridge Park, (City of Unley).

- **Economic Development Australia (SA) Conference – 19 July 2024**

Mayor Bria advised the Council he accepted an invitation from Economic Development Australia (SA) to participate in a Panel discussion that was held on 19 July 2024. Mayor Bria said he was specifically invited to discuss AFL Gather Round and its impact on the night-time economy in the City of Norwood Payneham & St Peters.

**5. DELEGATES COMMUNICATION**

Nil

Mayor Bria welcomed Michael Surnak, Project Officer, Civil, to the meeting.

**6. QUESTIONS WITHOUT NOTICE**

Nil

**7. QUESTIONS WITH NOTICE**

## 7.1 QUESTIONS WITH NOTICE – ST MORRIS BIKEWAY - SUBMITTED BY CR SCOTT SIMS

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**QUESTION WITH NOTICE:** St Morris Bikeway  
**SUBMITTED BY:** Cr Scott Sims  
**FILE REFERENCE:** qA1040  
**ATTACHMENTS:** A

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### BACKGROUND

Cr Sims has submitted the following Questions with Notice:

Can Council provide an update on the St Morris Bikeway including:

1. Where it is at?
2. Any further funding required?
3. Any Council policy impediments, that restrict the best design?
4. What State Government requirements are needed?

### REASONS IN SUPPORT OF QUESTIONS

Nil

### RESPONSE TO QUESTIONS PREPARED BY MANAGER, TRAFFIC & INTEGRATED TRANSPORT

**Question 1 - *Where it is at?***

**Response:**

St Morris Bikeway is identified in the City-Wide Cycling Plan as '*Bicycle Boulevard*' and the State Government has identified it as a '*Strategic bikeway on the metropolitan bicycle network*'.

As the streets are not of sufficient width to accommodate formal bicycle lanes, concept planning has been undertaken to introduce traffic calming measures to improve cyclist safety, by reducing the speed differential between vehicles and bikes. This would be supplemented with cyclist wayfinding signage and bicycle logos (sharrows) on the roadway. The concept designs are included as **Attachment A**.

Consultation is now required, which is programmed to occur in the next few months.

The Department for Infrastructure and Transport (DIT) 2023-2024 State Bike Fund has provided \$20,000 towards the cost of preparing detailed design for these works which have not commenced to date and an extension from DIT has been sought and provided.

**Question 2 - *Any further funding required?***

**Response:**

It is envisaged that detail design would be undertaken this financial or calendar year. Some construction components are low-cost (ie. pavement marking) and could be installed in the short term, but higher cost items such as landscaped kerb extensions will require consideration during preparation of the 2025-2026 Budget.

**Question 3** - *Any Council policy impediments, that restrict the best design?*

**Response:**

The cyclist crossing of Nelson Street at Henry Street, has been omitted from this project because it restricted traffic movements and as such, is not supported by the Council.

**Question 4** - *What State Government requirements are needed?*

**Response:**

Liaison with the Department for Infrastructure and Transport is required in respect to the cyclist facilities that could be provided where the Bikeway crosses DIT controlled roads, which are Glynburn Road, Portrush Road, Nelson Street and Magill Road.

Safe crossing points across these roads will be crucial to improving the safety of cyclists, similar to what has occurred for the Beulah Road Bikeway, with cyclist/pedestrian crossings at Portrush and Fullarton Roads.

**7.2 QUESTIONS WITH NOTICE – PAYNEHAM MEMORIAL SWIMMING CENTRE CONTRACTUAL OBLIGATIONS - SUBMITTED BY CR GRANT PIGGOTT**

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**QUESTION WITH NOTICE:** Payneham Memorial Swimming Centre Contractual Obligations  
**SUBMITTED BY:** Cr Grant Piggott  
**FILE REFERENCE:** qA1040  
**ATTACHMENTS:** Nil

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**BACKGROUND**

Cr Piggott has submitted the following Questions with Notice:

1. Did Administration engage with the Local Government Finance Authority (LGFA) regarding the required debt to meet the obligations of the contract to re-develop the Payneham Memorial Swimming Centre (PMSC) prior to committing the Council to the contract in December 2023?

If Yes:

Did the LGFA provide assurances prior to the signing of the contract to re-develop the PMSC that they would provide debt funding as required to meet the contractual obligations of the PMSC contract and other capital commitments as and when they will arise?

2. Was the Long-Term Financial Plan endorsed by Council in December shared with LGFA as part of their consideration of debt financing for the City of Norwood Payneham & St Peters (NP&SP)?
3. necessary debt financing requested by NP&SP prior to the signing of the contract to re-develop the PMSC?

**REASONS IN SUPPORT OF QUESTIONS**

Nil

**RESPONSE TO QUESTIONS**

**PREPARED BY GENERAL MANAGER, GOVERNANCE & CIVIC AFFAIRS AND CHIEF FINANCIAL OFFICER**

**Question 1** - *Did Administration engage with the Local Government Finance Authority (LGFA) regarding the required debt to meet the obligations of the contract to redevelop Payneham Memorial Swimming Centre (PMSC) prior to committing the Council to the contact in December 2023?*

**Response:**

Yes. Staff met with the LGFA in August 2022 to discuss Payneham Memorial Swimming Centre Project and associated funding requirements. Staff have had ongoing discussions regarding the various stages and funding implications of the Project (including the various cost increase of the Project) with the LGFA since that time.

If Yes:

*Did the LGFA provide assurances prior to the signing of the contract to redevelop the PMSC that they would provide debt funding as required to meet the contractual obligations of the PMSC contract and other capital commitments as and when they will arise?*



**Response:**

Yes.

The LGFA were provided with information regarding the Council's financial position and the total value of all Property Valuations in the City of Norwood Payneham & St Peters. Following consideration of this information the LGFA advised that pre-approval for the loan would not be required, however the Council would be required to provide documents such as the Council's Long-Term Financial Plan, Asset Management Plans, Annual Business Plan to the LGFA as part of the process.

**Question 2** - *Was the Long-Term Financial Plan endorsed by Council in December shared with LGFA as part of their consideration of debt financing for the City of Norwood Payneham & St Peters (NP&SP)?*

**Response:**

Yes.

**Question 3** - *Did LGFA provide details of the extent of covenants to be placed on NP&SP in order for them to provide the necessary debt financing requested by NP&SP prior to the signing of the contract to redevelop the PMSC?*

**Response:**

No.

The LGFA has not formally provided any details regarding any covenants that may be imposed on the Council. These will be determined by the LGFA Board during the loan assessment process.

However, as advised by the LGFA at the Elected Members' Information Briefing Session held on 29 July 2024, that due to the value of loan, it is likely that covenant(s) will apply. As Elected Members will recall, the covenant could be that "*the Council does not deviate from the LTFP that is to be adopted in August*" (based on the draft LTFP which was provided to the LGFA just prior to the Elected Members' Information Briefing Session).

8. **DEPUTATIONS**  
Nil

9. **PETITIONS**  
Nil

10. **WRITTEN NOTICES OF MOTION**  
Nil

11. **STAFF REPORTS**

## **Section 1 – Strategy & Policy**

### **Reports**

*[No Items listed under this Section]*

**Section 2 – Corporate & Finance**  
**Reports**

## 11.1 DRAFT LONG-TERM FINANCIAL PLAN

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**REPORT AUTHOR:** Chief Financial Officer  
**GENERAL MANAGER:** Chief Executive Officer  
**CONTACT NUMBER:** 8366 4548  
**FILE REFERENCE:**  
**ATTACHMENTS:** A

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### PURPOSE OF REPORT

The purpose of this report is to present the draft *2023-2024 – 2033-2034 Long-Term Financial Plan* (Long-Term Financial Plan), to the Council for endorsement.

### BACKGROUND

Section 122 of the *Local Government Act 1999* (the Act), requires the Council to prepare a Long-Term Financial Plan for a period of at least ten (10) years. In addition, the Council must undertake a review of the Long-Term Financial Plan as soon as practicable after adopting the Council's Annual Business Plan for a particular financial year.

The current Long-Term Financial Plan was adopted by the Council on 18 January 2021.

As part of its adoption of the 2023-2024 Annual Business, the Council was advised that the Long-Term Financial Plan was required to be updated. However, the Council was also advised that a review of the Long-Term Financial Plan was also required on the basis of the Council's decision to undertake the *Payneham Memorial Swimming Centre Redevelopment Project*.

Subsequently, following the Council's tender process and appointment of the contractor to undertake the *Payneham Memorial Swimming Centre Redevelopment Project*, the Long-Term Financial Plan was updated to include the costs associated with the Project.

Elected Members may recall that the draft Long-Term Financial Plan was presented to the Council on 11 December 2023 and following consideration of the draft Long-Term Financial Plan, the Council resolved the following:

1. *That the draft 2024-2034 Long-Term Financial Plan as contained in Attachment A, be endorsed.*
2. *That the Council, having considered the draft 2024-2034 Long-Term Financial Plan, notes that the draft Plan indicates that the Council:*
  - *is sustainable in the long term; and*
  - *will move outside of the Key Financial Indicators targets for a limited period of time but will return to the targets within the 10 year timeline of the draft Plan.*
3. *That the Council notes that the draft 2024-2034 Long-Term Financial Plan will be finalised as part of the 2024-2025 Annual Business Plan and Budget process.*

As the 2024-2025 Budget has now been adopted by the Council, the draft Long-Term Financial Plan has been updated to reflect an up-to-date analysis of the Council's revenue and costs.

A copy of the updated draft *2023-2024 – 2033-2034 Long-Term Financial Plan* is contained in **Attachment A**.

## **RELEVANT STRATEGIC DIRECTIONS & POLICIES**

The Council's Strategic Management Plan, *CityPlan 2030: Shaping our Future*, provides the framework upon which the Council's various Strategic Management Plans are developed. The Council's suite of Strategic Management Plans currently includes the Long-Term Financial Plan, Infrastructure & Asset Management Plans and the Annual Business Plan and Annual Budget.

The Long-Term Financial Plan is the primary financial management tool which links the Council's Strategic Management Plans, *City Plan 2030*, Whole-of-Life Asset Management Plans and the Annual Business Plan and Annual Budget.

## **FINANCIAL AND BUDGET IMPLICATIONS**

The financial projections contained within the draft Long-Term Financial Plan, provide an indication of the Council's strategic direction and financial capacity, rather than predicting the future financial performance and position of the Council. The Long-Term Financial Plan should be viewed as a guide to future actions or opportunities, which encourages the Council to consider the future impact of its decisions in respect to the Council's on-going financial sustainability over the long term. To this end, reference will be made each year to the Long-Term Financial Plan when preparing the Annual Business Plan and Annual Budget, to ensure that the broad financial outcomes which the Council has set and agreed upon in the Long-Term Financial Plan, are continuing to be achieved and if not, put measures in place to ensure that the agreed outcomes are achieved.

## **EXTERNAL ECONOMIC IMPLICATIONS**

This report provides information on the financial projections covering the period from 2023-2024 through to 2033-2034, based on the set of assumptions that are outlined in the Discussion section of this report. As with all levels of government, based on the financial projections contained within the draft Long-Term Financial Plan, there will be an financial impact on ratepayers and citizens through increases in rates and user charges for user pays services.

The Council does provide rate relief to eligible rate payers through the minimum rate, rate capping and remission and/or postponement of rates.

## **SOCIAL ISSUES**

Not Applicable.

## **CULTURAL ISSUES**

Not Applicable.

## **ENVIRONMENTAL ISSUES**

Not Applicable.

## **RESOURCE ISSUES**

Not Applicable.

## **RISK MANAGEMENT**

The review of the Long-Term Financial Plan ensures the Council meets its obligations in accordance with the *Local Government Act 1999*.

## CONSULTATION

- **Elected Members**

Information Sessions on the Long-Term Financial Plan were held with Elected Members on 13 November and 27 November 2023.

The draft Long-Term Financial Plan was considered by the Council's Audit & Risk Committee at a Special Meeting held on 6 December 2023.

The draft Long-Term Financial Plan was considered by Elected Members at the Council Meeting held on 11 December 2023.

Updated information regarding the Long-Term Financial Plan was considered by the Audit & Risk Committee at its meeting held on 7 March 2024.

- **Community**

The draft Long-Term Financial Plan that was endorsed by the Council at the Council Meeting held on 11 December 2023, is available on the Council's website.

- **Staff**

Not Applicable.

- **Other Agencies**

Not Applicable.

## DISCUSSION

The draft *2023-2024 – 2033-2034 Long Term Financial Plan* has been reviewed and updated to incorporate the costs associated with the *Payneham Memorial Swimming Centre Redevelopment Project*, the 2024-2025 Budget and how this Project will impact on the Council's financial objectives as set out below:

### Financial Objectives

The draft Long-Term Financial Plan, as contained in Attachment A, continues to be based on the Council's Financial Goal of being "***A City which delivers on our Strategic Outcomes by managing our financial resources in a sustainable and equitable manner***".

To ensure that the Council achieves its Financial Goal, a number of Financial Outcomes and Financial Targets have been established and are set out below:

#### Outcome 1: A Balanced budget

*Council services and programs, including depreciation of infrastructure and assets, are fully funded and the costs are shared equitably between current and future ratepayers.*

#### Outcome 2: Rate Stability

*Annual rate collections are fair and equitable for our residents and ratepayers with the aim to keep rate revenue increases stable over the medium term.*

#### Outcome 3: Infrastructure and Asset Management

*Maintain Infrastructure and Assets in line with the Council's Whole of Life Infrastructure framework to achieve the outcomes and objectives, as set out in the Council's Strategic Plan, City Plan 2030.*

**Outcome 4: Debt Management**

*Prudent use of debt to invest in new long-term assets to ensure intergenerational equity between current and future users.*

The Financial Goals and Outcomes have been reviewed to determine the on-going relevance of these objectives for the draft Long Term Financial Plan. It has been determined that these objectives continue to remain relevant and therefore, form the basis of the draft Long Term Financial Plan.

The draft Long Term Financial Plan supports the Council’s strategic planning processes and outlines the Council’s approach to delivering infrastructure and services to the community in a financially sustainable and affordable manner over the next ten (10) years.

The draft Long Term Financial Plan is set against a back-drop of economic uncertainty and therefore, will need to be reviewed annually to reflect the impact of annual budgets and how decisions which are made impact on the ongoing financial sustainability of the Council. In developing the financial forecasts contained in the Long-Term Financial Plan, consideration has been given to the economic drivers that will influence the future cost of providing infrastructure, facilities and services over the next ten (10) year period.

The financial projections represent estimated future prices and costs which have been based on a set of assumptions.

The targets set for each Outcome are contained in Table 1 below.

**TABLE 1: LONG TERM FINANCIAL PLAN – FINANCIAL TARGETS**

<b>Outcome</b>	<b>Indicator</b>	<b>Description of Indicator</b>	<b>Target</b>
A balanced Budget	Operating Ratio	This indicator represents the percentage by which income source varies from the day-to-day operating expenditure. The Ratio is calculated by measuring the Council’s Operating Result as a percentage of Rate Revenue, where Operating Result equals operating revenue less operating expenses (including depreciation).	0-10%
Rate Stability	Rate revenue increases	Year-on-year increase in total rate revenue that is collected.	Between 4% and 8%
Infrastructure & Asset Management	Asset Renewal Funding Ratio	The Asset Renewal Funding Ratio indicates whether the Council has the financial capacity to fund asset renewal as required and can continue to provide existing levels of service in the future, without the need for additional operating income or reductions in operating expenses. The Ratio is calculated by measuring capital expenditure as estimated in the Long-Term Financial Plan, relative to the required capital expenditure as planned in the Council’s asset Management Plans.	Between 90% and 110% on a rolling 3 year average
Debt Management	Net Financial Liabilities	A Council's indebtedness must be managed to ensure its liabilities and associated costs are met without impinging on the financial sustainability of the Council. Net Financial Liabilities ratio measures the extent of what is owed by the Council less any liquid assets (i.e. cash or receivables) of the Council are met by its Operating revenue.	0 - 100%



## **ASSUMPTIONS**

The financial projections contained within the draft Long-Term Financial Plan, provide an indication of the Council's direction and financial capacity rather than predicting the future financial performance and position of the Council.

The key assumptions underlying the Plan are set out below:

### **Maintaining existing services at current service standards**

The draft Long-Term Financial Plan is based on a "*business as usual*" assumption, which means that the Council will continue to provide the existing services at the current service levels.

The "*business as usual*" assumption does not take into account any change in direction or service level in response to community expectations, legislative requirements or changing economic conditions that are beyond the Council's control.

For the purpose of developing the forward projections, the draft Long-Term Financial Plan has assumed new operational expenditure of \$1 million on average each year over the term of the draft Long-Term Financial Plan.

### **Cost Escalation**

The Reserve Bank of Australia has an inflationary target of between 2% and 3% per annum. Based on the 10 year average, Inflation has been set at 3.5% for the 2024-2025 financial year, which is a combination of the Local Government Price Index (LGPI) & CPI to represent a more accurate impact of costs on Council services. Inflation is expected to decrease to 3% in 2025-2026 and decline further to 2.90% over the remaining life of the Long-Term Financial Plan.

The financial projections have assumed that wages and salary costs will increase by 4.6% in 2024-2025, 3.1% in 2025-2026 and 3% over the remaining life of the Long-Term Financial Plan. The increase in wages represents increases in accordance with the Municipal Officers Agreement (MOA) and Local Government Enterprise Agreements (LGEA) as well as, legislative increases in Superannuation. The draft Long-Term Financial Plan assumes that all existing positions are filled. Enterprise Bargaining Agreements cover periods of up to 3 years and are re-negotiated every 3 years. It should be noted that as these Agreements will be re-negotiated during the planning horizon of the Long-Term Financial Plan, the potential for unforeseen variations in the financial projections exist.

### **Rate Revenue Increases**

The draft Long-Term Financial Plan assumes an average Rate Revenue indexation of 5.6% which is equivalent to the 10 year average to fund normal operations. The combined rate revenue increases range from 8.5% in Year 1, decreasing to 4% in Year 6.

### **Grants and Subsidies**

The Council receives Grants and Subsidies from both the State and Federal Governments to fund the delivery/provision of services and programs. It has been assumed that existing Operating Grants will continue to be provided in the future.

The financial projections contained in the Long-Term Financial Plan include Capital Grant revenue to assist in funding for specific new Capital Projects. As this revenue is dependent on the pool of Government funding that is made available by State and Federal Governments, it is difficult to predict how successful the Council will be in securing grant funds in the future. Therefore, no Capital Grant Funding, other than funding which has already been secured or is provided on annual basis (ie. Federal Government Financial Assistance Grants), has been included within the draft Long-Term Financial Plan. The Council may choose to defer the timing of some projects that are set out in the draft Long-Term Financial Plan and determine to proceed with specific projects subject to grant funding being secured.

## Other Fees and Charges

Revenue generated from Fees and Charges are separated between Statutory Charges, which are set by State and/or Federal Legislation and User Charges that are levied by the Council. As part of the South Australian Government Budget, Fees and Charges for specific Acts are levied, which apply to Council services.

For User Charges, the Council applies the principle of “*user pays*” and where possible, recovers the full cost of operating or providing a service or goods. Where it can be demonstrated that it is unfeasible to recover the full cost, concessions may apply.

Statutory and User Charges represent 3.5% to 10.5% of the Council’s Total Revenue and have been indexed by 2.08% per annum.

## Asset Renewal and Replacement

The Council has in place “Whole-of-Life” Asset Management Plans for each major class of asset. The Asset Management Plans are currently being reviewed and will be presented to the Council shortly. The financial projections included in the Long-Term Financial Plan, are based on the asset renewal and replacement programs as outlined in the 2024-2025 Budget and the renewal expenditure of Asset Renewal Funding Ratio. The Long-Term Financial Plan will be updated to reflect the proposed timing of the asset renewals and upgrades in accordance with the Council’s “Whole-of-Life” Asset Management Plans.

Due to the unique nature of the Council’s asset base, the input costs to renew and replace the existing asset base, can be subject to cost escalations that are greater than CPI. The financial projections have assumed that construction costs will increase by 2.20% on average over the life of the draft Long-Term Financial Plan.

The Council has identified strategic projects (new projects and upgrades of existing assets) through the implementation of pre-existing endorsed strategies and the Council’s Strategic Management Plan, *City Plan 2030*. These strategic projects have been reviewed and prioritised to be undertaken in line with asset renewals to ensure there is efficient use of resources and where possible, assets are not being replaced earlier than required.

Following a review of all the potential Capital Projects, the Strategic Projects that have been incorporated in the draft Long-Term Financial Plan, include the Payneham Memorial Swimming Centre, the implementation of The Parade Master Plan and the re-development of the Norwood Library.

Given the projected financial capacity and funding requirements for these Projects, the projects have been programmed over a ten (10) year timeframe, with the draft Long-Term Financial Plan including forecast capital expenditure on new and upgrade works over this ten (10) year period. The proposed timing of the strategic projects is contained in the draft Long-Term Financial Plan.

## Funding

Based on the principle of “*intergenerational equity*”, the draft Long-Term Financial Plan assumes that the Council will borrow to fund new and upgraded assets.

Interest rates on new borrowings in the form of a loans are forecast at 5.67% pa with Interest rates on Cash Advance Deposit Borrowings (CAD) being, on average, 6.44%. The Interest rate on investment income is forecast to be an average of 4.5%.

## Depreciation

Depreciation is an allowance that represents the consumption of an asset service potential or put simply, its “*wear and tear*”. Depreciation is based on the written down replacement value of an asset. The Council commissions an independent valuation of its major asset classes every five (5) years. In the interim years, a review and update of the replacement cost is undertaken and is based on the annual average movement in the value of like assets as verified by the Council’s Valuer.

The escalation rates to reflect asset revaluations that are applied in the financial projections, are between 1% and 3% across the life of the draft Long-Term Financial Plan, dependent upon the asset class.

Rate revenue, which includes Depreciation, is then utilised to fund the renewal of existing infrastructure and assets.

Long-term financial planning is an iterative process and the assumptions that are applied, are reviewed annually using updated information. This ensures that the Council continually reviews its financial performance and remains firmly focused on maintaining its long-term financial sustainability.

### **Payneham Memorial Swimming Centre Operational Costs**

The operating cost assumptions for the Payneham Memorial Swimming Centre (the Centre), included in the draft Long-Term Financial Plan are based on the current operational model. It has been assumed that the operational costs for the Centre will increase each year following the re-opening of the Centre, with operational costs assumed at full capacity in the fourth year following the Centre's opening. Work is currently being undertaken in respect to whether the operation of the Payneham Memorial Swimming Centre will be outsourced or retained in-house. This work will be presented to the Council over the next few months.

However, it is important to note that these assumptions are preliminary and may be subject to change which could lead to adjustments in future budgets and the Long-Term Financial Plan to reflect any updated operational goals and efficiencies.

The Payneham Memorial Swimming Centre is currently undergoing major redevelopment and the draft Long-Term Financial Plan currently assumes an approximate annual deficit of \$1 million per annum when the Centre re-opens in 2026.

A decision on the final operating model for the Centre will be made during the 2024-2025 financial year.

### **Financial Targets**

The measure of the Council's success in achieving its financial goal of being a Council which delivers on its Strategic Outcomes by managing our financial resources in a sustainable and equitable manner, is measured against a series of targets and performance measures which reflect the financial outcomes of financial sustainability.

The Financial Targets are adopted by the Council to measure performance against the Long-Term Financial Plan (based on the assumptions set out in this report) and its financial sustainability are detailed in the Graphs below.

### **Outcome 1: A Balanced Budget**

*Council's services and programs, including depreciation of infrastructure and assets, are fully funded and the costs are shared equitably between current and future ratepayers.*

The Council's main source of income is generated from the levying of rates on properties and user charges and fees which are applied to services and programs which are provided either in response to community needs and expectations or resulting from the provision of services required by legislation. The income that is collected is used to fund the cost of providing services, with surplus revenue being available to fund capital works and the repayment of debt.

The Council's long-term sustainability is dependent upon ensuring that, on average over time, the operating expenses are less than the associated revenues, with the measure of this outcome being the Operating Surplus Ratio, which measures Operating Surplus/ (Deficit) as a percentage of Operating Revenue. Ideally, at a minimum, the Operating Surplus should be set at a minimum equal to the annual principal loan repayments.

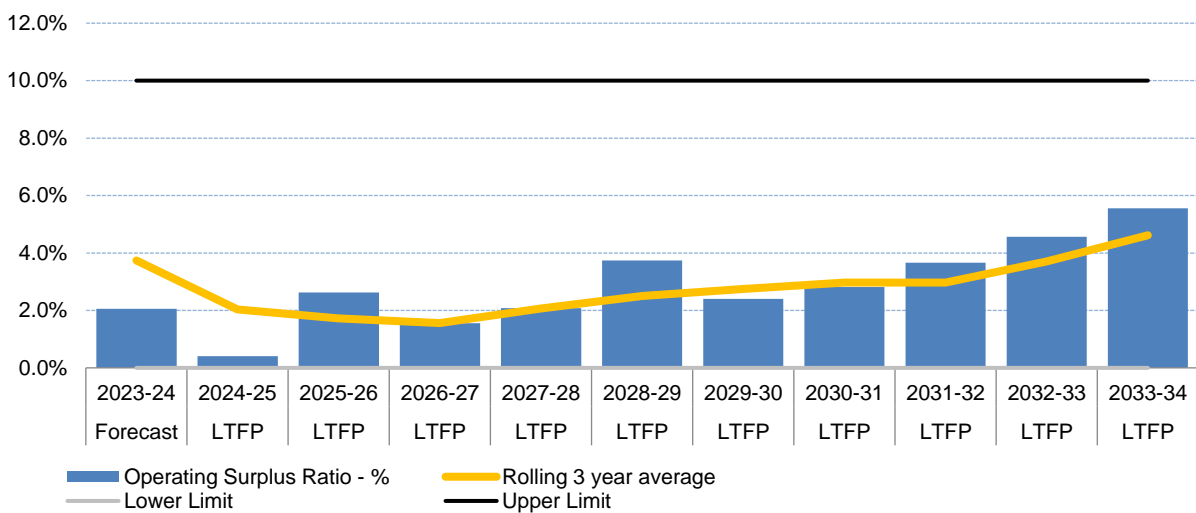
The Council measures its performance in achieving this outcome through the Operating Ratio. The Operating Ratio measures the Council's ability to cover its operational costs and have surplus revenue available for capital funding and other purposes.

A positive Ratio indicates the percentage of total own source revenue (principally rates) is available to assist in funding proposed capital expenditure, to meet loan repayments or to reduce debt. A negative ratio indicates the percentage increase in total own source revenue that would have been required to achieve a break-even operating result.

The Long-Term Financial Plan is based on achieving the objective of consistently achieving an Operating Surplus Ratio, having regard to asset management and service level needs.

The benchmark target is between 0% and 10%.

## OPERATING RATIO



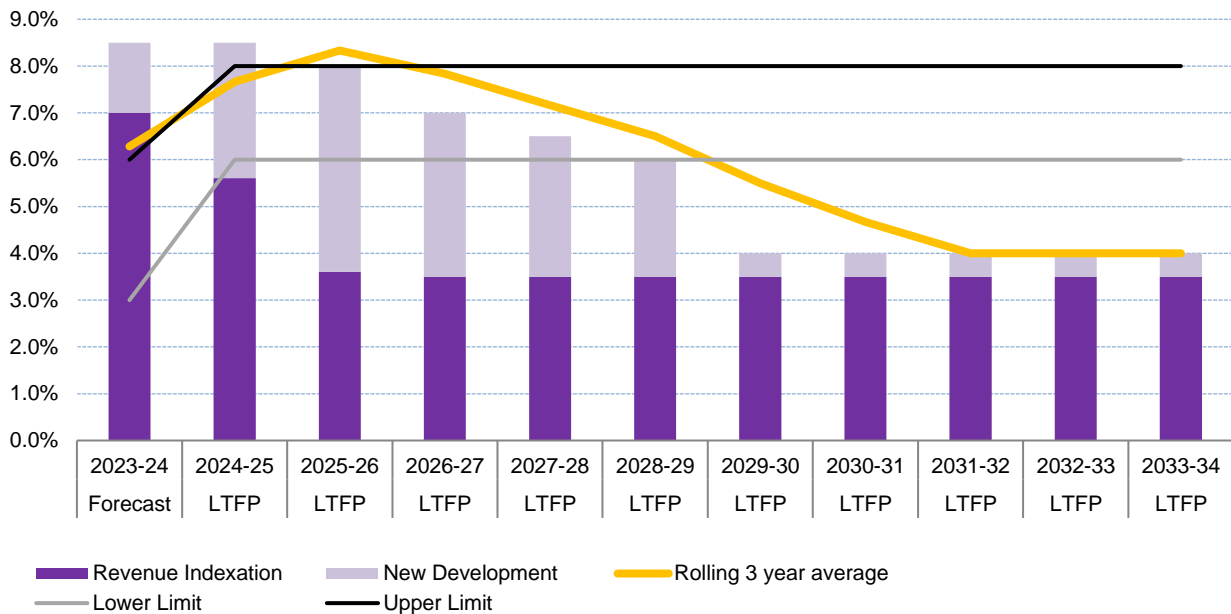
## Outcome 2: Rate Stability

*Annual rate collections are fair and equitable for our residents and ratepayers with the aim to keep rate revenue increases stable over the medium term.*

Rate revenue is a major component of the Council's revenue base. In determining future increases in rate revenue, the Council considers its strategic management plan, *CityPlan 2030*, the economic climate, the need to maintain and improve the Council's physical infrastructure and improve Community Well-being through its services, programs and facilities. The 2024-2034 Rating Strategy also takes into account the future impact of rate revenue increases on sectors of the community.

The draft Long-Term Financial Plan assumes an average Rate Revenue increase of 5.60%. The proposed increase in Rate Revenue includes the Local Government Price Index, growth in new assessments, wages growth, as well as the future financial impacts of investment in new and upgraded infrastructure, as set out in the draft Long-Term Financial Plan.

**Target: Rate Revenue Increases between 4.0% and 8.0%**



**Outcome 3: Infrastructure and Asset Management**

*Maintain Infrastructure and Assets in line with the Council’s Whole of Life Infrastructure framework to achieve the outcomes and objectives, as set out in City Plan 2030.*

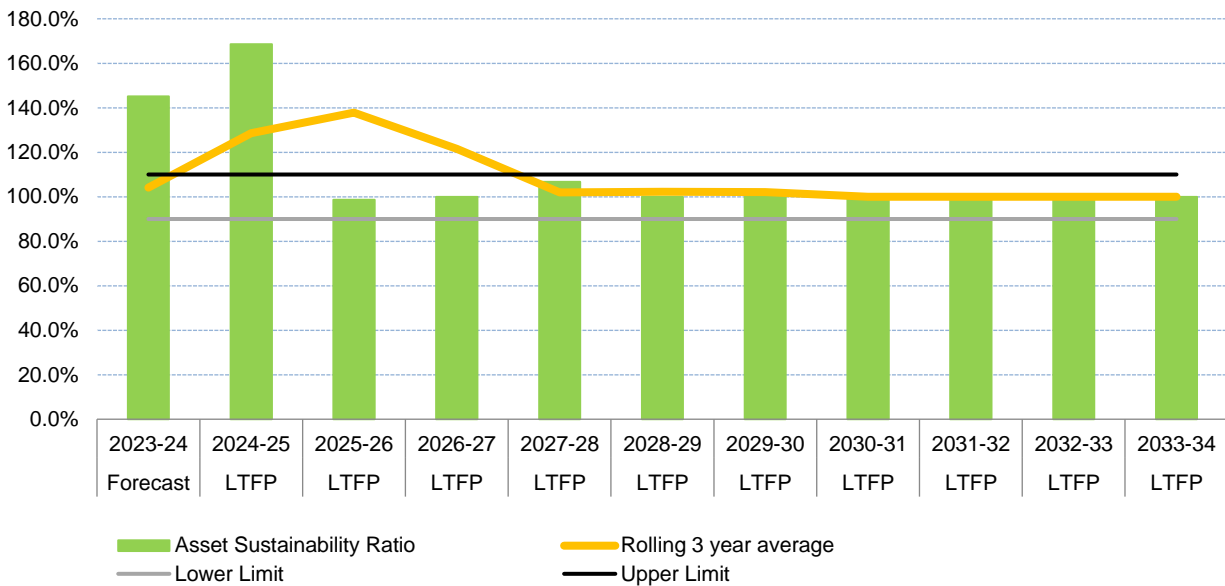
Infrastructure and asset management is the combination of management, financial, economic, engineering and other practices that are applied to the management of physical assets with the objective of achieving the required level of service in the most cost-effective and efficient manner.

The Council’s Infrastructure & Asset Management Plans details information regarding infrastructure assets, including actions which are required to provide an agreed level of service in the most cost-efficient manner. The Long-Term Financial Plan defines the service levels to be provided and what funds are required to provide the set service level. The Council measures its performance in achieving this outcome through the Asset Renewal Funding Ratio.

The Asset Renewal Funding Ratio measures how well the Council is performing in respect to the renewal or replacement of existing physical assets, such as roads, footpaths, kerbing, buildings and plant. Ideally, physical assets should be renewed or replaced at the same rate that the stock of assets is wearing out. However, it is recognised that there may be some instances that require the Council to either accelerate or decelerate the renewal or replacement of its existing asset base. As such the target ratio is calculated on a three (3) year rolling basis.

The Ratio is calculated by measuring capital expenditure on renewal or replacement of assets, relative to the planned expenditure outlined in the Council’s Asset Management Plans, with the target being an Asset Renewal Funding Ratio between 90%-110% on a rolling 3 year period.

### Asset Renewal Funding ratio



#### Outcome 4: Debt Management

*Prudent use of debt to invest in new long-term assets to ensure intergenerational equity between current and future users.*

A Council's indebtedness must be managed to ensure its liabilities and associated costs are met without impinging on the Council's financial sustainability. The Net Financial Liabilities Ratio measures the extent of what is owed by the Council less any liquid assets (i.e. cash or receivables) against its operating revenue.

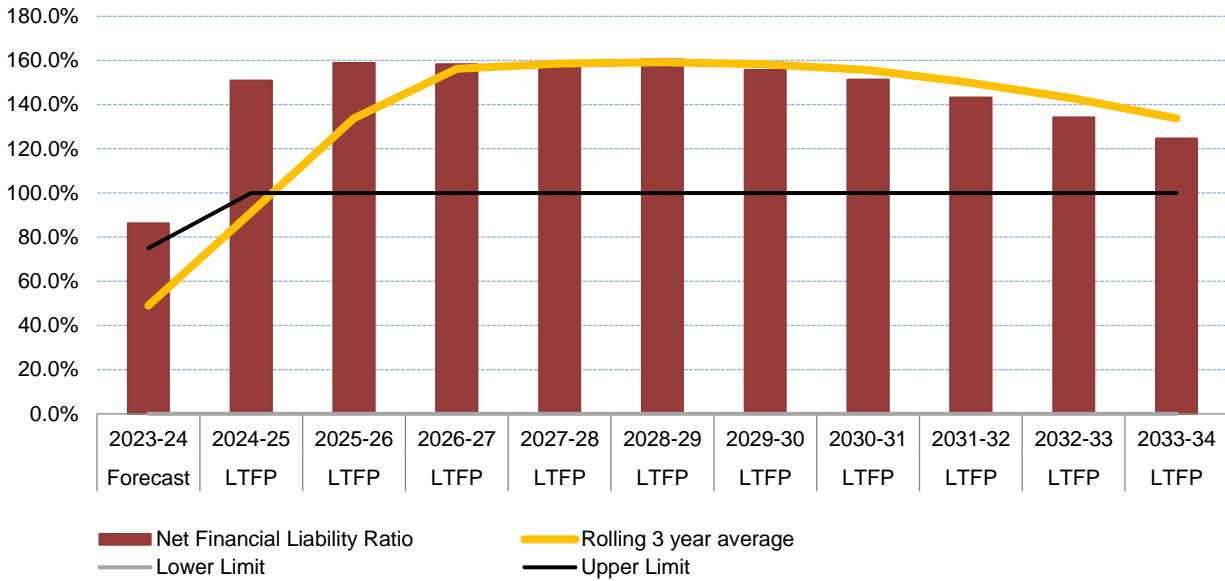
The Net Financial Liabilities Ratio is a broader and more appropriate measure of indebtedness than the level of borrowings, because it includes items such as employee Long-Service Leave entitlements and other amounts payable in the future, as well as taking account a Council's cash holdings and invested funds.

While it is ideal that the Net Financial Liabilities Ratio does not exceed 100% of Operating Income, subject to the Council's ability to service its financial obligations, the indebtedness can exceed 100% in order to provide additional services to its community through the acquisition of additional assets, without detracting from its financial sustainability.

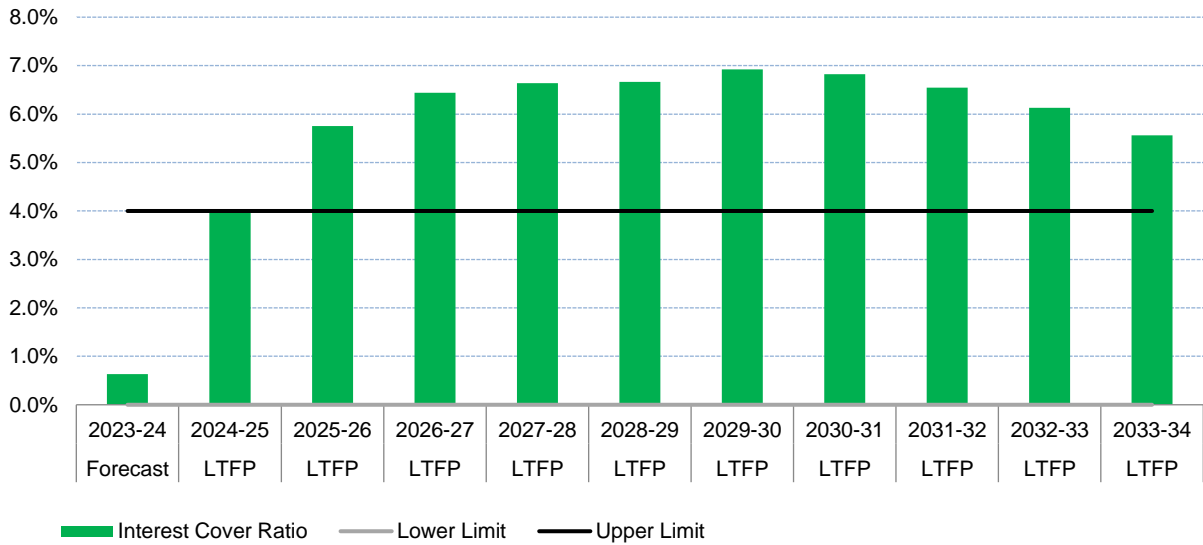
The draft Long-Term Financial Plan proposes that the Council undertakes a number of new asset projects to the value of \$111 million. Due to the nature of these projects and in line with the Council's *Treasury Management Policy*, these projects will be funded through long-term borrowings.

The Council will, therefore, focus on a robust debt reduction strategy over the next ten (10) years that involves refinancing, operational efficiencies, asset liquidation, improved cashflow management and strict financial monitoring.

### Net Financial Liability Ratio



### Interest Cover Ratio



### Financial Projections

The financial projections contained within the draft Long-Term Financial Plan, have been developed in a format that complies with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011*. This format allows projections to feed into the statutory format of the Annual Budget and key performance measures contained in the draft Long-Term Financial Plan to be compared with Annual Budgets and Annual Financial Reports. The Statutory schedules include:

- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Statement of Cash Flows; and
- Uniform Presentation of Finances.

The *Statement of Comprehensive Income* demonstrates what is expected to happen in terms of revenue, expenses and other adjustments from all of the Councils activities. Small surpluses are expected in the initial years due to the expenditure on major projects such as the Payneham Memorial Swimming Centre.

The *Statement of Financial Position* is a “snapshot” of the expected financial position of the Council at the end of each year. It reports what is expected to be owned (assets) and what is expected to be owed (liabilities). The bottom line “Net Assets” represents the net worth of the Council. The net assets of the Council are forecast to grow at rate between 1.9% per annum and 3.4% annum, primarily due to the Capital program, however, to fund new asset investment, long-term borrowings are forecast to grow to \$88 million by the end of the ten (10) year period.

The Statement of Cash Flow demonstrates what is expected to occur during the year in terms of cash. The net cash provided by operating activities shows how much cash is expected to remain after paying for the services provided to the community. Ideally funds from operating activities should be sufficient to fund asset and infrastructure renewal works and the annual repayment of loan borrowings. The information contained in the Statement of Cash Flow assists in the assessment of the ability to generate cash flows and meet financial commitments as they fall due, including debt repayments. For the first half of the ten (10) year term of the draft Long-Term Financial Plan, cash provided by operating activities are insufficient to meet asset renewals and debt repayments. The shortfall will be met through the utilisation of cash reserves and short-term borrowings.

## **OPTIONS**

Not Applicable.

## **CONCLUSION**

Based on the underlying assumptions that are contained within the draft Long-Term Financial Plan and noting that there are variations in the Key Financial Indicators over some periods during the life of the Long-Term Financial Plan and that these Indicators are projected to return towards the targets within the 10 year timeframe, the Long-Term Financial Plan indicates that the Council is sustainable in the long term.

Based on the assumptions within the Long-Term Financial Plan, at this point in time, the Council's Operating Surplus Ratio, is forecast to grow from 2.1% to 5.6% by 2033-2034. This of course, will be adjusted as part of the Annual Business Plan and Annual Budget process and/or as required.

Rate revenue increases are stable over the life of the Long-Term Financial Plan indicating that equity between generations and that current and future ratepayers pay only for their share of the City's assets and services.

## **COMMENTS**

If Elected Members have any questions or require clarification in relation to specific items, and/or any issues raised in this report, do not hesitate to contact the Chief Financial Officer, Natalia Axenova, prior to the meeting.

## **RECOMMENDATION**

1. That the *2023-2024 – 2033-2034 Long-Term Financial Plan* as contained in Attachment A be adopted.
2. That the Council, having considered the *2023-2024 – 2033-2034 Long-Term Financial Plan*, notes that the Plan indicates that the Council:
  - is sustainable in the long term; and
  - will move outside of the Key Financial Indicators targets for a limited period of time but will return to the targets within the 10 year timeline of the draft Plan.



Cr Piggott moved:

1. That the adoption of the 2023-2024 - 2033-2034 Long-Term Financial Plan, as contained in Attachment A, be deferred pending the following:
  - That the Long-Term Financial Plan be revisited to achieve a Net Financial Liability ratio within target (100%) within the 10 year timeline.
  - That administration provide a report to Council detailing current rates of comparable Councils ahead of reconsideration of the Rates Strategy to be included in the Long-Term Financial Plan.
  - That the commentary provided in the public document include clear communication to the community of the Council's decision to fund capital improvements through the use of debt.
2. That subsequent versions of the Long-Term Financial Plan be reviewed, in full, by the Audit & Risk Committee ahead of consideration of adoption by the Council.

Seconded by Cr Robinson.

The Mayor put the motion to the meeting which resulted in a tied vote.

The Mayor used his casting vote to vote against the motion and declared the motion lost.

#### Division

Cr Piggott called for a division and the decision was set aside.

Those in favour:

Cr Piggott, Cr Whittington, Cr Robinson, Cr Sims, Cr McFarlane and Cr Moorhouse.

Those against:

Mayor Bria, Cr Knoblauch, Cr Duke, Cr Granozio, Cr Mex, Cr Callisto and Cr Clutterham.

The Mayor declared the motion lost.

Cr Clutterham moved:

1. That the 2023-2024 – 2033-2034 Long-Term Financial Plan as contained in Attachment A, as amended, be adopted.
2. That having considered the 2023-2024 – 2033-2034 Long-Term Financial Plan, the Council notes that:
  - whilst the Net Financial Liabilities Ratio is outside the Council's desired target over the life of the Plan, the Plan highlights that the ratio is declining towards the end of the ten (10 year period);
  - the Plan demonstrates the generation of an Operating Surplus across each year of the Plan;
  - the Plan demonstrates that the Council is investing in its renewal of assets to ensure the sustainability and relevance of Council assets over the life of the Plan; and
  - the Council is sustainable in the long term.

Seconded by Cr Duke and carried.

## 11.2 NORWOOD SWIMMING CENTRE - 2023-2024 OPERATING REPORT

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**REPORT AUTHOR:** Swimming Centres Manager  
**MANAGER:** Manager, Arts, Culture & Community Connections  
**CONTACT NUMBER:** 8366 4550  
**FILE REFERENCE:**  
**ATTACHMENTS:** Nil

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### PURPOSE OF REPORT

To provide an overview of the Norwood Swimming Centre 2023-2024 season.

### BACKGROUND

The Norwood Swimming Centre was opened in the swimming season of 1956-1957 and comprises an asset mix that was reflective of the era, providing a 6-lane outdoor 50 metre pool to principally service recreational swimmers and lap swimmers and a smaller outdoor pool mainly utilised for learners and toddlers. The Centre currently operates as a seasonal aquatic facility.

### RELEVANT STRATEGIC DIRECTIONS & POLICIES

The City of Norwood, Payneham & St Peters owns and operates both the Norwood Swimming Centre and the Payneham Memorial Swimming Centre.

The Payneham Memorial Swimming Centre is currently undergoing a major redevelopment which is expected to be completed in 2026. During its construction, the Norwood Swimming Centre offers an alternate swimming location for previous patrons of the Payneham Memorial Swimming Centre.

Aquatic centres continue to play an important role in the community providing a mixture of community benefits including:

- water safety education;
- learn to swim education;
- recreation; and
- health and fitness.

Given the age of many publicly owned aquatic facilities, there continues to be significant investment in upgrading and redeveloping facilities e.g. the new Salisbury Aquatic Centre, Adelaide Aquatic Centre and the major renovation of the Thebarton Aquatic Centre.

The Norwood Swimming Centre is 67 years old. For comparison, modern concrete pools are considered to have a useful life of approximately 30 years (excluding supporting infrastructure which has varying and different periods of useful life). Naturally, due to the age of the facility, it is to be expected that the mixture of assets could experience an increasing level of failure and that the design will become inadequate when compared to modern standards (e.g. accessibility, aesthetic, compliance, financial sustainability and responsiveness to current consumer demand/community impact). In this regard, it is anticipated that the construction of the new Payneham Memorial Swimming Centre could result in a decline in participation at the Norwood Swimming Centre.

Community consultation that was undertaken in 2017, resulted in 176 submissions received, and 97% of these respondents supported a two-pool strategy (i.e. retaining both Centres). It should be noted that in respect to the future of the Norwood Swimming Centre, respondents significantly preferred (57%) refurbishment of the 50-metre pool compared to 32% who preferred to maintain the pool and 12% who preferred a complete re-development.

## FINANCIAL AND BUDGET IMPLICATIONS

For the 2023-2024 Swimming Season, the total income generated at the Norwood Swimming Centre is \$264,495 and total expenses are \$725,643, resulting in an operating deficit of \$461,148 against an adopted Operating Deficit of \$395,716, excluding depreciation and internal costs (e.g. human resource management, finance, management etc).

Factors which have impacted on the operations of the Norwood Swimming Centre in 2023-2024 include:

- escalation in casual staff salaries of approximately \$47,000, as a result of the new Enterprise Bargaining Agreement which covers Councils Field (Depot) staff, Lifeguards and Swimming Instructors;
- providing the Payneham Swimming Club with a discount of 80% on lane hire fees due to financial hardship being experienced by the Club. This resulted in a \$6,114 variance in income from lane hirers;
- CPI levels observed across the 2023-2024 financial year, impacting on the cost of contractors and consumables such as pool chemicals; and
- an increase of \$9,586 in event expenditure as events which were previously held at the Payneham Memorial Swimming Centre were moved to/expanded at the Norwood Swimming Centre.

It should be noted that entrance and hire fees for the Norwood Swimming Centre were retained at 2022/2023 levels – an issue which needs to be carefully considered in the future.

## EXTERNAL ECONOMIC IMPLICATIONS

Aquatic centres are historically expensive enterprises which typically require governments to subsidise the operations. This is particularly true of older facilities, as these lack the necessary mixture of asset types to create more sustainable sources of income, employ inefficient plant and require more significant and regular maintenance.

In addition, in respect to the Norwood Swimming Centre, the cost of operations is likely to continue to grow as it faces new competition from a range of new facilities being built as a result of the South Australian Government's infrastructure grants to support past COVID-19 recovery. This includes the Payneham Memorial Swimming Pool and the Adelaide Aquatic Centre.

Whilst aquatic centres were once designed primarily as places of recreation, new centres are increasingly being designed to respond to a broader range of community and consumer needs. This includes:

- warm water/hydro-therapy to support older people to engage in less-impactful exercise or people suffering from injury/musculoskeletal conditions;
- dedicated learn to swim areas;
- gymnasiums/health programming to provide a holistic approach to health and fitness; and
- access to allied-health professionals.

The combination of these services provides aquatic centres with a diversity of revenue sources and offers a highly compelling product in comparison to traditional aquatic facilities.

Patronage levels are also heavily influenced by climatic conditions, especially for outdoor pools. The highest patronage days are typically when the maximum temperature exceeds 30 degrees. For the Norwood Swimming Centre 2023-2024 season, there were 47 days that exceeded 30 degrees compared to the previous ten-year average of 57 days. In addition, 78 days during the swimming season failed to reach a daily high temperature of 25 degrees.

In light of this, the Council needs to keep a focus on both expenditure and revenues, noting that no increases in entrance and hire fees, will not keep pace with increases in the cost of labour, contracts and materials and in turn, will result in higher operational deficits. It is also important to understand that the major costs associated with operating an aquatic centre, such as utilities and human resources (staff) are fixed and there is limited opportunity for efficiencies in these areas.

## **CULTURAL ISSUES**

Nil

## **SOCIAL ISSUES**

### **Events**

With the Payneham Memorial Swimming Centre being redeveloped, the Norwood Swimming Centre hosted an increased number of events including:

- An Australia Day event which was held on Friday 26 January 2024, between 12.00pm and 4.00pm. Due to some cooler weather on the day only 154 people attended the event, well below the attendance levels of previous seasons. For those who attended, music, a free sausage sizzle and the inflatable obstacle course appeared to be well received.
- Two (2) youth events (Norwood Splash) held on Sunday 26 November 2023 and Sunday 18 February 2024. Attendances for the February and March events were 20 and 198 respectively. Unfortunately, attendance for the November event was affected by rain whilst the February event was assisted by a hot day.
- Two (2) movie nights, originally scheduled for the 9 December 2023 and 13 January 2024. The December event was re-scheduled to 27 January 2024 due to a thunderstorm. Favourable weather conditions resulted in 252 attendances on 13 January 2024 whilst there were 69 entries for the event on 27 January 2024. Attendees were able to view the movie either in the water or from the grassed area. Free popcorn was provided, and large inflatable tubes were available for participants to float in the pool whilst enjoying the movie.

Entry to each of the events was five (5) dollars per person. In total, these events generated approximately \$2,770 in revenue. A combined cost of \$14,514 in event expenses was reported against Norwood Swimming Centre's operations.

In addition, two (2) learn-to-swim holiday programs were conducted with Royal Life Saving South Australia as part of their Holiday Swim program from 18 December 2023 to 22 December 2023 and Surf Lifesaving South Australia running the VACSWIM from 8 January 2024 to 12 January 2024. Both programs focus on teaching children aged three (3) and over basic to advanced survival skills and aim to promote water safety to reduce the number of drowning deaths in Australia.

## **ENVIRONMENTAL ISSUES**

Repairs to the main 50-metre pool were undertaken to address a significant leak in the pool structure. These repairs reduced the water loss from in excess of 100,000 litres per day to approximately 20,000 litres per day. This number includes water loss from evaporation, usage and backwashing the filters which is part of normal operations.

## **RESOURCE ISSUES**

The temporary closure of the Payneham Memorial Swimming Centre has necessitated the housing of both the Norwood and Payneham Swimming Clubs at the Norwood Swimming Centre, in addition to accommodating some of the users who historically attended the Payneham Memorial Swimming Centre.

Both swimming clubs have collaborated to share the facilities resulting in the Norwood Swimming Club training six mornings per week at Norwood and at the Adelaide Aquatic Centre in the afternoons. Payneham Swimming Club train five evenings per week and every Saturday morning.

Where possible, at least three lanes were made available to the public for a combination of lap and recreational swimmers.

The Learners/Toddlers Pool, whilst lacking the necessary design to properly support a full program of 'learn to swim' activity, provided one swimming class at a time. Swimming lessons in the 50-metre pool were also impacted as a result of the increased club activity each weekday afternoon and Saturday mornings, leaving only one (1) lane available.

From the period commencing 1 December 2023 to 31 January 2024, a postcode survey was conducted for patrons using the Norwood Swimming Centre. A total of 2,090 patrons supplied a postcode, with 60.5% of users being from within the City (post-codes/users: 5067 – 448, 5068 – 275, 5069 – 334 and 5070 – 208). Interestingly, data collected to inform the City's 2017 Swimming Centres Long Term Strategy reported that 65% of participants resided within the City with 5067 and 5068 postcodes.

## DISCUSSION

### Innovation and Technology

Council's Swimming Centres are featured on the Council's website. The Swimming Centres main page experienced a similar number of visits compared to last season (14,979 vs 15,480), which was significantly less than the 2020-2021 and 2021-2022 seasons.

Due to the increased usage of the Norwood Swimming Centre by the Swimming Clubs, the online 'lap lane availability' served as an important tool in communicating with swimming centre users. This allowed users to pick less busy times when visiting the facility.

### Revenue

For the 2023-2024 swimming season, a total income of \$264,495 was recorded which is \$2,857 more than the Adopted Budgeted income of \$261,638. Whilst this is consistent with revenue recorded in 2022-2023 of \$279,776, this reflects a more favourable result in comparison to previous years of an average reported revenue of \$142,202 over the preceding 5 years (i.e. 2017-2018 to 2021-2022). The improved revenue performance in 2022-2023 and 2023-2024 is attributable to increased levels of participation likely as a result of the temporary closure of the Payneham Memorial Swimming Pool – although this cannot be confirmed.

The highest sources of revenue for the 2023-2024 swimming season came from:

- Admissions/Ticket Sales – 27.2%.
- Voucher/Season Passes – 23.8%.
- Hire Income – 16.2%.
- Swimming Lessons – 15.4%.

An overview of revenue streams for 2023-2024 are illustrated in the Table 1 below:

**TABLE 1: 2023-2024 REVENUE STREAM**

<b>Sales Category</b>	<b>Income</b>
Admission Charges/Ticket Sales	\$71,866
Voucher/Season Passes	\$65,935
Hire Income	\$42,774
Swimming Lessons	\$40,745
Kiosk Sales	\$20,951
Schools/VACSWIM	\$11,847
Merchandise	\$10,377
<b>TOTAL</b>	<b>\$264,495</b>

### Participation

The Norwood Swimming Centre opened for a period of 26 weeks on 4 November 2023 and closed on 5 May 2024.

39,573 attendances were recorded for the 2023-2024 season, a decrease of 898 attendances compared to the 2022-2023 season. When compared to the Centre's reported financial performance, in 2023-2024, the Council subsidised an average of \$11.65 per attendance (i.e. \$6.68 revenue per attendance less \$18.33 expense per attendance).

An increase of 169 general admission attendances (casual entries) were recorded in the 2023-24 season compared to the previous season.

School water safety swimming lessons, run by the Department of Education and Royal Life Saving South Australia, decreased significantly from 5,593 entries in 2022-2023 to 4,072 entries in 2023-2024. This was due to Vale Park Primary School that moved its program to the Adelaide Aquatic Centre.

Swimming lessons experienced a decrease from 2,116 lessons provided in 2022-2023 to 1,731 in 2023-2024. The late Centre opening date in 2023, is considered to be a major contributor to this decline, noting that enrolments were significantly less pre-Christmas with only 442 lessons versus 755 lessons in 2022-2023.

Season and Multi-Ticket pass-holder admissions increased from 12,893 admissions in 2022-2023 to 13,106 admissions in 2023-2024, an increase of 213 admissions.

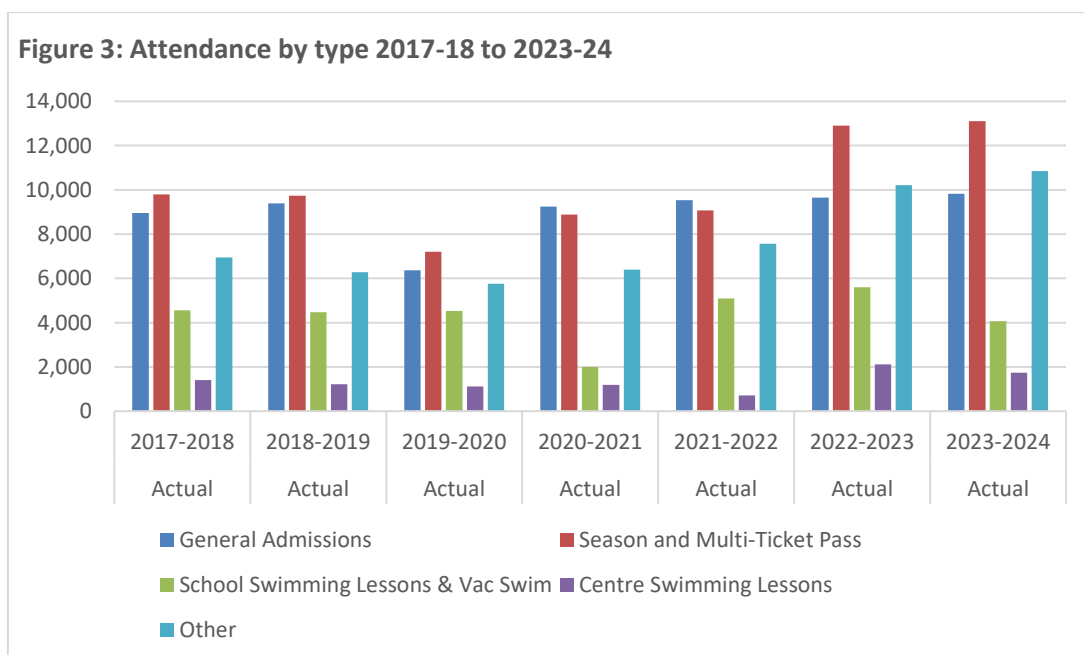
There were also 990 less squad-pass admissions in 2023-2024 compared to 2022-2023. This was due to the Payneham Swimming Club experiencing a decrease in the number of swimmers per session as well as both clubs taking a two (2) week break over the national championships.

General membership and ticket pass holder admissions increased from 9,590 admissions in 2022-2023, to 10,793 admissions in 2023-2024, an increase of 1,203 admissions.

Whilst the Norwood Swimming Centre has enjoyed higher levels of participation in 2022-2023 and 2023-2024, as a result of the temporary closure of the Payneham Memorial Swimming Centre, historically, the Norwood Swimming Centre has reported a consistent downward trend in participation. From 2016-2017 to 2018-19, a cumulative decrease of 2,479 attendances was reported, followed by a further significant decline of 6,119 attendances in 2019-2020. This latter decrease reflects, in part, the impact of COVID in 2020, which is followed by a slight correction in 2020-2021 where a growth of 2,717 attendances was reported. In summary, between 2016-2017 to 2020-2021, the Norwood Swimming Centre reported a decrease of 5,881 attendances.

Interestingly, total reported attendances increased dramatically in 2021-2022, exceeding attendances reported in 2017-2018 (31,960 attendances reported in 2021-2022 compared to 31,648 attendances reported in 2017-18). This increase related to 'event/spectator/under 2 year old' attendance, 'pre-paid season passes' and 'additional members attached to a family pass' (3rd plus child). Growth in 'event/spectator/under 2 year old' and 'pre-paid season passes' product types have been retained and improved through 2022-2023 and 2023-2024.

Attendance at the Norwood Swimming Centre from 2017-2018 to 2023-2024, by attendance type is illustrated in Figure 3 below:



## Swimming Lessons

Over recent years, the emphasis has been on providing high quality, accessible and affordable swimming lessons at the Norwood Swimming Centre. Swim School revenue was \$40,785 for the 2023-2024 Swimming Season, a decrease from \$48,439 during the 2022-2023 season. This is a result of a decrease in the number of swimming lessons attended in November and December, likely due to mild weather and a later opening date which resulted in fewer swimming lessons being offered. Revenue from swimming lessons remains higher since the closure of the Payneham Memorial Swimming Centre. There was an average of 91 lesson attendances during the 19 weeks of lessons at the Norwood Swimming Centre.

Figure 4 below outlines the historic financial performance of swimming lessons at the Norwood Swimming Centre:

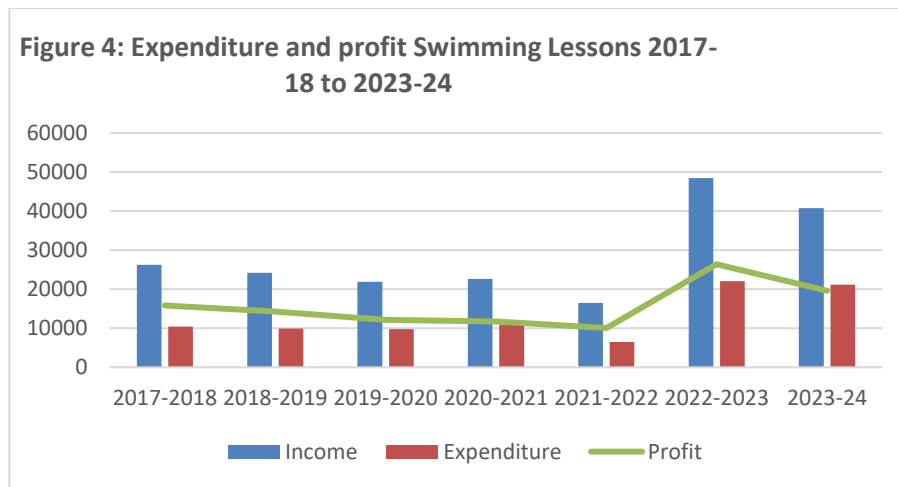
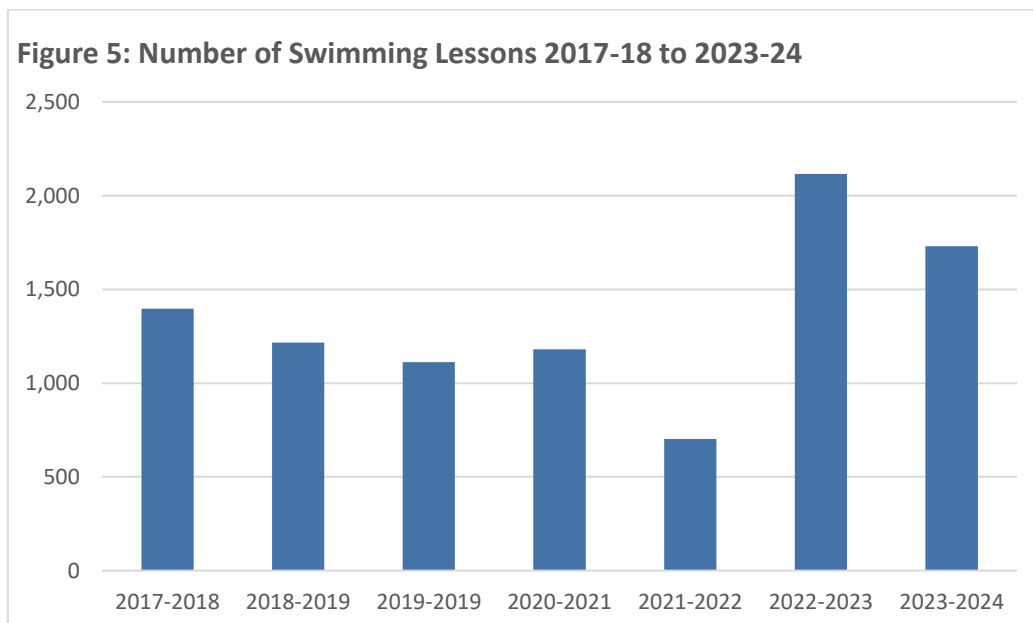


Figure 5 below illustrates the historic swimming lesson attendances at the Norwood Swimming Centre.



## Pool Failure

At the conclusion of the 2022-2023 swimming season, a significant static drop of the water level in the main 50-metre pool was observed, indicating a substantial leak of approximately 100,000 litres of water per day from the pool structure. In response, MLEI Consulting Engineers were engaged to undertake an inspection on the pool structure and surrounds and found:

- significant cracks in the pool structure;
- cracks caused by tree roots in both the pool walls and soiled water return troughs;
- misaligned and incorrectly installed construction joints;
- poor workmanship of tiling and pipe retrofits; and
- that the old concrete diving platform, no longer in use, was adding unnecessary additional stress on the pool structure.

In response, short-term urgent repairs were undertaken to ensure the pool was operational for the 2023-2024 season. The repairs included:

- concrete patching the structure of the pool;
- recaulking construction joints;
- installation of puddle flange bandage to fresh water return inlets;
- resealing of light well pit penetrations;
- fixing and replacing loose and damaged tiles;
- cleaning and removing roots from soiled water return valve;
- patching and bandaging of cracks; and
- removal of the concrete dive platform.

These repairs have an expected three (3) to five (5) year life and will be maintained annually.

With repairs completed in late October 2023, the Norwood Swimming Centre opened for a 26-week swimming season on 4 November 2023 and closed on 5 May 2024.

## Car Parking

Car parking has traditionally been a significant barrier for patrons accessing the Norwood Swimming Centre, with the limited available car parks being utilised by all-day parkers from surrounding workplaces and/or properties. To improve access to the Centre, three (3) hour parking restrictions were introduced on Phillips Street before the commencement of the 2023-2024 swimming season. Given the range of external influences on participation at the Norwood Swimming Centre during 2023-2024 (e.g. cooler weather and temporary closure of the Payneham Memorial Swimming Centre), it is difficult to gauge the impact of this initiative on patronage at this time.

## Swimming Clubs

As a result of the temporary closure of the Payneham Memorial Swimming Centre, the Payneham Swimming Club has re-located to the Norwood Swimming Centre.

Prior to the commencement of the swimming season, the Payneham Swimming Club approached the Council indicating that they were experiencing financial hardship as a result of a decline in membership and were seeking financial support. Table 2 below illustrates a recent history of the Club's membership.

**TABLE 2: PAYNEHAM SWIMMING CLUB MEMBERSHIP**

<b>Season</b>	<b>Members</b>
2021	39
2022	52
2023	45
2024	30



In response, the Club was supported with an 80% season discount on the full-lane hire rate for the 2023-2024 season. Understanding the sustainability of the Payneham Swimming Club is an important pre-cursor to some of the intended utilisation of the Payneham Memorial Swimming Pool. In this regard, staff are in the process of engaging with the Club to understand their approach to improving the Club's sustainability, including revenue from membership, sponsorship and other sources.

### **Access and Compliance**

During the 2023-2024 Swimming Season, other urgent asset maintenance and/or renewal items were identified, including;

- failure of the hoist which is designed to provide access to the 50-metre pool for people with reduced mobility;
- inadequate changeroom facilities which do not provide appropriate levels of accessibility;
- potentially non-conforming plant/chemical storage; and
- improved cleaning.

An audit of the facility has been commissioned to inform whether any urgent upgrades and improvements are required. Where possible, identified issues will be resolved outside of the 2024-2025 swimming season.

### **OPTIONS**

Due to the temporary closure of the Payneham Memorial Swimming Centre and the anticipated closure of the Adelaide Aquatic Centre in August 2024, it is anticipated that the Norwood Swimming Centre could attract higher levels of participation. Consistent with normal practice, the Norwood Swimming Centre will provide a 26-week (6 month) swimming season in 2024-2025.

To this end, the Norwood Swimming Centre will open on Saturday 12 October 2024 and close on Sunday 13 April 2025.

### **CONCLUSION**

The Norwood Swimming Centre:

- realised an Operating Deficit excluding Depreciation and internal costs (e.g. human resource management, finance, management etc) of \$461,148;
- attracted 39,573 attendances during the 2023-24 season, representing a decrease of 898 attendances compared to the 2022-2023 season;
- Swim School revenue was \$40,785 for the 2023-2024 Swimming Season, a decrease from \$48,439 during the 2022-2023 season. This was likely a result of a delayed opening and milder weather;
- School water safety swimming lessons, conducted by the Department of Education and Royal Life Saving South Australia, decreased from 5,593 participants in 2022-23 to 4,072 participants in 2023-2024. This was due to Vale Park Primary School that moved its program to the Adelaide Aquatic Centre;
- a range of capital works were undertaken in 2023 to address significant water leakage. This resulted in the commencement of the 2023-2024 swimming season being delayed;
- additional capital works are anticipated for 2024-2025 to address a number of safety and compliance matters;
- three (3) hour parking restrictions were introduced on Phillips Street before the commencement of the swimming season to improve patron access to the Centre; and
- housed both the Payneham and Norwood Swimming Clubs due to the temporary closure of the Payneham Memorial Swimming Centre.

### **RECOMMENDATION**

1. That the report be received and noted.
2. The Council notes that the Norwood Swimming Centre will open on Saturday 12 October 2024 and close on Sunday 13 April 2025.

Cr Sims moved:

1. *That the report be received and noted.*
2. *The Council notes that the Norwood Swimming Centre will open on Saturday 12 October 2024 and close on Sunday 13 April 2025.*

Seconded by Cr Mex.

Amendment

Cr Moorhouse moved:

1. *That the report be received and noted.*
2. *The Council notes that the Norwood Swimming Centre will open on Saturday 12 October 2024 and close on Sunday 20 April 2025.*

Seconded by Cr McFarlane.

Cr Robinson left the meeting at 8.20pm.

Variation

*Cr Moorhouse, as the mover of the amendment, with the consent of Cr McFarlane as the seconder, sought leave of the meeting to vary point 2. of the amendment as follows:*

2. *The Council notes that the Norwood Swimming Centre will open on Saturday 12 October 2024 and close no later than Sunday 20 April 2025.*

*The amendment (as varied) was put and carried unanimously and on becoming the motion was again put and carried unanimously.*

Cr Sims left the meeting at 8.22pm.

## **Section 3 – Governance & General Reports**

### 11.3 SUSTAINABLE GARDEN AWARDS AND EXPLORE FLORA AND FAUNA EVENTS

**REPORT AUTHOR:** Sustainability Officer  
**GENERAL MANAGER:** General Manager, Urban Planning & Environment  
**CONTACT NUMBER:** 8366 4521  
**FILE REFERENCE:** fA22016  
**ATTACHMENTS:** Nil

#### PURPOSE OF REPORT

The purpose of this report is to update the Council on the status of the Council's Sustainable Garden Awards to enable Council to consider the future of this Program.

#### BACKGROUND

The Sustainable Garden Awards (the Awards) have been held biennially, by the Council since 2016, with the objective of showcasing local gardens which make a positive contribution to the environment and well-being of our community through sustainability principles, design and innovation.

The Awards have been used as an opportunity to co-host with other sustainability events, which has evolved into a dedicated annual event program, including sustainable gardening workshops, speaker forums, native plant giveaway and tours of local parks containing notable biodiversity features. The events have been delivered in partnership with the Nature Festival, Nature Play SA and local community environmental groups, in recent years this came under the banner of 'Explore Flora and Fauna'.

For the inaugural Sustainable Gardens Awards in 2016, the Council received 17 nominations across the four award categories (residential, commercial, community and nature play). In 2018, the Council received 13 nominations across the three award categories (residential, commercial and community).

Notwithstanding widespread promotion across multiple platforms (e.g. Council's website, social media, newsletter, libraries, radio, on hold message service and in the Customer Service Centre) of the program, the last two iterations of the awards only yielded two entries in 2020 and only one (incomplete) entry in 2022. This contrasts with the ongoing strong interest in the other sustainability events and workshops offered.

For the events that are held in conjunction with the Awards, the most popular events in 2023 were the native plant giveaway and the Along the River tours, with most events well attended. The tables below outline the attendance at events since 2020.

**TABLE 1: 2023 EVENT ATTENDANCE**

Event	Available	Booked	Attended
Native Plant Giveaway	100	100	78
Tour of St Peters Billabong	19	19	13
Along the River	150	150	120
Tour of Borthwick Park	17	17	11
Kent Town Verge Tour	30	11	5
<b>Total</b>	<b>316</b>	<b>297</b>	<b>227</b>

**TABLE 2: 2022 EVENT ATTENDANCE (as part of Sustainable Garden Awards)**

Event	Available	Booked	Attended
Native Plant Giveaway	80	55	44
Tour of St Peters Billabong	10	5	3
Along the River	100	49	35
Tour of Borthwick Park	15	0	Cancelled
Garden Tour - Rita's Garden	15	12	9
Garden Tour – Alan's Garden	15	15	10
Backyard Chooks for Beginners	50	1	Cancelled
LiDAR & Heat Mapping (Resilient East)	50	0	Cancelled
Sustainable Garden Design & Plant Selection	50	9	6
<b>Total</b>	<b>385</b>	<b>146</b>	<b>107</b>

**TABLE 3: 2020 EVENT ATTENDANCE (as part of Sustainable Garden Awards)**

Event	Attended/Views
Online webinars and events:	
<ul style="list-style-type: none"> <li>• Injury Prevention for Gardeners</li> <li>• Water Sensitive Urban Design for your Garden</li> <li>• What's the Dirt on Soil</li> <li>• Creating a Wildlife Friendly Garden</li> <li>• Virtual Tour of Award Winning Garden</li> </ul>	323 views
Tour of St Peters Billabong	45
Native Plant Giveaway	83
Garden Photography with you Mobile Device	10
<b>Total onsite attendances</b>	<b>138</b>

The *Explore Flora and Fauna* events complement other Council initiatives, which support objectives associated with urban greening, environmental sustainability and climate change adaptation, including the Tree Incentive and reintroduced Green Verge programs.

### RELEVANT STRATEGIC DIRECTIONS & POLICIES

The Awards and *Explore Flora and Fauna* events support the following objectives from Council's City Plan 2030 Shaping Our Future:

#### Outcome 1 Social Equity

*An inclusive, connected, accessible and friendly community*

*Objective 1.4: A strong, healthy, resilient and inclusive community*

*Strategy 1.4.2: Encourage and provide opportunities for lifelong learning.*

*Strategy 1.4.3: Encourage the use of spaces and facilities for people to meet, share knowledge and connect with each other.*

#### Outcome 4: Environmental Sustainability

*A leader in environmental sustainability*

*Objective 4.3: Thriving and healthy habitats for native flora and fauna.*

*Strategy 4.3.4: Facilitate community participation in revegetation programs and gardening programs, where appropriate.*

### FINANCIAL AND BUDGET IMPLICATIONS

The Awards in isolation, typically cost approximately \$4,000-\$5,000 to conduct, including promotion, catering, photography and prizes. \$10,000 has been allocated in the 2024-2025 budget for Urban Greening Initiatives. This budget would be allocated to fund the Awards, annual events program and the Tree Incentive Program. As this is a reduced budget allocation compared to previous years, it is likely that this will be insufficient to fund all of these activities. Therefore, discontinuing, or a reduction in the scope, of one or more activities would be required to remain within budget.

Due to the planning and coordination required for the *Explore Flora and Fauna* events, to be held in October 2024, a preliminary budget of \$5,590 has been allocated for this purpose from the Urban Greening Initiatives budget.

### EXTERNAL ECONOMIC IMPLICATIONS

Not applicable.

### SOCIAL ISSUES

Environmental sustainability events support social engagement and connectivity, including connection to nature. Research shows that access to nature and nature-based activities, such as gardening, have broader community health and well-being benefits.

## CULTURAL ISSUES

Environmental sustainability events encourage community participation and engagement with themes important to the City's environmental cultural heritage.

## ENVIRONMENTAL ISSUES

Environmental education is an important part of Council's broader environmental sustainability objectives and programs. The nature-based education programs are also an opportunity to promote the City's parks, environmental assets and local biodiversity. Participation in environmental events can encourage greater community engagement with environmental sustainability issues, improving environmental awareness and behaviours and increasing potential for further civic participation (e.g. volunteering with local environment groups).

## RESOURCE ISSUES

Coordination, promotion and management of the events associated with the Awards is undertaken by the Council's Marketing and Place Activation staff..

## RISK MANAGEMENT

Discontinuing the Awards presents a potential reputational risk in terms of community perceptions of the Council's commitment to environmental sustainability. Continuation of the *Explore Flora and Fauna* annual events program will mitigate against this perception and provide the community with a range of accessible and free events.

## CONSULTATION

- **Elected Members**  
Not applicable.
- **Community**  
Not applicable.
- **Staff**  
Acting General Manager Urban Planning and Environment.  
Manager Marketing and Place Activation.
- **Other Agencies**  
Not applicable.

## DISCUSSION

As the *Explore Flora and Fauna* events program is delivered annually in October, planning has commenced for this year's program. The Awards would ordinarily be held this year, as a biennial event last held in 2022.

As outlined above, interest in the Awards has declined to a point where only one submission was received in 2022. This is despite considerable extra efforts to attract nominees. In addition to the usual promotion activities undertaken in previous iterations of the Awards, a simplified application process was developed and targeted letter box drops and communication to households with notable gardens was conducted by staff and Elected Members.

The low level of interest in nominating for the Awards could be due to a range of factors, although the decline in interest suggests that there are only a limited number of potential applicants, due to the relatively small geographical area and population base in the City, resulting in applications inevitably declining over time.

It is arguable that the Awards are also limited in appeal as there is less incentive for individual households and businesses to be seeking external recognition for this type of activity. Businesses would typically be interested in awards as a means of promoting themselves and their business activities to clients. Therefore, an award such as this could potentially appeal to landscape and gardening related businesses. However, they are more likely to be interested in awards with a broader geographical area of representation than Norwood Payneham & St Peters alone.

It is worth noting that it is not uncommon for awards programs to suffer a decline in interest over time. For example, Council's Urban Design Awards Program experienced a gradual decline in nominations between 2007 and 2016, resulting in the Program concluding in 2018.

Delivering the Awards requires a reasonable amount of staff time to facilitate, including organising promotion and marketing, establishing an external expert judging panel, organising site visits for the judges, hosting an Awards event and organising prizes including professional photography. The estimated budget expenditure for previous rounds of the Awards has been \$4,000-\$5,000, not including staff time.

The community education and plant giveaway events can proceed without conducting an Awards program. It is proposed that this year's events will be similar to previous years and delivered in partnership with Nature Play SA as well as local community environmental groups, including Along the River (with Nature Play SA), native plant giveaway and tours of St Peters Billabong and Borthwick Park.

## **OPTIONS**

The *Explore Flora and Fauna* events will continue as per previous years. The options for consideration relate to the future of the biennial Sustainable Gardens Awards.

### **Option 1: Discontinue the Sustainable Garden Awards**

Given the progressive decline in interest in the awards, it is not expected that there will be an increase in interest this year. There is also a considerable effort involved in organising the Awards, for there to be little or no interest from applicants willing to make a nomination. On this basis, it is recommended that the Sustainable Gardens Awards are discontinued, and the Urban Greening Initiatives budget allocated for 2024-25 be spent on this year's *Explore Flora and Fauna* events program and a reduced Tree Incentive program. Over a longer timeframe (e.g. 5 years) reintroducing an award of this nature could be reconsidered.

### **Option 2: Continue the Sustainable Garden Awards**

The Sustainable Garden Awards could continue to be delivered biennially at the risk of low or no community interest and potential criticism that the Council is not wisely using funds to deliver its highest priorities.

## **CONCLUSION**

Community interest in environmental sustainability programs remains strong in relation to the annual *Explore Flora and Fauna* events and the Tree Incentive Program, whereas interest in the Awards has declined to a point that it is not recommended to continue with the awards at this stage. The community events will continue as proposed and will be reported to the Council at the conclusion of the program.

## **COMMENTS**

Nil.

## **RECOMMENDATION**

1. That the Sustainable Garden Awards be discontinued on the basis that the Awards no longer attract sufficient community interest and participation.
2. That Council notes the attendance figures of previous *Explore Flora and Fauna* events and notes that this program will continue to be delivered within the allocated budget.

*Cr Duke moved:*

Cr Robinson returned to the meeting at 8.23pm.

- 1. That the Sustainable Garden Awards be discontinued on the basis that the Awards no longer attract sufficient community interest and participation.*
- 2. That Council notes the attendance figures of previous Explore Flora and Fauna events and notes that this program will continue to be delivered within the allocated budget.*

*Seconded by Cr Granozio and carried unanimously.*

Cr Sims returned to the meeting at 8.23pm.



## 11.4 NOMINATIONS FOR PRESIDENT OF THE LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA

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**REPORT AUTHOR:** General Manager, Governance & Civic Affairs  
**GENERAL MANAGER:** Chief Executive Officer  
**CONTACT NUMBER:** 8366 4549  
**FILE REFERENCE:** qA2219  
**ATTACHMENTS:** A - B

---

### PURPOSE OF REPORT

The purpose of the report is to advise the Council of the call for nominations by the Local Government Association of South Australia (LGA), for the position of President of the LGA and to invite the Council to submit a nomination.

### BACKGROUND

The LGA has forwarded correspondence to Councils inviting nominations for the position of President of the LGA. The term of office for the new President is a two (2) year term, commencing from the 2024 LGA Annual General Meeting (ie Friday, 22 November 2024), and concluding at the 2026 LGA Annual General Meeting.

A copy of the letter from the LGA dated 19 June 2024 is contained within **Attachment A**.

The LGA's Constitution sets out the process associated with the nominations for the role of President. The Constitution requires that the Office of the LGA President will be elected on a biennial basis and nominations will be received from an Elected Member provided they are a current Elected Member and a current Member of either the South Australian Regional Organisation of Councils (SAROC) or the Greater Adelaide Regional Organisation of Councils (GAROC). In addition, the candidates must have been a member of either SAROC or GAROC for a period of not less than one (1) year.

The relevant extract from the LGA Constitution is contained within **Attachment A**.

This Council is a member of GAROC.

As the current President, Mayor Dean Johnson is from an eligible rural Council (ie, District Council of Kimba), nominees are now sought from eligible metropolitan Councils, (ie Members of GAROC).

### RELEVANT POLICIES & STRATEGIC DIRECTIONS

Not Applicable.

### DISCUSSION

The role of the President is to:

- provide leadership to the LGA Board of Directors;
- chair meetings of the LGA Board of Directors;
- preside at meetings of the LGA (ie Ordinary Meetings, Annual General Meetings; etc);
- to act as the principal spokesperson of the LGA; and
- represent the LGA externally to government, stakeholders, etc.

The term of office of the President is two (2) years. An annual allowance is payable in relation to the position of President.

To be eligible for nomination, a person must be an Elected Member and be a current member of the GAROC Committee and have been in that role for at least one (1) year.

The current members of the GAROC Committee are:

- Mayor Gillian Aldridge OAM, City of Salisbury;
- Mayor Claire Boan, City of Port Adelaide Enfield;
- Mayor Michael Coxon, City of West Torrens;
- Mayor Kris Hanna, City of Marion;
- Mayor Heather Holmes-Ross, City of Mitcham;
- Cr Lucas Jones, City of Tea Tree Gully;
- Cr Anna Leombruno, City of Campbelltown;
- Lord Mayor Jane Lomax-Smith, City of Adelaide; and
- Councillor Don Palmer, City of Unley.

Whilst a Council may nominate a person from another Council, it is important to note that the Nomination Form requires that person to accept the nomination and sign the form. It is therefore incumbent on the Council to ensure that, if it does intend to nominate a person from another Council, the nominee is aware of the proposed nomination and is prepared to accept the nomination.

A copy of the 2024 Nomination Form for the LGA President is contained within **Attachment B**.

Nominations are to be received by the Returning Officer, LGA no later than 5.00pm on Friday, 16 August 2024.

## **RECOMMENDATION**

That the report be received and noted and the invitation to submit a nomination to the Local Government Association for the position of President of the Local Government Association of South Australia President be declined.

**or**

The Council nominates \_\_\_\_\_ to the Local Government Association for the position of President of the Local Government Association of South Australia.

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Cr Callisto left the meeting at 8.28pm.

*Cr Duke moved:*

*The Council nominates Mayor Michael Coxon of the City of West Torrens to the Local Government Association for the position of President of the Local Government Association of South Australia.*

*Seconded by Cr Knoblauch.*

Cr Callisto returned to the meeting at 8.31pm.

*The motion was put and carried.*

## 11.5 LOCAL GOVERNMENT FINANCE AUTHORITY OF SOUTH AUSTRALIA ANNUAL GENERAL MEETING

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**REPORT AUTHOR:** General Manager, Governance & Civic Affairs  
**GENERAL MANAGER:** Chief Executive Officer  
**CONTACT NUMBER:** 8366 4549  
**FILE REFERENCE:** qA2181  
**ATTACHMENTS:** A - B

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### PURPOSE OF REPORT

The purpose of the report is to advise the Council that the Local Government Finance Authority of South Australia, is holding its Annual General Meeting on Friday, 22 November 2024.

### BACKGROUND

The Annual General Meeting of the Local Government Finance Authority of South Australia (LGFA), will be held on Friday, 22 November 2024, at the National Wine Centre. This meeting will again coincide with the Local Government Association of South Australia Annual General Meeting. The commencement time of the LGFA AGM is yet to be advised.

The LGFA requires that a number of procedural matters must be attended to in order to ensure compliance with the LGFA Rules.

### DISCUSSION

#### Appointment of Council Representative

Section 15 (1) of the *Local Government Finance Authority of South Australia Act 1983* (the Act), provides that:-

*“Every Council is entitled to appoint a person to represent it at a general meeting of the Authority.”*

Traditionally, the Mayor has been appointed as the Council Representative.

The LGFA will be notified of the City of Norwood Payneham & St Peters representative, via the appropriate documentation (**Attachment A**), by 23 August 2024, in accordance with the prescribed timeframes.

#### Notices of Motion

The Rules of the LGFA in relation to the Annual General Meeting procedures, require that a Notice of Motion specifying the resolution which is to be proposed must be given to the Chief Executive Officer not less than forty two days prior to the meeting. To comply with this rule, it is necessary for any Notices of Motion to be submitted to the LGFA no later than Friday, 23 August 2024.

Notices of Motion must be lodged stating the following:

- the Notice of Motion;
- the reason for the Notice of Motion; and
- the suggested action.

Any Notices of Motion submitted by the Council, will be forwarded to the LGFA via the appropriate documentation (**Attachment B**).

## OPTIONS

The Council is entitled to appoint a person to represent it at the LGFA AGM.

It is at the discretion of the Council as to whether or not it forwards a Notice of Motion/s to be considered at the Annual General Meeting.

## CONCLUSION

All relevant information must be forwarded to the Local Government Finance Authority for inclusion with the Agenda for the LGFA AGM, by Friday, 23 August 2024.

## COMMENTS

Nil.

## RECOMMENDATION 1

### Appointment of Council Representative

1. The Council appoints Mayor Bria as the City of Norwood Payneham & St Peters Representative at the Local Government Finance Authority Annual General Meeting to be held in November 2024.
2. The Council appoints \_\_\_\_\_ as the City of Norwood Payneham & St Peters Proxy Representative at the Local Government Finance Authority Annual General Meeting to be held in November 2024.

## RECOMMENDATION 2

### Notices of Motion

1. The Council notes the report and declines the invitation to submit a Notice of Motion to the Local Government Finance Authority 2024 Annual General Meeting.

or

2. The Council forwards a Notice of Motion to the Local Government Finance Authority 2024 Annual General Meeting in relation to the following item:

---

Cr Mex left the meeting at 8.34pm.

*Cr Robinson moved:*

*The Council appoints Mayor Robert Bria as the City of Norwood Payneham & St Peters Representative at the Local Government Finance Authority Annual General Meeting to be held in November 2024.*

*Seconded by Cr Clutterham and carried unanimously.*

Cr Mex returned to the meeting at 8.35pm.

*Cr McFarlane moved:*

*The Council appoints Cr Grant Piggott as the City of Norwood Payneham & St Peters Proxy Representative at the Local Government Finance Authority Annual General Meeting to be held in November 2024.*

*Seconded by Cr Clutterham and carried unanimously.*

*Cr Moorhouse moved:*

*The Council notes the report and declines the invitation to submit a Notice of Motion to the Local Government Finance Authority 2024 Annual General Meeting.*

*Seconded by Cr Piggott and carried unanimously.*

## 11.6 NOMINATIONS TO THE LOCAL GOVERNMENT FINANCE AUTHORITY OF SOUTH AUSTRALIA BOARD

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**REPORT AUTHOR:** General Manager, Governance & Civic Affairs  
**GENERAL MANAGER:** Chief Executive Officer  
**CONTACT NUMBER:** 8366 4549  
**FILE REFERENCE:** qA2181  
**ATTACHMENTS:** A

---

### PURPOSE OF REPORT

The purpose of the report is to advise the Council of the call for nominations by the Local Government Finance Authority (LGFA), for election to the Local Government Finance Authority Board (the Board) and invite the Council to submit a nomination.

### Local Government Finance Authority Board

The LGFA is seeking nominations for the Local Government Finance Authority Board to replace two (2) current Members, whose term of office expires on 31 December 2024. The two (2) positions are currently held by Ms Annette Martin, City of Charles Sturt and Mr Michael Sedgman, City of Adelaide.

The LGFA of South Australia was established in January 1984, under the Local Government Finance Authority Act 1983, and is managed and administered by a Board of Trustees. The Authority is a statutory authority established for the benefit of Councils and other prescribed Local Government bodies within the State.

The role of the Board is to develop and implement investment and borrowing programs for the benefit of Councils and prescribed Local Government bodies and to engage in such other financial activities as are determined by the Minister for Local Government, after consultation with the Local Government Association of South Australia, to be in the interests of Local Government.

The term of office is for a two (2) year period, commencing on 1 January 2025 to 31 December 2026.

Nominations for the Local Government Finance Authority Board must be forwarded by Friday, 23 August 2024, via a Nomination and Resume form.

A copy of the Nomination and Resume form is contained within **Attachment A**.

In accordance with the Rules of the LGFA, if more than two (2) persons are nominated an election for the two (2) representative members will be determined by postal ballot.

The successful candidates will be declared elected at the LGFA AGM on Friday, 22 November 2024.

### RELEVANT POLICIES & STRATEGIC DIRECTIONS

Not Applicable.

### RECOMMENDATION

Council notes the report and declines the invitation to submit a nomination to the Local Government Finance Authority of South Australia for the Local Government Finance Authority of South Australia Board.

or

Council nominates \_\_\_\_\_ to the Local Government Finance Authority of South Australia for the Local Government Finance Authority of South Australia Board.

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Cr Piggot declared a material conflict of interest in this matter, on the basis that he has been nominated to the LGFA Board and left the meeting at 8.37pm.

*Cr McFarlane moved:*

*Council nominates Cr Grant Piggott to the Local Government Finance Authority of South Australia for the Local Government Finance Authority of South Australia Board.*

*Seconded by Cr Robinson and carried unanimously.*

Cr Piggott returned to the meeting at 8.38pm.

## 11.7 NOMINATIONS FOR MEMBERS OF THE LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA GREATER ADELAIDE REGION ORGANISATION OF COUNCILS (GAROC)

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**REPORT AUTHOR:** General Manager, Governance & Civic Affairs  
**GENERAL MANAGER:** Chief Executive Officer  
**CONTACT NUMBER:** 8366 4549  
**FILE REFERENCE:** qA2219  
**ATTACHMENTS:** A - B

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### PURPOSE OF REPORT

The purpose of the report is to advise the Council of the call for nominations by the Local Government Association of South Australia (LGA), for Members of the Greater Adelaide Regional Organisation of Council (GAROC) and to invite the Council to submit a nomination.

### BACKGROUND

The Local Government Association of South Australia (LGA) has written to the Council, inviting nominations for appointment to the Greater Region of Adelaide Organisation of Council (GAROC).

A copy of the letter from the LGA dated 19 June 2024, is contained in **Attachment A**.

The terms of the current members of the GAROC Committee will expire in November 2024 (ie, at the 2024 LGA Annual General Meeting (AGM)).

The LGA's current Constitution, sets put the process associated with the nominations for appointment to the GAROC.

The GAROC represents the greater Adelaide region (ie, metropolitan), based on North, South, East, West groupings of Councils and the City of Adelaide and the South Australian Regional Organisation of Councils (SAROC) is based on the existing regional areas and areas outside the Adelaide metropolitan area.

This Council and the following Councils are members of the GAROC:

- Adelaide Hills Council;
- City of Burnside;
- Campbelltown City Council;
- City of Charles Sturt;
- Town of Gawler;
- City of Holdfast Bay;
- City of Marion;
- City of Mitcham;
- City of Onkaparinga;
- City of Playford;
- City of Port Adelaide Enfield;
- City of Prospect;
- City of Salisbury;
- City of Tea Tree Gully;
- City of Unley;
- Town of Walkerville; and
- City of West Torrens.

### RELEVANT POLICIES & STRATEGIC DIRECTIONS

Not Applicable.



## DISCUSSION

The Terms of Reference for the GAROC stipulate that the role of GAROC is to provide regional advocacy, policy initiation and review, leadership, engagement and capacity building in the region(s).

An extract from the GAROC Terms of Reference is contained within **Attachment A**.

The Lord Mayor of the City of Adelaide, (or nominee), is a standing member of GAROC.

The Council is a member of the East Regional Grouping and therefore the Council is able to nominate one (1) member for appointment to GAROC from the East Regional Grouping, which comprises the following Councils:

- Adelaide Hills Council;
- City of Burnside;
- Campbelltown City Council;
- City of Norwood Payneham & St Peters;
- City of Prospect;
- City of Unley; and
- Town of Walkerville.

The term of office is for a two (2) year period, commencing at the conclusion of the LGA AGM to be held on 22 November 2024, and concluding at the 2026 AGM.

Whilst a Council may nominate a person from another Council it is important to note that the Nomination Form requires that person to accept the nomination and sign the form. It is therefore incumbent on the Council to ensure that, if it does intend to nominate a person from another Council, the nominee is aware of the proposed nomination and is prepared to accept the nomination.

Nominations are to be received by the Returning Officer, LGA no later than 5.00pm on Friday, 16 August 2024.

All nominations must be forwarded to the LGA via the attached nomination form. A copy of the nomination form is contained within **Attachment B**.

## RECOMMENDATION

That the report be received and noted and the invitation to submit a nomination to the Local Government Association for the Local Government Association Board as a Member representing the Greater Region of Adelaide (GAROC) be declined.

**or**

The Council nominates \_\_\_\_\_ to the Local Government Association for the Local Government Association Board as a Member representing the Greater Region of Adelaide (GAROC).

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*Cr Clutterham moved:*

*The Council nominates Cr Victoria McFarlane to the Local Government Association for the Local Government Association Board as a Member representing the Greater Region of Adelaide (GAROC).*

*Seconded by Cr Granozio and carried unanimously.*

## 11.8 REPRESENTATION REVIEW – SELECTION OF PREFERRED STRUCTURE

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**REPORT AUTHOR:** Manager, Governance  
**GENERAL MANAGER:** General Manager, Governance & Civic Affairs  
**CONTACT NUMBER:** 8366 4593  
**FILE REFERENCE:** qA138632  
**ATTACHMENTS:** A

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### PURPOSE OF REPORT

The purpose of the report is to present the *City of Norwood Payneham & St Peters Representation Review Supplementary Discussion Paper* to enable the Council to determine its preferred Ward structure in relation to the future composition of the Council.

### BACKGROUND

The Council currently comprises an elected Mayor, representing the City as a whole and thirteen (13) Councillors representing six (6) Wards as follows:

- Torrens Ward – two (2) Councillors.
- Payneham Ward – two (2) Councillors.
- St Peters Ward - two (2) Councillors.
- Maylands / Trinity Ward – three (3) Councillors.
- West Norwood / Kent Town Ward - two (2) Councillors.
- Kensington / East Norwood Ward - two (2) Councillors.

The Council is required to conduct a review of its representation at least once in each ‘relevant period’ in accordance with Chapter 3 (Constitution of councils), Part 1 (Creation, structuring and restructuring of councils), Division 2 (Powers of councils and representation reviews) of the *Local Government Act 1999* (the Act). This process is referred to as a Representation Review.

As prescribed by Regulation 4 of the *Local Government (General) Regulations 2013* and as determined by the Electoral Commissioner of South Australia, the ‘relevant period’ for the Council’s Representation Review is April 2024 - April 2025.

As Elected Members are aware Craig Rowe & Associates have been engaged to undertake the Representation Review process for the Council, in accordance with Section 12(5) of the Act. Craig Rowe is qualified to address the representation and governance issues that need to be considered and which may arise when undertaking a Representation Review.

On 29 April 2024 an Elected Member Information Briefing Session was held to provide an overview of the prescribed Representation Review process and key legislated considerations. Elected Members were advised of the following:

- requirements of Section 11A(1) of the Act which require that Councils must not comprise more than thirteen (13) Elected Members;
- prescribed process and planned schedule for the Representation Review;
- role of the Electoral Commissioner in the process;
- principles prescribed in Section 26(1)(c) that need to be analysed as part of any proposal for the Council’s structure; and
- Ward Quota matters prescribed in Section 33 of the Act.

An Information Briefing Session with Elected Members was subsequently held on 22 May 2024 at which Elected Members were presented with information to facilitate a discussion of prospective options in respect to the number of Councillors and the Ward structure. Discussion that took place at the Information Briefing Session informed the preparation of a Supplementary Discussion Paper which contains four (4) options for the Council’s consideration. The four (4) options were refined from those presented in the initial Discussion Paper.

A copy of the Supplementary Discussion Paper is contained in **Attachment A**.

The Supplementary Discussion Paper provides information which specifically relates to the suggested Ward structure options and provides information to support the Council's consideration of the preferred structure.

Council's preferred structure, including the number of Councillors, number and distribution of Wards and the names of these Wards, will form the basis for the Representation Report that is required to be prepared, consulted on, finalised and then submitted to the Electoral Commissioner for consideration and approval. The Electoral Commissioner will determine whether the requirements of Section 12 of the Act have been satisfied and then certify the structure prior to gazettal.

Any new structure will take effect at the next Local Government Election to be held in November 2026.

## **RELEVANT STRATEGIC DIRECTIONS & POLICIES**

Not Applicable.

## **FINANCIAL AND BUDGET IMPLICATIONS**

Not Applicable.

## **EXTERNAL ECONOMIC IMPLICATIONS**

Not Applicable.

## **SOCIAL ISSUES**

Not Applicable.

## **CULTURAL ISSUES**

Not Applicable.

## **ENVIRONMENTAL ISSUES**

Not Applicable.

## **RESOURCE ISSUES**

Not Applicable.

## **RISK MANAGEMENT**

Not Applicable.

## **CONSULTATION**

- **Elected Members**  
Two (2) Information Briefing Sessions have been held with Elected Members. An Information Session with Elected Members will be held on 12 August 2024 to discuss options in terms of the names of the Wards based on the number of wards that the Council endorses.
- **Community**  
Community Consultation will be undertaken once the draft Representation Report has been prepared, in accordance with the requirements of Section 12(7) of the Act.
- **Staff**  
Not Applicable

- **Other Agencies**

The Council will submit the final Representation Report to the Electoral Commissioner in accordance with Section 12(12) of the Act.

## DISCUSSION

Section 12(6) of the Act prescribes that the Representation Report must:

- examine the advantages and disadvantages of various structure options that are available to the Council and in particular examine a reduction in the number of Elected Members and whether the division of the Local Government area into Wards should be abolished;
- set out any proposed structure that the Council considers should be in place based on an analysis of how the proposal relates to the principles in Section 26(1)(c) and the matters referred to in Section 33 of the Act; and
- examine such other relevant issues as the Council or the person preparing the report thinks fit.

The principles of Section 26(1)(c) of the Act can be summarised as follows:

- Resources available to local communities should be used as economically as possible while recognising the desirability of avoiding divisions within a community.
- Proposed changes to the Council's structure should, wherever practicable, benefit ratepayers.
- The Council should have a sufficient resource base to fulfill functions fairly, effectively and efficiently, and offer a reasonable range of services on an efficient, flexible, equitable and responsive basis.
- Council should facilitate effective planning and sustainable development within its area, and the protection of the environment.
- Council should have a structure that reflects communities of interest of an economic, recreational, social, regional or other kind and be consistent with community structures, values, expectations and aspirations.
- Ensure local communities can participate effectively in decisions about local matters.
- Residents should receive adequate and fair representation, while over-representation in comparison with Councils of a comparable size and type should be avoided.

Section 33 of the Act relates to Ward Quotas which is the number of electors within a Ward divided by the number of Ward Councillors. The '*elector ratio*' for a Local Government Area is the total number of electors divided by the number of Councillors (the Mayor is excluded). Section 33(2) of the Act requires that any proposal which relates to the formation or alteration of Wards must observe the principle that the number of electors represented by a Councillor must not vary from the Ward quota by more than +/- 10%.

Section 33(1) provides the following matters which must also be considered in the preparation of a proposal that relates to wards:

- the desirability of reflecting communities of interest of an economic, social, regional or other kind;
- the population of the area, and of each ward affected or envisaged by the proposal;
- the topography of the area, and of each ward affected or envisaged by the proposal;
- the feasibility of communication between electors affected by the proposal and their elected representatives;
- the nature of substantial demographic changes that may occur in the foreseeable future; and
- the need to ensure adequate and fair representation while at the same time avoiding over-representation in comparison to other councils of a similar size and type (at least in the longer term).

The two (2) Information Briefing Sessions that have been held with Elected Members to date have provided a comprehensive overview of the above matters with the support of information presented by Craig Rowe.

Following these discussions, the Supplementary Discussion Paper (refer to Attachment A) presents four (4) options for the Council to consider in respect of its preferred structure in accordance with the Representation Review process. The options are explained in the Discussion Paper with supporting information to assist the Council with its deliberations. Each of the four (4) options presented are appropriate and acceptable in respect to the levels of Ward representation (i.e. ratio of Councillors to Electors).

## Next Steps

Once the Council has endorsed its preferred structure, an Information Briefing Session will be held on 12 August 2024, to discuss potential Ward names. At the Council meeting to be held on 2 September 2024, the Council will determine the preferred Ward names which, together with the preferred Ward structure, will be included in the draft Representation Report that will be released for community consultation.

At the conclusion of the community consultation process, the Council will receive and consider the submissions that are received and approve the final Representation Report which will be forwarded to the Electoral Commissioner for certification.

## OPTIONS

There are four (4) options for the Council to consider. These options are set out in the Supplementary Discussion Paper and summarised below:

Option A – presented as Option 3.1 in the attached Discussion Paper.

Provides for eleven (11) Councillors with four (4) Wards and has Wards 1,3, and 4 each being represented by three (3) Councillors and proposed Ward 2 being represented by two (2) Councillors.

This option retains all suburbs in their entirety within Wards.

Option B – presented as Option 3.2 in the attached Discussion Paper.

Provides for ten (10) Councillors and five (5) Wards with each Ward being represented by two (2) Councillors.

This option divides the suburb of Norwood between three (3) Wards.

Option C – presented as Option 3.3 in the attached Discussion Paper.

Provides for ten (10) Councillors and three (3) Wards, with proposed Wards 2 and 3 being represented by three (3) Councillors and proposed Ward 1 being represented by four (4) Councillors.

This option results in the suburb of Payneham being divided between two (2) Wards.

Option D – presented as Option 3.4 in the attached Discussion Paper.

Provides for ten (10) Councillors and three (3) wards, with proposed Wards 2 and 3 each being represented by three (3) Councillors and proposed Ward 1 being represented by four (4) Councillors.

This option retains all suburbs in their entirety within Wards.

## CONCLUSION

The Council is required to determine its preferred structure, including the number of Councillors, the number of Wards and the name of the Wards, which will be included in a draft Representation Report which will be released for community consultation. The selection of the number of Councillors and Wards, is the purpose of this report and the consideration of Ward names will be the subject of a separate report to the Council in September 2024.

To assist with meeting the legislative timeline to ensure that the Notice of the Council's new structure can be published in the SA Government Gazette no later than 11 December 2025 (as per the Electoral Commission of SA recommendation), the Council is required to complete this component of the Representation Review and select its preferred structure.

## RECOMMENDATION

1. That Council receives and notes the Discussion Paper provided in Attachment A.
  2. That Option \_\_\_\_\_ be endorsed as the structure which will be included in the draft Representation Report.
-

*Cr Duke moved:*

- 1. That Council receives and notes the Discussion Paper provided in Attachment A.*
- 2. That Option B be endorsed as the structure which will be included in the draft Representation Report.*

*Seconded by Cr Knoblauch and lost.*

*Cr Moorhouse moved:*

- 1. That Council receives and notes the Discussion Paper provided in Attachment A.*
- 2. That Option A be endorsed as the structure which will be included in the draft Representation Report.*

*Seconded by Cr McFarlane and carried.*

## 11.9 ERA WATER – PROPOSED NEW MANAGEMENT STRUCTURE

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**REPORT AUTHOR:** General Manager, Governance & Civic Affairs  
**GENERAL MANAGER:** Chief Executive Officer  
**CONTACT NUMBER:** 8366 4549  
**FILE REFERENCE:** qA87866  
**ATTACHMENTS:** A

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### PURPOSE OF REPORT

The purpose of this report is to provide information to the Council regarding a new management structure for ERA Water for the Council's consideration and endorsement.

### BACKGROUND

ERA Water is a Regional Subsidiary which has been established pursuant to Section 43 of the *Local Government Act 1999*, for the primary purpose of implementing the Waterproofing Eastern Adelaide Project (the Scheme), which involves the establishment of wetland bio-filters, aquifer recharge and recovery, pipeline installations and water storage facilities. ERA Water manage the Scheme on behalf of the Constituent Councils and provide recycled stormwater for the irrigation of parks and reserves to Constituent Councils. The City of Norwood Payneham & St Peters, together with the City of Burnside and the Town of Walkerville make up the Constituent Councils of ERA Water.

ERA Water has written to the Council seeking the Council's endorsement of a proposed new management structure for ERA Water.

A copy of the letter dated 29 July 2024 from Mr Andrew Aitken, General Manager ERA Water, is contained within **Attachment A**.

### RELEVANT STRATEGIC DIRECTIONS & POLICIES

Not Applicable.

### FINANCIAL AND BUDGET IMPLICATIONS

The ERA Water 2024-2025 Budget includes \$180,000 for the 'administrative' functions of its operations, which includes the following components:

- General Manager Remuneration -\$105,000;
- Accounting Services - \$10,000;
- Professional Services - \$40,000; and
- Engineering & Support Services - \$25,000.

The financial implications of the new management structure are set out in the Discussion section of this report

### EXTERNAL ECONOMIC IMPLICATIONS

Not Applicable.

### SOCIAL ISSUES

Not Applicable.

### CULTURAL ISSUES

Not Applicable.

## ENVIRONMENTAL ISSUES

Not Applicable.

## RESOURCE ISSUES

Not Applicable.

## RISK MANAGEMENT

Not Applicable.

## CONSULTATION

- **Elected Members**  
Cr Grant Piggott is a Member of the ERA Water Board and is aware of the proposed new structure.
- **Community**  
Not Applicable.
- **Staff**  
Nil
- **Other Agencies**  
Not Applicable.

## DISCUSSION

The current General Manager of ERA Water has advised the ERA Water Board of his intention to resign from the position.

ERA Water has had three (3) General Managers over the past three (3) years which, combined with the anticipated and likely difficulty in recruiting a GM with the range of skills that are required, has led to a review of the current management structure by the ERA Water Board.

Clause 4.1 of the ERA Water Charter sets out the relevant provisions in respect to the appointment of a General Manager and other staff of ERA Water:

*4.1 The Subsidiary may employ staff and may appoint a General Manager on a fixed term performance based employment contract, which does not exceed five years in duration and on such other conditions as determined by the Subsidiary. The Subsidiary may at the end of the contract term enter into a new contract not exceeding five years in duration with the same person.*

The ERA Water Charter does not require ERA Water to appoint a General Manager and in those instances where ERA Water does not appoint a General Manager, the Board, as set out in the Charter, can undertake the responsibilities and functions of the General Manager. The responsibilities and functions of the General Manager are also set out in Clause 4 of the Charter.

On this basis and taking into account the potential difficulties in recruiting a new General Manager, an alternative management structure has been considered and approved by the ERA Water Board.

The new management structure provides the Independent Chair of the Board with delegations and reporting arrangements for the day-to-day management of ERA Water.

This also provides the opportunity for ERA Water to redefine its financial and data management arrangements (that are currently undertaken by BRM Advisory, an external bookkeeper, City of Norwood Payneham & St Peters Finance staff and more recently, from time to time an external finance consultant who has previously held Finance Manager roles in metropolitan Councils).

All of these providers report directly and separately to the current General Manager.



The ERA Water Board has recognised that there are benefits in establishing a service contract for a person to take an overarching and lead role on financial and data management and report directly to the Independent Chair of the ERA Water Board. Additionally, existing arrangements with consultant engineers (who manage ERA Water's licensing and related arrangements) could be extended to include all licencing requirements and submissions (some of which are currently carried out to a lesser extent by the General Manager).

In effect, under this management structure, the General Manager's salary would be distributed across several functions as follows:

- additional payment to the Chairperson of approximately \$50,000 plus superannuation (to be negotiated - in addition to the current separate payment for undertaking the role of Independent Chairperson);
- financial management - \$40,000;
- engineering, licensing & support services - \$30, 000;
- Board governance/administration (an external admin provider for agendas & minutes) - \$6,000-\$8,000;
- corporate governance, including policy & procedure reviews (4-5 year schedule) - \$8,000-\$10,000; and
- other professional services (such as legal) \$8,000-\$10, 000.

The recommended remuneration of \$50,000 per annum plus superannuation for the Independent Chair's role as part of the new management structure (in addition to the remuneration for the Independent Chair role under the current model), has been determined by taking into account the responsibilities of the General Manager role under the existing model and the required executive oversight of day-to-day operational and strategic implementation under the new structure. The current General Manager is paid \$95,000 per annum plus superannuation. This is based on a 0.6 Full-Time equivalent (FTE) at approximately \$158,000 per annum.

This structure totals approximately \$150, 000 which can be accommodated within the existing 2024-2025 ERA Water Budget.

Prior to finalising the new management structure, ERA Water sought advice from the legal advisors who prepared the ERA Water Charter.

Legal advice has confirmed that the main component of this new management structure is the establishment of the separate role for the Independent Chair of the ERA Water Board. This, together with the other features of the new management structure, has been verified by legal advice which has been obtained by ERA Water. According to the advice, this new management structure is able to be legally established in accordance with the ERA Water Charter. The legal advice also provides guidance on managing circumstances where matters such as the scope of delegations and potential conflicts of interest may arise.

From an organisational perspective, there would be five (5) main contracts/service arrangements reporting to the Independent Chairperson:

- the Principal Operator's contract;
- financial and data management – responsible for the overall financial management including supervision of the bookkeeper and the work undertaken by the City of Norwood Payneham & St Peters staff as well as oversight of irrigation meter readings; water injection and extraction related data; and information required for operational, authority and Board related reporting;
- engineering – for the most part being undertaken by WGA, but with the proviso that other related external advice could be sought from time to time;
- Board governance (including minutes and agenda compilation) – external administration provider; and
- corporate governance – externally provided, potentially by a specialist governance business, *Governator*.

It is anticipated that the Independent Chair would meet with the Principal Operator weekly and the Financial and Data Management person on a regular basis and with other contractors as required.

There are a number of benefits with this proposed model, including the following:

- alignment of the day-to-day operations of ERA Water with the strategic, operational and financial objectives and priorities of the Board;
- more efficient governance and administration and an enhanced focus on business development and sustainable financial performance; and
- cost savings of approximately \$30k per annum by streamlining and enhancing some of the existing duties of the General Manager position, including the oversight of financial, data management and other key functions.

The ERA Water Board has asked the Constituent Councils to agree to a 12 month extension of the term for the current Independent Chairperson, Mr Jeff Tate, to 19 July 2026, to facilitate the new management structure.

## **OPTIONS**

The Council can choose not to support the ERA Water management structure, however, there are no specific issues or activities which present a financial or risk management issue for the Council to take this course of action and therefore it is recommended that the Council endorses the new management structure.

## **CONCLUSION**

The ERA Water Board has endorsed a new management structure to ensure the organisation is better placed to manage its obligations under the ERA Water Charter. However, it should be noted that the ERA Water Board has also committed to undertaking a review of the new structure after 12 months to ensure that the new structure is sound and is meeting its obligations.

## **COMMENTS**

Nil

## **RECOMMENDATION**

1. The Council advises ERA Water that:
  - (a) the Council endorses the new ERA Water management structure as set out in this report; and
  - (b) the Council approves the extension of the term of the Independent Chairperson of the ERA Water Board, Mr Jeff Tate, for a 12 month period until 19 July 2026.
2. The Council notes that the ERA Water Board will review these arrangements following 12 months of operation.

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Cr Clutterham left the meeting at 9.07pm.  
Cr Sims left the meeting at 9.07pm.  
Cr Sims returned to the meeting at 9.08pm.  
Cr Clutterham returned to the meeting at 9.09pm.  
Cr Whittington left the meeting at 9.10pm and did not return.

*Cr Duke moved:*

1. *The Council advises ERA Water that:*
  - (a) *the Council endorses the new ERA Water management structure as set out in this report; and*
  - (b) *the Council approves the extension of the term of the Independent Chairperson of the ERA Water Board, Mr Jeff Tate, for a 12 month period until 19 July 2026.*
2. *The Council notes that the ERA Water Board will review these arrangements following 12 months of operation.*

*Seconded by Cr Piggott and carried unanimously.*

## 11.10 REVIEW OF CONFIDENTIAL ITEMS

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**REPORT AUTHOR:** General Manager, Governance & Civic Affairs  
**GENERAL MANAGER:** Chief Executive Officer  
**CONTACT NUMBER:** 8366 4549  
**FILE REFERENCE:** qA65013  
**ATTACHMENTS:** A - B

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### PURPOSE OF REPORT

The purpose of the report is to present information regarding a review of the Confidential Items to the Council for information.

### BACKGROUND

In accordance with the *Local Government Act 1999* (the Act), Council (and Committee) meetings are open to the public and attendance is encouraged and welcomed.

There are, however, times where the Council (or the Committee), believes it is necessary in the broader community interest to exclude the public from the discussion of a particular matter in accordance with Section 90(3) of the Act.

The public will only be excluded when the need for confidentiality outweighs the principle of open decision making.

In addition to the above, the Act requires the Council to specify the duration of the order (ie determine a suitable period for which the item will remain confidential), and either impose a “release” date or event which will trigger the release of the item or a period after which the Council will review the order and determine if in fact the item should remain confidential.

In accordance with the Act, a review of the Council’s Confidential Items as at 30 June 2023, has been undertaken. A summary of all Confidential Items is set out in the Register of Confidential Items which details the date of the order, the grounds upon which the order was made and whether or not the document has become public by virtue of the resolution.

A review of the Audit & Risk Committee’s Confidential Items has also been undertaken and a separate register for this Committee’s Confidential Items has been prepared.

A copy of the Register of Confidential Items is contained within **Attachment A**.

A copy of the Audit & Risk Committee Register of Confidential Items is contained within **Attachment B**.

### RELEVANT STRATEGIC DIRECTIONS & POLICIES

Not Applicable.

### DISCUSSION

#### Council Confidential Items

A review of the Confidential Items as at 30 June 2024, has been undertaken.

The Council’s last review of the Confidential Items was conducted in August 2023 for the period ending 30 June 2023. A total of 29 items have been considered by the Council “in camera” since that time (up 30 June 2024) and these items have been included in the Register of Confidential Items.

Thirteen (13) items are no longer confidential by virtue of the Council’s original resolution which specified a time and/or an event to trigger the release of the item. The details of these items are contained in Attachment A.

There are four (4) items which require the Council's consideration. These items will be considered by the Council as part of a separate Confidential report.

#### **Audit & Risk Committee Confidential Items**

A review of the Audit & Risk Committee Confidential Items as at 30 June 2024 has also been undertaken.

Three (3) items are no longer confidential by virtue of the Council's original resolution which specified a time and/or an event to trigger the release of the item. The details of these items are contained in Attachment B.

There are no other confidential items which require the Council's consideration.

#### **OPTIONS**

The annual review in accordance with Section 91(9) of the Act is simply an administrative review. This does not mean that every confidentiality order needs to be remade. The only orders that need to be remade are those where the existing order is due to expire and the documents have been assessed against the relevant ground contained in Section 90(3) and determined to be required to remain confidential.

This report, therefore, is presented to the Council for information purposes only.

#### **CONCLUSION**

The review of the Council's (and Committee), confidentiality orders ensures compliance with the legislative requirements as set out in Sections 90 and 91 of the *Local Government Act 1999*.

#### **COMMENTS**

Nil.

#### **RECOMMENDATION**

That the report be received and noted.

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Cr McFarlane left the meeting at 9.14pm  
Cr Robinson left the meeting at 9.14pm.  
Cr McFarlane returned to the meeting at 9.15pm.  
Cr Robinson returned to the meeting at 9.16pm.

*Cr Moorhouse*

*That the report be received and noted.*

*Seconded by Cr Mex and carried unanimously.*

## 12. ADOPTION OF COMMITTEE RECOMMENDATIONS

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**REPORT AUTHOR:** General Manager, Governance & Civic Affairs  
**GENERAL MANAGER:** Chief Executive Officer  
**CONTACT NUMBER:** 8366 4549  
**FILE REFERENCE:** Not Applicable  
**ATTACHMENTS:** A

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### PURPOSE OF REPORT

The purpose of the report is to present to the Council the Minutes of the following Committee Meetings for the Council's consideration and adoption of the recommendations contained within the Minutes:

- Norwood Parade Precinct Committee – (23 July 2024)  
(A copy of the Minutes of the Norwood Parade Precinct Committee meeting is contained within **Attachment A**)

### ADOPTION OF COMMITTEE RECOMMENDATIONS

- **Norwood Parade Precinct Committee**

*Cr Granozio moved that the Minutes of the meeting of the Norwood Parade Precinct Committee held on 23 July 2024, be received and that the resolutions set out therein as recommendations to the Council are adopted as decisions of the Council. Seconded by Cr Callisto and carried unanimously.*

**13. OTHER BUSINESS**  
Nil

**14. CONFIDENTIAL REPORTS**

## 14.1 TENDER SELECTION REPORT – CONSTRUCTION OF BRICK PAVED FOOTPATHS 2024-2027

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### RECOMMENDATION 1

That pursuant to Section 90(2) and (3) of the *Local Government Act 1999* the Council orders that the public, with the exception of the Council staff present, be excluded from the meeting on the basis that the Council will receive, discuss and consider:

(k) tenders for the supply of goods, the provision of services or the carrying out of works;

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

### RECOMMENDATION 2

Under Section 91(7) and (9) of the *Local Government Act 1999*, the Council orders that the report and discussion be kept confidential for a period not exceeding five (5) years and that this order be reviewed every twelve (12) months.

Under Section 91(7) and (9) of the *Local Government Act 1999* the Council orders that the minutes be kept confidential until the contract has been entered into by all parties to the contract.

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*Cr Knoblauch moved:*

*That pursuant to Section 90(2) and (3) of the Local Government Act 1999 the Council orders that the public, with the exception of the Council staff present [Chief Executive Officer, General Manager, Governance & Civic Affairs, General Manager, Infrastructure & Major Projects, General Manager, Community Development Acting General Manager, Urban Planning & Environment, Manager, Governance, Manager, Strategic Communications & Advocacy, Chief Financial Officer, Project Officer, Civil and Administration Assistant, Governance & Civic Affairs], be excluded from the meeting on the basis that the Council will receive, discuss and consider:*

*(k) tenders for the supply of goods, the provision of services or the carrying out of works;*

*and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.*

*Seconded by Cr Sims and carried unanimously.*

*Cr Granozio moved:*

*Under Section 91(7) and (9) of the Local Government Act 1999, the Council orders that the report and discussion be kept confidential for a period not exceeding five (5) years and that this order be reviewed every twelve (12) months.*

*Under Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the minutes be kept confidential until the contract has been entered into by all parties to the contract.*

*Seconded by Cr Knoblauch and carried unanimously.*

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## 14.2 TRINITY VALLEY STORMWATER DRAINAGE UPGRADE – STAGE 1 UPDATE

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### RECOMMENDATION 1

That pursuant to Section 90(2) and (3) of the *Local Government Act 1999* the Council orders that the public, with the exception of the Council staff present, be excluded from the meeting on the basis that the Council will receive, discuss and consider:

- (b) information the disclosure of which –
- (i) could reasonably be expected to prejudice the commercial position of the Council; and
  - (ii) would, on balance, be contrary to the public interest;

by the disclosure of sensitive commercial and financial information and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

### RECOMMENDATION 2

Under Section 91(7) and (9) of the *Local Government Act 1999* the Council orders that the report, discussion and minutes be kept confidential until this matter is finalised.

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*Cr Callisto moved:*

*That pursuant to Section 90(2) and (3) of the Local Government Act 1999 the Council orders that the public, with the exception of the Council staff present [Chief Executive Officer, General Manager, Governance & Civic Affairs, General Manager, Infrastructure & Major Projects, General Manager, Community Development Acting General Manager, Urban Planning & Environment, Manager, Governance, Manager, Strategic Communications & Advocacy, Chief Financial Officer and Administration Assistant, Governance & Civic Affairs], be excluded from the meeting on the basis that the Council will receive, discuss and consider:*

- (b) information the disclosure of which –*
- (i) could reasonably be expected to prejudice the commercial position of the Council; and*
  - (ii) would, on balance, be contrary to the public interest;*

*by the disclosure of sensitive commercial and financial information and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.*

*Seconded by Cr Granozio and carried unanimously.*

*Cr Knoblauch moved:*

*Under Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the report, discussion and minutes be kept confidential until this matter is finalised.*

*Seconded by Cr Duke and carried unanimously.*

### 14.3 REVIEW OF CONFIDENTIAL ITEMS – TENDER SELECTION REPORTS

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#### RECOMMENDATION 1

That pursuant to Section 90(2) and (3) of the *Local Government Act 1999* the Council orders that the public, with the exception of the Council staff present, be excluded from the meeting on the basis that the Council will receive, discuss and consider:

(k) tenders for the supply of goods, the provision of services or the carrying out of works;

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

#### RECOMMENDATION 2

In accordance with Section 91(7) of the *Local Government Act 1999*, the following reports and attachments be kept confidential for a further two (2) year period, after which time the confidential order will expire and the documents will be released:

1. Annual Pruning and Removal of Council Trees (Attachment A);
2. Capital Works - Brick Paved Footpath Reconstruction 2018-2019 (Attachment B);
3. Extinguishment of Easement & Re-alignment of Stormwater Pipe - Joslin (Attachment C); and
4. New Clubrooms & Members Facilities at Norwood Oval (Attachment D).

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*Cr Granozio moved:*

*That pursuant to Section 90(2) and (3) of the Local Government Act 1999 the Council orders that the public, with the exception of the Council staff present [Chief Executive Officer, General Manager, Governance & Civic Affairs, General Manager, Infrastructure & Major Projects, General Manager, Community Development Acting General Manager, Urban Planning & Environment, Manager, Governance, Manager, Strategic Communications & Advocacy, Chief Financial Officer and Administration Assistant, Governance & Civic Affairs], be excluded from the meeting on the basis that the Council will receive, discuss and consider:*

*(k) tenders for the supply of goods, the provision of services or the carrying out of works;*

*and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.*

*Seconded by Cr Clutterham and carried unanimously.*

*Cr Sims moved:*

*In accordance with Section 91(7) of the Local Government Act 1999, the following reports and attachments be kept confidential for a further two (2) year period, after which time the confidential order will expire and the documents will be released:*

1. Annual Pruning and Removal of Council Trees (Attachment A);
2. Capital Works - Brick Paved Footpath Reconstruction 2018-2019 (Attachment B);
3. Extinguishment of Easement & Re-alignment of Stormwater Pipe - Joslin (Attachment C); and
4. New Clubrooms & Members Facilities at Norwood Oval (Attachment D).

*Seconded by Cr McFarlane and carried unanimously.*

**15. CLOSURE**

There being no further business, the Mayor declared the meeting closed at 9.31pm.

\_\_\_\_\_  
**Mayor Robert Bria**

Minutes Confirmed on \_\_\_\_\_  
(date)