

Workshop Program

Tuesday 14 November 2017 commencing at 6.15pm

Reception Room, Civic Centre, 128 Prospect Road, Prospect

Workshop Chair: Nathan Cunningham, Acting Chief Executive Officer

Workshop Opening

- Apologies
- On Leave

Page

Notes from previous workshop 3

Workshop Items..... 7

1. Main North Road Concept Plan..... 7

Future Workshop and Council Agenda Items..... 8

Meeting Close

Workshop Guidelines

The following details provide an overview of the procedures to be observed:

1. The Workshop will be held on the first and second Tuesday of each month, other than January of each year, between the hours of 6.15pm and 9.30pm (commencing with a light meal for elected members and staff), for the term of the Council or until the Council determines to discontinue the Workshop structure.
2. The need for extraordinary Workshops will be assessed and determined by the CEO.
3. The Workshops will be held in the Reception Room, Civic Centre, 128 Prospect Road, Prospect SA 5082.
4. The time, date and location may be subject to change by the CEO where necessary.
5. The Workshops will be open to the public and media. Notice of a Workshop and the program for a Workshop is to be placed on the Council's website.
6. A confidentiality declaration may be determined by either the Council or CEO in accordance with Council's Informal Gatherings Policy.
7. No decisions will be made at the Workshops. There will be the opportunity for discussion and questions and answers only, and the provision of guidance to the Administration.
8. The CEO or proxy will convene and chair the Workshop to ensure the smooth running of the meeting. The proxy will be determined by the CEO on a needs basis.
9. All Elected Members will be encouraged to attend.
10. The CEO will ensure the Program and papers for the Workshop, which will include Agenda items for the following Council Meeting, will be provided to members by the Friday preceding the Workshop to allow time for members to read the reports and prepare their questions prior to the Workshop.
11. Notes will be made of the general issues and items covered by the Workshop, given that no decisions can be made, and distributed to Elected Members for information.
12. The format for the Workshop may vary on a meeting by meeting basis and could include training, planning, presentations, and discussions.
13. The format for the Workshop will be determined by the CEO.
14. External parties may make Presentations/deputations to the Workshop, subject to prior agreement by the CEO.
15. Elected Members, employees and consultants will be required to disclose any financial and/or conflicts of interest in matters to be discussed. The disclosure of such interest and participation in the Workshop will need to be made as if the matter was considered in accordance with the Local Government Act 1999. A record of the disclosures of interest will be made and maintained by the CEO.

Workshop Protocol

The protocols are a set of guiding principles that aim to achieving enhanced, meaningful engagement of members and to facilitate an equal and equitable participation of all members.

The individual members commitment to active listening and disciplined talking, displaying both courtesy and respect to other members is paramount.

1. The Chair ensures that every members' input is heard and not overlooked or lost, and will enforce a limit on speakers' time when it is best required.
2. No rank and/or officer position of administrative or governance authority recognised within the workshop (except for the Chair), and protocols are enforced when deemed necessary.
3. Members and staff are to be addressed by their first name and not by their title of office they hold.
4. Discussion must be focussed on the issues and matters being the subject of discussion.
5. One member speaking at a time is a right, and must be enjoyed by all members.
6. Interrupting another member speaking is not desired and members are encouraged to exercise restraint for the benefit of all concerned. Equally, there should be no dialogue between members and person(s) in the gallery that interrupts the workshop discussion.
7. No ridicule, blame or shame to be expressed and/or exchanged during the workshop and care should always be taken with the words used in debate.
8. Problems and solution expressed by members are a healthy part of the discussion and may lead to positive outcomes, and should not be frowned upon but rather encouraged.
9. Although it is not a decision-making forum, it is an important part of ensuring a well-informed and enhanced decision-making process for Council.
10. The imperatives for a successful conduct of these workshops are that all members need to work together, displaying courtesy and respect to each other.

It is important that all members recognise the above list of protocols is not about rules; protocols are a set of guiding principles that are agreed on and committed to by all participating members.

Notes from previous workshop

Notes from Workshop 07/11/2017

- Chair:** Nathan Cunningham, Acting Chief Executive Officer
- Present:** T Evans, A De Backer, A Harris, M Standen, M Lee, M Groote,
- Via Video Link** D O'Loughlin
- Apologies:** K Barnett, M Larwood

Notes from previous workshop held on 31/10/2017

- Taken as read.

1. Presentation from Valuer-General

Nathan Cunningham introduced Delfina Lanzilli (Valuer-General) who spoke about the Commercial Projects Group and the past and present projects undertaken by the group. They included:

- Sale of Land Titles Office to private interests, this included sale of Valuation Services, which undertook a lengthy process including the assembling of key financial and probity advisers with an EOI process undertaken throughout December 2016/January 2017;
- Majority of bidders were from overseas interests;
- The steering committee included representatives from Department of Treasury & Finance, Crown Solicitor's Office, Registrar General & Valuer General, reporting to the Treasurer.
- A Stakeholder Reference Group was formed which included the LGA;
- Valuer General retains responsibility to produce valuation role and administering objections, auditing process and undertaking grievance processes;
- New entity is Land Services SA (LSSA), some staff transitions have occurred.

The accuracy of property valuations has historically included a site visit process. The new service provider will assist the Valuer-General to revalue properties across the state (mass appraisal) over the next 5 years. This is the largest exercise since the 1980's, with the aim to ensure accurate valuations into the future to ensure fairness in rating and taxing.

All valuations will be delivered in one year for each council area and the Valuer-General will manage stakeholder engagement and will work with Council for consistent messaging ahead of valuation release in subsequent years.

Elected Members questions and comments

Referring to Councils rate modelling for 2018/19, do you see any changes in the delivery or layout of the valuation data? *It should remain the same.*

Installation of fiber to the premise (NBN), do you see this as increasing a property value? *If it drives efficiencies in an area it may have some impact on the property sales evidence which is a guide for valuations.*

What are you sensing the valuations projects will reveal, too high or too low? *Early indications that underlying land components have traditionally been conservative so general increases are expected.*

Are valuation personnel going door to door (in the field)? Will they be entering the premise? *It will be a mixture of field visits and desktop. No entering of premises is envisaged.*

Is there any provision for capacity to pay? *The Act provides for notional values to be applied in some circumstances.*

Who is the new service provider (LSSA)? *Macquarie Bank & Canadian Pension Fund.*

What was the purpose and benefit of the sale? *This was a Government decision for efficiencies and for the considerable immediate revenue.*

What was the staffing impact? *Some staff accepted an offer; we are working with the rest to secure a placement.*

Key Considerations

- Council will be informed when staff are in the area undertaking site visits;
- Valuer-General will work with Council when valuations will be rolled out so staff know how to respond;
- City of Prospects rate modelling may require review as a result of this process in coming years.

2. Broadview Oval and Surrounds Master Plan (running track and options)

Simon Bradley introduced Nina Phillips, Landscape Architect to present the scoping of the proposed implementation of a fitness track as part of the overarching Master Plan for the Broadview Oval. A draft concept plan was outlined along with the outcomes of community consultation held on Friday 6 October and at the Broadview Oval Spring Fair on 28 October 2017.

The draft plan includes the consideration of a fitness track along the existing oval batter, a fitness station with hydraulic equipment and the potential for a rest stop with shade and a drinking fountain.

Elected Members questions and comments

The community consultation indicated that many were opposed to the 'overspill' carpark area being moved back to fit in the track. *The Masterplan differs slightly to the concept plan putting the track in front of the vehicle viewing areas. Staff will need to take this issue away for reconsideration.*

The uniqueness of the vehicles being able to view the footy and cricket from their car will be lost if we put the track in front. *The cars will move back approx. 2.5mts according to this plan but the Eastern Area design can be revisited.*

Where has the demand for a running track come from? *It was originally outlined in the Master Plan and included in the adopted budget for 2017/2018, 2.5mt is the standard for a two-way running track. Considering the philosophy of no net green space loss, the track is proposed to be laid across grass using bitumen, is there another product we can use? There are alternate products available, the cost associated is likely higher and will require further consideration.*

This isn't the only Broadview oval project, there were other components budgeted? *There is the resurfacing of the tennis courts but we will come back with the 'total package' for this FY.*

The removal of 5 trees I do not support. *Noted and this will be looked at and should any removals be required, we will outline the replacement species, location and numbers.*

This project has merit and will provide increased service to many clubs and community members. Was the fitness equipment included in the project costing? *The equipment was carried forward from 2016/17.*

Key Considerations

- Removal of trees
- Bitumen on grass, net loss of green open space
- Fitness Track behind cars

Where to from here:

- Further Workshop (3-4 weeks) including the considerations raised and to provide an overall picture of the works on this site for 2017/2018.

3. CLIC Financial Management

Following the Workshop of 30 October 2017, Ginny Moon and Chris Birch provided various models for the review of Council's Long Term Financial Plan (LTFP) basing them on the LTFP version used for 2017/2018 business planning and acknowledging no changes to the IAMP at this stage.

Considering how to fund the additional \$3.27mil in project costs the following was outlined:

- The 'gap' IS affordable, and options exist, some of which are outlined in detail tonight.
- Annual Capital Works Program Options:
 - Defer all capital works by one year from 2018-2019
 - Defer 50% of capital works for two years (2018-2019 and 2019-2020)
- New Loan Funding - Annual Principal & Interest Repayments of \$300k funded from:
 - Commercial Income of \$130k p.a.; and
 - Rate increase of 1.4% (one off); or
 - Rate increase of 0.7% for two years

All options maintain the long term financial sustainability target.

Elected Members questions and comments

Professional fees now increased to \$1.4mil and a council report said up to \$1mil. Cost of project has created this change? *It is based on a 9% of building cost which is an industry standard. Staff will consider how this is justified in contracts of key service providers.*

The contingency cost appears to have not been considered before which is not correct but we should show the cost in a total cost.

Will a reduction in capital expenditure affect the depreciation cost? *Yes and the Asset Sustainability Ratio.*

Reducing capital works for 2 years is not a good approach with our assets continuing to deteriorate.

There is sensitivity in the Eastern area with the library moving and then we might propose to spend less on Assets. This will be a difficult message and probably not supported.

Proposing to reduce capital works by 50%, how do we fund the other 50%? *Short term borrowings.*

When determining what the 50% capital works will look like, it should be based on need.

Partnerships were talked about previously, are there firms that may be better placed to talk about that? *We have had conversations with co-working businesses that advise there is an appetite and we will be tabling a council report on the item.*

This decision will impact the new council. *We have assessed the risk of rate capping and its likely timing should the State Government change.*

There is still the opportunity to review service levels and not just reduce capital works.

All options will impact residents; my question is what would have the least impact? If residents can still see things happening they will not be so dissatisfied. *Other councils have opted for a one-off rates injection or applied a levy to share across the rate base for similar projects. Acknowledged minimal appetite for a reduction in Capital Works (highly visible services).*

I would be comfortable with a spread across the options shown (rates, operational savings and possibly capital), to reduce the impact in any one area.

I would rather respond to residents on a rate rise than a reduction in capital works.

A hybrid solution could be: triple check lease value (Commercial Business Case), continue to review and refine cost plan (furniture replacement and consultant fees) and a subtle change in the capital works (ie some footpaths or a single asset type), then deal with the borrowings.

Is there an interest impact regarding the timing of drawdowns? *We are talking with the LGFA to consider a spread of fixed and variable borrowings.*

Key Considerations

Project Cost Plan – professional fees and contingencies.

Recheck the Commercial Lease value.

Prepare a hybrid financial model to present at Special Council Meeting on 14/11/17

Where to from here:

Council report for Special Meeting next week 14 November: concept model and funding model decisions to progress to a detailed design plan.

4. Leasing and Licencing - Policy & Fee Structure

Simon Bradley, Ginny Moon & Lesley Golley outlined the elements used to prepare the policy with this workshop providing for a discussion on the application of a transparent fee structure compared to the current practice that lacks consistency across the tenanted sites. It is proposed to replace 'peppercorn leases' with a minimum rate.

Elected Members questions and comments

How do we define locals? *50% membership of a club and a business head office is based in Prospect.*

I would be interested in factoring the running costs. *This may be relevant when there are playing surface maintenance responsibilities?*

Are we proposing to allow other groups to use a site when the tenant isn't using it? And where would they store their possessions when others are occupying the area? *We will be encouraging each applicant to talk about making arrangements.*

What is a sinking fund? *It is an obligation where a dollar amount is committed to a dedicated bank account and later used for asset renewal e.g. Tennis Clubs and court resurfacing.*

What is the tipping point or difference between paying to lease or multiple licences? *It may be that Council approach the group advising that others are looking for a location.*

Have we asked why other organisations are not using the facilities?

We have to consider that most of these sites are run by volunteers, if it is a licensed premise the licensee must ensure there is a responsible officer available.

I agree with a base formula and how do we compare with other councils on the peppercorn lease and square metre rate? The sinking fund idea sounds like a good option. *There is a movement toward more of a commercial approach.*

Income, Community Activation and Social Benefit should be the lead drivers, and the balance of land and buildings to consider, and lastly level of amenity (e.g. access, air conditioning). *We do need to build in the flexibility to consider each application on merit within the policy.*

I would like to leave the fee structure as is at present (i.e. \$250) and attach the requirement to have a sinking fund.

Where to from here:

Staff to reduce fees as appetite for commercial rates is not there now that they have been seen clearly. Consider further workshop, or take this consistent direction to a Council meeting.

Workshop closed at 9.40pm

Workshop Items

1. Main North Road Concept Plan

Responsible Director: Simon Bradley, Director Infrastructure and Environment

Expected Duration: 60 minutes

Presented by: Gene Fong, Urban Strategy Design and Michael McKeown (Jenson Plus)

Background

At a Council Workshop held on 5 September 2017 and 12 September 2017 the movement assessment of the Nailsworth Primary School area was presented by Infracoplan focusing on the feasibility of providing a median opening (right-turn-out from Thomas Street) and the feasibility of installing a signalised intersection to facilitate right turns.

It was noted the option to investigate right hand turn signalised intersection would require further financial investment and a more detailed feasibility study which can take considerable time. The feasibility of a right hand turn intersection and combining it with the current Main North Road Concept plan scope were then determined to be separate projects.

There was also general agreement at the Council Workshop to focus the detail design development and documentation for the Main North Road Master Plan in a precinct area between **Kintore Avenue and Wilcox Avenue** to strengthen the Prospect Oval Linkage or a smaller section from **Burwood avenue** link to Prospect Oval through the Clayton Church Home Site.

In order to move forward to the detail design, the concept plan requires Councils Endorsement and will be presenting the Main North Concept plan at the December meeting.

Presentation

The presentation for discussion will cover the following items;

- Round 2 Business Engagement summary
- Refresher on Main North Road Concept Designs – Nottage Terrace to Percy Street
- 10 Strategic Directions to achieve 'Green Corporate Boulevard'
- Focus on updated concepts including:
 - i. potential furniture and planted structure concepts,
 - ii. median tree planting concept
 - iii. updated public art directions based on feedback from City Wide Public Art Advisory Board
- DPTI feedback on concept designs
- Cost estimate update
- Next steps including detailed design 'pilot project' in the Wilcox Ave-Stevenson Street-Burwood Avenue area

Attachments:

Nil

Future Workshop and Council Agenda Items

Members may seek advice as to the purpose, or intended resolutions planned for the next Council meeting. These items are subject to change.

Council Workshop 21 November 2017

- CLIC Design Charrette

Council Meeting 28 November 2017

- Annual Report (Section 131)
- Quarterly Delegation Review
- Appointment of Deputy Mayor
- First Budget Review
- EHA First Budget Review
- Local Government Grants Funding
- Elected Member Allowances
- Adoption of Leasing and Licensing
- CLIC Project Update
- General Purpose Financial Statements for the Year Ended 30 June 2017
- Gig City Update
- Charles Cane and George Whittle Master Plan
- Waste Disposal Contract
- Traffic Management - NE Road/ Rutherglen/ Galway & Edwin