

AGENDA



Bayside Council
Serving Our Community

Corporate Performance Committee

at the conclusion of the City Services Committee which commences at 6:30 pm Wednesday 5 June 2024

Venue:
Botany Town Hall,
Corner Edward Street & Botany Road,
Botany

Contact Us:

1300 581 299 or 9562 1666

council@bayside.nsw.gov.au

PO Box 21, Rockdale NSW 2216

ABN: 80 690 785 443

Corporate Performance Committee Meeting – Councillor Seating



Andrew TSOUNIS



Michael NAGI



Chairperson
Scott MORRISEY



Christina CURRY



Deputy Chairperson
Ann FARDELL



Paul SEDRAK



Greta WERNER

General Manager
Meredith WALLACE

Director
Richard SHERIDAN

Statement of Ethical Obligations

Obligations

Oath [Affirmation] of Office by Councillors

Oath

I swear that I will undertake the duties of the office of councillor in the best interests of the people of Bayside Local Government Area and the Bayside Council and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993 or any other Act to the best of my ability and judgment.

Affirmation

I solemnly and sincerely declare and affirm that I will undertake the duties of the office of councillor in the best interests of the people of Bayside Local Government Area and the Bayside Council and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993 or any other Act to the best of my ability and judgment.

Code of Conduct conflict of interests

Pecuniary interests

A Councillor who has a **pecuniary interest** in any matter with which the council is concerned, and who is present at a meeting of the council at which the matter is being considered, must disclose the nature of the interest to the meeting.

The Councillor must not be present at, or in sight of, the meeting:

- a) at any time during which the matter is being considered or discussed, or
- b) at any time during which the council is voting on any question in relation to the matter.

Non-pecuniary conflicts of interests

A Councillor who has a **non-pecuniary conflict of interest** in a matter, must disclose the relevant private interest in relation to the matter fully and on each occasion on which the non-pecuniary conflict of interest arises in relation to the matter.

Significant non-pecuniary interests

A Councillor who has a **significant** non-pecuniary conflict of interest in relation to a matter under consideration at a council meeting, must manage the conflict of interest as if they had a pecuniary interest in the matter.

Non-significant non-pecuniary interests

A Councillor who determines that they have a non-pecuniary conflict of interest in a matter that is **not significant** and does not require further action, when disclosing the interest must also explain why conflict of interest is not significant and does not require further action in the circumstances.

MEETING NOTICE

A meeting of the
Corporate Performance Committee
will be held in the Committee Room, Botany Town Hall
Corner of Edward Street and Botany Road, Botany
on **Wednesday 5 June 2024 at commences at the conclusion of the City Services meeting**

AGENDA

1	ACKNOWLEDGEMENT OF COUNTRY	
2	APOLOGIES	
3	DISCLOSURES OF INTEREST	
4	MINUTES OF PREVIOUS MEETINGS	7
4.1	Minutes of the Corporate Performance Committee Meeting - 1 May 2024.....	7
	CP24.009 Quarterly Budget Review Statement - March 2024.....	9
	CP24.010 Updates to the Long Term Financial Plan 2025-2034.....	9
	CP24.011 Media Policy & Social Media Policy	10
	CP24.012 Audit Risk & Improvement Committee - Independent Member reappointments	10
	CP24.013 ARIC Terms of Reference - Review.....	10
5	ITEMS BY EXCEPTION	
6	PUBLIC FORUM	
7	REPORTS	13
	CP24.014 Tender - F23/953 Bexley Depot HVAC Upgrade	13
	CP24.015 Draft Financial Reserves Policy.....	18
	CP24.016 Election Material Policy Review.....	50
	CP24.017 De-amalgamation process including a suggested community consultation program.....	61

The meeting will be video recorded and live streamed to the community via Council's YouTube page, in accordance with Council's Code of Meeting Practice.

Meredith Wallace
General Manager

1 ACKNOWLEDGEMENT OF COUNTRY

Bayside Council acknowledges the traditional custodians: the Gadigal and Bidjigal people of the Eora nation, and pays respects to Elders past, present and emerging. The people of the Eora nation, their spirits and ancestors will always remain with our waterways and the land, our Mother Earth.

2 APOLOGIES

3 DISCLOSURES OF INTEREST

In accordance with Council's Code of Meeting Practice, Councillors are reminded of their Oath or Affirmation of Office made under Section 233A of the Local Government Act and their obligations under the Council's Code of Conduct to disclose and appropriately manage conflicts of interest.

4 MINUTES OF PREVIOUS MEETINGS

Corporate Performance Committee

5/06/2024

Item No	4.1
Subject	Minutes of the Corporate Performance Committee Meeting - 1 May 2024
Report by	Richard Sheridan, Director City Performance
File	SF23/8096

Officer Recommendation

That the Minutes of the Corporate Performance Committee meeting held on 1 May 2024 be noted.

Present

Councillor Scott Morrissey, Chairperson
Councillor Christina Curry
Councillor Greta Werner
Councillor Jo Jansyn (Alternate member)
Councillor Jennifer Muscat (Alternate member)

Also present

Meredith Wallace, General Manager
Richard Sheridan, Director City Performance
Louise Farrell, Manager City Projects
Lorraine Olmedo, Manager Communications & Engagement
Luke Phillips, Manager Finance
Bryce Spelta, Manager City Infrastructure
Helen Tola, Manager Governance & Risk
Waisale Iowane, Head Financial Strategy & Reporting
Karen Barrass, Lead Governance
Gina Nobrega, Governance Officer
Nabin Bhattarai, IT Service Management Officer

Note: In the absence of four committee members for this meeting, the remaining committee members resolved to elect alternate committee members in order to have a quorum, as the first item of business at the commencement of the meeting.

Procedural Motion (Councillor Morrissey and Curry)

That Councillors Jansyn and Muscat be nominated as alternate committee members for this meeting.

Note: Councillors Jansyn and Muscat were elected unopposed as alternate committee members.

Commencement of Meeting

The Chairperson opened the meeting in the Committee Meeting Room, Botany Town Hall at 7:30pm.

1 Acknowledgement of Country

The Chairperson affirmed that Bayside Council acknowledges the traditional custodians the Gadigal and Bidjigal people of the Eora nation, and pays respects to Elders past, present and emerging. The people of the Eora nation, their spirits and ancestors will always remain with our waterways and the land, our Mother Earth.

2 Apologies and Attendance via Audio Visual link

Apologies

Committee Recommendation (Councillors Curry and Muscat)

That the following apologies be received:

Councillor Ann Fardell
Councillor Michael Nagi
Councillor Paul Sedrak
Councillor Andrew Tsounis

Attendance Via Audio Visual Link

There were no Committee members in attendance via audio-visual link.

3 Disclosures of Interest

There were no disclosures of interest.

4 Minutes of Previous Meetings

[4.1 Minutes of the Corporate Performance Committee Meeting - 3 April 2024](#)

Committee Recommendation (Councillors Morrissey and Curry)

That the Minutes of the Corporate Performance Committee meeting held on 3 April 2024 be noted.

4.2 Business Arising

There was no Business Arising.

The Committee notes that the Minutes of the Corporate Performance Committee of Wednesday 3 April 2024 were received and the recommendations therein were adopted by the Council at its meeting of 24 April 2024.

5 Items by Exception

There were no Items by Exception.

6 Public Forum

There were no speakers for Public Forum.

7 Reports

[CP24.009 Quarterly Budget Review Statement - March 2024](#)

Committee Recommendation (Councillors Jansyn and Curry)

- 1 That Council receives and notes the proposed March 2024 Quarterly Budget Review Statement by the Responsible Accounting Officer (RAO).
- 2 That Council receives and notes the proposed variations to the revised budget detailed in Attachment 2 to this report.
- 3 That Council approves the budget deferral of capital projects, including nominated funding sources identified in Attachment 3 to this report to be included in the Draft City Projects Program for 2024/25.
- 4 That Council, in accordance with Clauses 203 and 211 of the Local Government (General) Regulations 2021, adopts the proposed variations to the revised budget detailed in Attachment 2 to this report and the changes to income and expenditure items be voted.

[CP24.010 Updates to the Long Term Financial Plan 2025-2034](#)

Committee Recommendation (Councillors Curry and Werner)

- 1 That Council receives and notes the updated Long Term Financial Plan.
- 2 That Council notes the challenges highlighted in the Long Term Financial Plan.
- 3 That Council continues with its improvement program to continuously address the challenges highlighted in the Long Term Financial Plan.
- 4 That Council adopts the updated Long Term Financial Plan.
- 5 That Council recommends that if there are any changes to the Operational Plan following its exhibition period, the Long Term Financial Plan should be updated to reflect these changes and the revised Long Term Financial Plan will be provided directly to Council's meeting on 26 June 2024 for adoption.

CP24.011 Media Policy & Social Media Policy**Committee Recommendation** (Councillors Curry and Jansyn)

- 1 That the attached Draft Media Policy be placed on public exhibition for a period of 28 days.
- 2 That the attached Draft Social Media Policy be placed on public exhibition for a period of 28 days.

Procedural Motion (Councillors Morrissey and Curry)

That the order of business be altered to allow the Committee to deal with item CP24.013, prior to CP24.012.

CP24.012 Audit Risk & Improvement Committee - Independent Member reappointments**Committee Recommendation** (Councillors Curry and Werner)

- 1 That Council re-appointments the four existing independent members to the Bayside Council Audit, Risk & Improvement Committee from 1 July 2024 for the term specified below:
 - a. Mark Sercombe to 30 June 2028;
 - b. Robert Lagaida to 30 June 2027;
 - c. Sheridan Dudley to 30 June 2026; and
 - d. Jennifer Whitten to 13 September 2024.
- 2 That Council appoints Mark Sercombe as Chair of the Bayside Council Audit, Risk & Improvement Committee effective immediately and re-appointments Mr Sercombe as Member and Chair for a four year term from 1 July 2024.
- 3 That Council formally acknowledges the valuable contribution made by Jennifer Whitten in her capacity as independent member of the former Rockdale City Council Risk & Audit Committee and as Chairperson of the Bayside Council's Audit, Risk & Improvement Committee since April 2017.
- 4 That the ARIC Terms of Reference includes a gender diverse selection criteria and membership.

CP24.013 ARIC Terms of Reference - Review**Committee Recommendation** (Councillors Curry and Jansyn)

- 1 That Council adopts the revised Terms of Reference for the Audit, Risk & Improvement Committee (ARIC) as attached to the Committee report.

- 2 That Council appoints Councillor Morrissey as a non-voting member of the ARIC.

The next meeting will be held in the Committee Room, Botany Town Hall, on Wednesday 5 June 2024.

The Chairperson closed the meeting at 8:48pm.

Attachments

Nil

5 ITEMS BY EXCEPTION

These are items that have been identified to be confirmed in bulk in accordance with the Officer Recommendation and without debate. These items will not include items identified in the Public Forum, items in which councillors have declared a Significant Conflict of Interest and a Pecuniary Interest, items requiring a Division and any other item that a Councillor has identified as one they intend to speak on or vote against the recommendation

6 PUBLIC FORUM

Members of the public, who have applied to speak at the meeting, will be invited to address the meeting.

Any item the subject of the Public Forum will be brought forward and considered after the conclusion of the speakers for that item.

7 REPORTS

Corporate Performance Committee

5/06/2024

Item No	CP24.014
Subject	Tender - F23/953 Bexley Depot HVAC Upgrade
Report by	Meredith Wallace, General Manager Colin Clissold, Director City Presentation
File	SF24/1791

Summary

The City Projects Program (CPP) includes the design and construction of the Bexley Depot HVAC Upgrade across FY23/24 and FY24/25.

The project includes decommissioning and disposal of the existing HVAC system to the main building at Bayside Council's Bexley Depot, along with the temporary relocation of staff and furniture, upgrade of the HVAC system, upgrades to supporting building services such as electrical, hydraulic, and electrical, and subsequent make-good to affected building elements.

The project is being funded from the Infrastructure Levy Reserve.

Council invited open tenders via Vendor Panel for the Bexley Depot HVAC Upgrade on Wednesday 20 December 2023, and the RFT closed at 5pm on Wednesday 7 February 2024.

13 tenders were received. The Confidential Attachment provides details of the RFT Submission.

Based on the assessment criteria agreed within the RFT Evaluation Plan, the RFT Evaluation Panel recommends acceptance of Apex Air Mechanical Pty Ltd for the price of \$254,670.40, exclusive of GST. Once approved, the work will commence in early July 2024, with completion forecasted in September 2024 pending equipment lead-time and delivery.

Officer Recommendation

- 1 That the attachment to this report be withheld from the press and public as it is confidential for the following reason:

With reference to Section 10(A) (2) (c) of the Local Government Act 1993, the attachment relates to information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business. It is considered that if the matter were discussed in an open Council Meeting it would, on balance, be contrary to the public interest due to the issue it deals with.

- 2 That the report be received and noted.

- 3 That in accordance with Regulation 178 (1) (a) of the Local Government (General) Regulations 2005, Council accepts the RFT Submission from Apex Air Mechanical Pty Ltd for the F23/953 contract, being the Bexley Depot HVAC Upgrade for the price of \$254,670.40, exclusive of GST.
-

Background

The upgrade of the HVAC system to the Bexley Depot main building is included in the City Projects Program. The Bexley Depot administration building is a street-facing building within the Council-owned property at 10-14 Rye Avenue, Bexley. The building functions as an office for Council staff.

The existing HVAC system is beyond its usable life and no longer operates efficiently. Its removal and replacement will yield a more comfortable working environment for staff, whilst also reducing ongoing running costs due to improvements in energy efficiency and cooling capacity. The new HVAC system has been designed to factor in current heat loading and thermal transfer through the building envelope, further enhancing the benefit to building occupants.

The proposed scope of works is summarised below:

- Supply and installation of mechanical services and air-conditioning equipment;
- Supply and installation of heat recovery VRV systems;
- Provision of all components necessary for the operation of the mechanical services and air-conditioning system;
- Coordination of final condenser location, servicing & operational requirements;
- Provision of sufficient servicing space and access to satisfy equipment manufacturers' recommendations;
- Provision of local electrical isolation switches for all equipment;
- Provision of all non-essential power to the associated Motor Control Centre, as well as all power from the Motor Control Centre to associated the mechanical equipment;
- Supply and installation of insulated copper condensate drainage pipework;
- Supply and installation of insulated refrigerant pipework;
- Supply and installation of all pipe valves & fittings;
- Supply and installation of all rigid metal ductwork;
- Supply and installation of flexible ductwork;
- Supply and installation of thermal & acoustic insulation ductwork & pipework;
- Supply and installation of air filters;
- Supply and installation of controls.

The Tender Process

Council invited open tenders via Vendor Panel for the Bexley Depot HVAC Upgrade on Wednesday 20 December 2023, and the RFT closed at 5pm on Wednesday 7 February 2024.

Tender Submissions Received

13 submissions were received as follows (in alphabetical order):

- 2020 Projects Pty Ltd
- Apex Air Mechanical Pty Ltd
- Blygold NSW Pty Ltd - The Trustee for Milam Unit Trust
- Climax Air Conditioning Pty Ltd
- Commercial Air Conditioning Pty Ltd
- Inter-Chillers Pty Ltd
- MSC Consulting and Project Services Pty Ltd
- Oni Air Pty Ltd
- Pace Services Pty Ltd T/AS Progressive
- Programmed Facilities Management Pty Ltd
- PSB Air Conditioning Pty Ltd
- Robert Mann Pty Ltd
- Third Raven Pty Ltd

Tender Respondent Details

Company	Company Director / Representative	Location & Postcode
2020 Projects Pty Ltd	John Touma	North Sydney, 2060
Apex Air Mechanical Pty Ltd	Rob Ajami	St Peters, 2044
Blygold NSW Pty Ltd - The Trustee for Milam Unit Trust	Asaf Amber	Thornleigh, 2120
Climax Air Conditioning Pty Ltd	Gary Raman	South Nowra, 2541
Commercial Air Conditioning Pty Ltd	Matthew Tasker	Warriewood, 2102
Inter-Chillers Pty Ltd	Kevin Johnston	Peakhurst, 2210
MSC Consulting and Project Services Pty Ltd	Mickey Savic	Strathfield, 2137
Oni Air Pty Ltd	David Owsinski	Gordon, 2072
Pace Services Pty Ltd T/AS Progressive	Michael Brown	Arndell Park, 2148
Programmed Facilities Management Pty Ltd	Paul Amato	Parramatta, 2124
PSB Air Conditioning Pty Ltd	Marco Aurelio Magalhaes Soares	Cromer, 2099
Robert Mann Pty Ltd	Alexander Van Eijk	Kirawee, 2232
Third Raven Pty Ltd	Wissam Salama	Petersham, 2049

Following assessment of all RFT Submissions, the RFT Evaluation Panel recommend Apex Air Mechanical Pty Ltd.

Late Tenders

No late tenders were received.

RFT Assessment Methodology

The process utilised to assess and score the RFT Submissions is outlined in the Confidential Attachment to this report.

A comprehensive assessment of the RFT Submissions was undertaken by the RFT Evaluation Panel. The assessment process was completed in accordance with the Local Government Act 1993 and Tendering Regulation 2005, and based upon the RFT evaluation criteria as outlined in the RFT documentation, and in line with the Conditions of Tendering.

A 60:40 ratio of weighted scoring between Non-price:Price criteria was selected to ensure the successful Contractor adequately addressed the complexities of the project.

The RFT Submission received from Apex Air Mechanical Pty Ltd was found to be the most comprehensive and included details about their previous experience with similar projects. Further, Apex Air Mechanical Pty Ltd provided a Construction Program and a Construction Methodology which demonstrated an understanding of the site-specific risks and constraints, and based upon the Evaluation Matrix scoring, was identified as offering the best value for money.

Proposed Program

The Construction Program identifies the following major milestones; however, it's noted that prior to commencement on-site, the dates will need to be adjusted to reflect the actual start date.

- Site establishment/preparation: July 2024
- Handover to Council, including user training: September 2024

Tender Recommendation

Bayside Council has had previous experience working with Apex Air Mechanical and they were found to be a cooperative and capable contractor. The reference projects provided in their submission confirmed that Apex Air Mechanical have successfully delivered projects of similar scale and complexity. Apex Air Mechanical Pty Ltd are a capable and experienced contractor who have the skilled staff to undertake the Bexley Depot HVAC Upgrade project.

Apex Air Mechanical Pty Ltd has provided Certificates of Currency for Public Liability Insurance (\$20M), Professional Indemnity Insurance (\$1M), Commercial Vehicle Insurance (\$35M) and Workers Compensation Insurance (18 employees).

The RFT submission received from Apex Air Mechanical Pty Ltd addresses all of the Non-price evaluation criteria and demonstrates a good understanding of the project-specific risks and constraints. The Construction Methodology is adequately detailed and is supported by a Construction Program which is sufficiently detailed and contains a logically sequenced series of tasks, with all major milestones highlighted.

Based upon the assessment criteria, the RFT Evaluation Panel recommends acceptance of the RFT Submission from Apex Air Mechanical Pty Ltd for the price of \$254,670.40, exclusive of GST.

Financial Implications

- | | | |
|--------------------------------------|-------------------------------------|------------------------------------|
| Not applicable | <input type="checkbox"/> | |
| Included in existing approved budget | <input checked="" type="checkbox"/> | Included in the 23/24 and 24/25 FY |
| Additional funds required | <input type="checkbox"/> | |
-

Community Strategic Plan

- | | |
|---|-------------------------------------|
| Theme One – In 2032 Bayside will be a vibrant place | <input type="checkbox"/> |
| Theme Two – In 2032 Our people will be connected in a creative City | <input type="checkbox"/> |
| Theme Three – In 2032 Bayside will be green, resilient, and sustainable | <input checked="" type="checkbox"/> |
| Theme Four – In 2032 Bayside will be a prosperous community | <input type="checkbox"/> |
-

Risk Management – Risk Level Rating

- | | |
|----------------|-------------------------------------|
| No risk | <input type="checkbox"/> |
| Low risk | <input checked="" type="checkbox"/> |
| Medium risk | <input type="checkbox"/> |
| High risk | <input type="checkbox"/> |
| Very High risk | <input type="checkbox"/> |
| Extreme risk | <input type="checkbox"/> |
-

Community Engagement

Not applicable

Attachments

Tender Attachment - Bexley HVAC (confidential)

Corporate Performance Committee

5/06/2024

Item No	CP24.015
Subject	Draft Financial Reserves Policy
Report by	Richard Sheridan, Director City Performance
File	F19/1012

Summary

Council's Financial Reserve Policy requires a review every four years, with the most recent review conducted on 10 March 2021. Maintaining a regularly reviewed Financial Reserves Policy is essential for Council to effectively allocate and utilise funds from both externally and internally restricted financial reserves.

These reviews serve to adapt to any changes in legislation or regulations that influence the objectives of these reserves as well as ensuring their continued relevance. They also accommodate any newly established reserves endorsed by the Council since the last review.

Officer Recommendation

- 1 That Council receives and notes the updated Financial Reserves Policy.
 - 2 That the updated Financial Reserves Policy in Attachment 1 be adopted.
-

Background

Financial reserves are established to ensure that cash is set aside to fund specific projects for Council as required.

Hence, financial reserves created should have a clear and specific purpose that relates back to the adopted Integrated Planning and Reporting (IP&R) framework and plans of Council. There should be a clear link between this policy, and the reserves created under it to the Delivery Program & Operational Plan, and where appropriate, Council's Strategic Asset Management Plans and Community Strategic Plans.

The purpose of this policy is to provide a framework for the preservation and use of Council's limited financial resources that will support Council's financial strategy and ensure long term financial sustainability.

There are two categories of financial reserves:

1 Externally restricted reserves

These reserves are set up because of a legislative requirement or a binding contractual arrangement governing the use of the funds. The accounting standards requires us to reserve funds that are not available for general use by Council due to their restricted use.

2 Internally restricted reserves

These reserves are discretionary in nature and are established through a resolution of Council to be expended for specific purposes. Council may, at its discretion, resolve to change the purpose of these reserves.

Changes to the Accounting Code 2022

A modification to the Accounting Code 2022 has seen the substitution of the term “internal reserve” with “internal allocations”. The definition of the term “internal allocation” under the Accounting Code refers to the cash, cash equivalents and investments that Council has designated for specific work programs and any futures plans identified by Council through either a resolution or policy.

As a result of this definition, the balance of Council’s “internal allocations” should be included as part of Council’s total “Cash, cash equivalents and investments” balances in its financial statements.

Modifications to the Accounting Code 2022 has seen the substitution of the term ‘*Internal Reserve*’ with ‘*Internal Allocations*’. These updated definitions from the mandatory accounting code are as follows:

Internal Allocations - ‘Internal Allocations refer to the cash, cash equivalents, and investments that the Council has designated for specific work programs and any future plans identified by the Council through resolution or policy.

Since internal allocations are subject to Council’s discretion, they should not be deducted from the ‘*Total cash, cash equivalents and investments*’ line.

However, for the purposes of this policy, we recommend not changing the terminology. We consider this change to be immaterial and believe it will not significantly impact our understanding of these terms.

Proposed changes to the Financial Reserves Policy

The attached policy includes the following proposed changes to existing or proposed financial reserves:

Reserve Name	Proposed Changes
External Reserves	
Advertising SEPP64	<ul style="list-style-type: none"> ▪ Update of reserve name to Advertising Sign Planning Agreement Revenue ▪ Update of reserve purpose
Community Safety Levy	<ul style="list-style-type: none"> ▪ Update of responsible owner from Manager Community Life to Manager Compliance & Community Safety
Infrastructure Levy	<ul style="list-style-type: none"> ▪ Minor update of reserve purpose
Mascot Main Street	<ul style="list-style-type: none"> ▪ Update of reserve name to ‘Local Area Funds - Mascot Main Street’
Mascot Parking Rate	<ul style="list-style-type: none"> ▪ Update of reserve name to ‘Local Area Funds - Mascot Parking Rate’
Planning Agreements	<ul style="list-style-type: none"> ▪ Update of calculation basis from ‘Partial Cost Recovery - as per adopted fees and charges’ to ‘Partial Cost Recovery - as per Council’s Planning Agreement Policy’
Specific Purpose Unexpended Grants	<ul style="list-style-type: none"> ▪ Update of reserve name to ‘Special Purpose Unexpended Grants’

Reserve Name	Proposed Changes
Internal Reserves	
Audit & Legal	<ul style="list-style-type: none"> ▪ Consolidation of both reserves ▪ Update of reserve purpose
Public Liability Claims	
Arncliffe Youth Centre	<ul style="list-style-type: none"> ▪ Deletion of reserve by 30 June 2024 with the balance to be released to general funds.
Botany Aquatic Centre	<ul style="list-style-type: none"> ▪ Update of responsible owner from Executive Manager City Projects to Manager City Projects
Contribution to Works	<ul style="list-style-type: none"> ▪ Update of reserve name to 'Revenue received in Advance'. ▪ Update of responsible owner from Chief Financial Officer to Manager Finance
Council Election	<ul style="list-style-type: none"> ▪ Update of responsible owner from Manager Risk and Governance to Manager Mayoral & Councillor Support
Deposits, Retentions & Bonds	<ul style="list-style-type: none"> ▪ Update of responsible owner from Chief Financial Officer to Manager Finance
Employee Leave Entitlements	
Financial Assistance Grants in Advance	
General revenue funded carry over works (revotes)	<ul style="list-style-type: none"> ▪ Update of reserve name to 'General funded revotes'. ▪ Update to responsible owner from Chief Financial Officer to Manager Finance
Mascot Oval	<ul style="list-style-type: none"> ▪ Update of responsible owner from Manager Sports & Recreation to Manager Library & Lifestyle
Office Equipment & IT	<ul style="list-style-type: none"> ▪ Update of key stakeholder from Manager Information Technology to Chief Information Officer
Plant & Equipment	<ul style="list-style-type: none"> ▪ Update of calculation basis from 'change-over cost' to 'all costs related to managing Council's fleet operations'
Synthetic Fields	<ul style="list-style-type: none"> ▪ Update of reserve purpose ▪ Update of calculation basis from 'cash collected net of expense' to 'net income generated (net of direct costs including maintenance costs) ▪ Update of responsible owner from Manager Sport & Recreation to Manager Libraries & Lifestyle ▪ Update of approval
Work Health & Safety	<ul style="list-style-type: none"> ▪ Update of responsible owner from Manager Business Improvement and Organisational Development to Manager Business Transformation
New Internal Reserves	
Infrastructure Maintenance	<ul style="list-style-type: none"> ▪ Creation of new policy
Smart Compliance	<ul style="list-style-type: none"> ▪ Creation of new policy
Public & Legal liability	<ul style="list-style-type: none"> ▪ Creation of new policy
Deleted Reserves	
Energy Efficiency	<ul style="list-style-type: none"> ▪ Deletion of policy ▪ Balance transferred to general funds
Parking Infrastructure	<ul style="list-style-type: none"> ▪ Deletion of policy ▪ Balance transferred to infrastructure maintenance reserve
Audit & Legal	<ul style="list-style-type: none"> ▪ Deletion of policy ▪ Balance transferred to public & legal liability reserve
Public Liability	<ul style="list-style-type: none"> ▪ Deletion of policy ▪ Balance transferred to public & legal liability reserve

Creation of a new 'Infrastructure Maintenance' financial reserve

Council resolved to establish a new reserve in September 2020 as part of Council's improvement plan which is to be used to offset its infrastructure renewal and maintenance gap over the long-term.

It is proposed that the 'Infrastructure Maintenance' reserve be included in the updated financial reserves policy. Any efficiency savings identified in future budgets will be assessed annually and be transferred to the reserve to address asset maintenance and renewal expenses, thereby mitigating potential funding gaps related to future asset expenditures.

Creation of a new 'Smart Compliance' financial reserve

Council resolved on 3 November 2021 to approve the creation of a new 'Smart Compliance Reserve' to be included in the Financial Reserves Policy as an internally restricted reserve, for the purpose of funding future CCTV camera installations and replacements.

Consolidation of existing 'Audit & Legal' and 'Public Liability Claims' reserves and rename the new reserve as 'Legal and Public Liability' Reserve

The existing 'Audit & Legal' reserve was established in 2017-18 to fund legal costs associated with Operation Ricco (ICAC) and additional audit related costs in relation to the amalgamation and path towards an unmodified audit opinion. The insurance funds of approximately \$4.8M received by Council in 2017-18 was put aside for this purpose and ongoing legal expenses of recoveries from the parties involved.

The purpose mentioned above has since been accomplished, leaving the 'Audit & Legal' reserve with a forecast balance of \$4.1M by the end of financial year 2023-24.

The 'Public Liability Claims' reserve was established in 2009-10 to fund unexpected increases to public liability and professional indemnity insurance premiums which may result from an increase in claims made or general market force. Unexpended budget from public liability and professional indemnity premium paid are transferred annually to this reserve to offset a higher number of claims and increase in excess in a subsequent year. The 'Public Liability Claims' reserve has a forecast balance of \$0.7M by the end of financial year 2023-24.

It is proposed that a new internally restricted reserve titled 'Legal and Public Liability' be created, and the balance of the above reserves be transferred to 'Legal and Public Liability' reserve. By 30 June 2024, the cumulative balance of these reserves is forecasted to be \$4.8M. The reserve is proposed to be utilised in funding any Council's liabilities as determined by the Executive Committee, with unexpended budget from public liability and professional indemnity premium paid to be transferred annually to the reserve to maintain a positive balance of the reserve.

Removal of the Arncliffe Youth Centre financial reserve

The 'Arncliffe Youth Centre' reserve was established by former Rockdale City Council to fund the construction and fit out phase of the Arncliffe Youth Centre. By 30 June 2024, the cumulative balance of this reserve is forecasted to be \$0.9M.

The purpose of the reserve has been accomplished as the Arncliffe Youth Centre is already in operation. As the funds transferred to the reserve was general funded, it is proposed that

the remaining balance of the reserve to be released to general funds to be available for general operations at 30 June 2024.

Removal of the 'Energy Efficiency' financial reserve

Council resolved on 10 October 2018 to endorse Ausgrid's proposal for the accelerated replacement of 4,266 Ausgrid lights in the LGA with energy efficient LEDs for the 'Lighting the Way' project in association with SSROC. The upfront capital cost of this initiative was funded through a borrowing against Council's internal reserves. The first stage has now been completed with all lights in the local roads being replaced whilst the second stage involving the replacement of lights on main roads to continue without requiring any upfront funding from Council.

As a result, Council has received energy-saving certificates from the use of these energy-efficient lights. The proceeds from these certificates have been allocated to the energy efficiency reserve over the years. However, since these initiatives were designed to help Council reduce its street lighting energy bills, it is fair to use these proceeds to offset the ongoing costs of street lighting. Therefore, we propose closing this reserve and using the balance of funds to offset Council's street lighting bills.

Infrastructure levy (internal or external)

The infrastructure levy reserve continues to be classified as an external reserve in this policy due to the limitations of use as outlined in the Special Rate Variation (SRV). This limitation is based on the fact that the infrastructure levy is only applicable to rate payers with rateable properties within the former Rockdale City Local Government Area. Consequently, income generated from these levies can only be applied to infrastructure projects within the former Rockdale City Local Government Area.

The SRV, implemented for four years starting on 1 July 2014, resulted in a 6% annual rate increase above the previous year's rates until 30 June 2018. After this period, the increases were permanently incorporated into Council's rate base and continue to rise with the rate peg. These funds will consistently support infrastructure renewal in the areas from which the levy is collected. Due to this restriction, this reserve remains classified as an external reserve in this policy.

Financial Implications

- | | |
|--------------------------------------|-------------------------------------|
| Not applicable | <input checked="" type="checkbox"/> |
| Included in existing approved budget | <input type="checkbox"/> |
| Additional funds required | <input type="checkbox"/> |

Community Strategic Plan

- | | |
|--|-------------------------------------|
| Theme One – In 2032 Bayside will be a vibrant place | <input type="checkbox"/> |
| Theme Two – In 2032 Our people will be connected in a creative City | <input type="checkbox"/> |
| Theme Three – In 2032 Bayside will be green, resilient and sustainable | <input checked="" type="checkbox"/> |
| Theme Four – In 2032 Bayside will be a prosperous community | <input type="checkbox"/> |
-

Risk Management – Risk Level Rating

No risk	<input type="checkbox"/>
Low risk	<input checked="" type="checkbox"/>
Medium risk	<input type="checkbox"/>
High risk	<input type="checkbox"/>
Very High risk	<input type="checkbox"/>
Extreme risk	<input type="checkbox"/>

Community Engagement

Not Applicable

Attachments

- 1 Revised Financial Reserves Policy [↓](#)
- 2 Committee Meeting Presentation - Financial Reserve Policy [↓](#)



Financial Reserves Policy

1 July 2024



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Financial Reserves Policy
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Enquiries: Manager Finance



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Financial Reserves Policy

1

Contents

1	Introduction	3
1.1	Background.....	3
1.2	Definitions	3
1.3	Policy statement.....	3
1.4	Scope of policy.....	3
2	Financial Reserves	3
2.1	Creation, Alteration, Cessation of Reserves.....	3
2.2	Accounting for Financial Reserves.....	4
3	Policy Implementation	5
3.1	Policy responsibilities	5
3.2	Procedures	5
3.3	Breaches.....	5
4	Document Control	5
4.1	Review	5
4.2	Related documents	5
4.3	Version history	5
	Appendix 1 - Schedule of Externally Restricted Financial Reserves	6
	Appendix 2 - Schedule of Internally Restricted Financial Reserves	11

1 Introduction

1.1 Background

Financial Reserves are established to set aside funds for Council to allocate to specific projects, as required.

Every Reserve created should have a clear and specific purpose and relate back to the adopted Integrated Planning and Reporting (IP&R) strategies and plans of Council. There should be a clear link between this Policy, and the Reserves created under it, to the Operational Plan, Delivery Program, and where appropriate, the Council's asset management plans and community plans.

The purpose of this policy is to provide clarity and transparency in the sequestering of funds from annual operations in order to provide for longer term expenditure. That transparency encompasses the method of calculation of both the fund in total and its annual movements.

1.2 Definitions

Externally Restricted Financial Reserves

Externally restricted financial reserves are created as a result of a legislative requirements or a binding contractual arrangement governing the use of the funds. These reserves must be fully expended for the specific purpose defined and cannot be used by Council for its general operations.

Internally Restricted Financial Reserves

Internally restricted financial reserves are funds that the Council has determined to be used for specific purposes. The Council may, at its discretion, resolve to change the purpose of these reserves.

1.3 Policy statement

Council is committed to best practice in managing its financial reserves and accounting for it, in accordance with external statutory and internal management reporting requirements.

1.4 Scope of policy

This policy covers all externally and internally restricted financial reserves.

2 Financial Reserves

2.1 Creation, Alteration, Cessation of Reserves

This Policy requires Council to undertake certain processes in dealing with Financial Reserves. All significant decisions in relation to Council's Financial Reserves are required to be made by Council resolution. The creation of new Reserves, alterations to existing Reserves, or the cessation of any existing Reserve may only be undertaken by a resolution of the Council.

A schedule of existing Financial Reserves is appended to this policy outlining the following, for each Reserve:

- its purpose;
- the basis on which it is calculated or collected;
- its target balance;
- the name of the Council position/committee responsible for controlling the reserve; and

- Council Approval Date (including Minute No. where known).

Amendments to individual Reserves may be made by Council resolution without the need to amend the policy itself, given that it forms part of an appendix to this policy.

The creation of a Reserve, cessation of a Reserve or transferring funds to and from a Reserve may only be authorised by a resolution of Council. Such a resolution should be based on a thorough and detailed report setting out all of the implications involved. Any such resolution must specify the amount and purpose of the transfer.

2.2 Accounting for Financial Reserves

Maximum transfer from financial reserves

No transfer from any reserve shall exceed the amount of the existing balance of the reserve at the time of transfer.

Borrowing against internally restricted financial reserves

Council may from time to time decide to temporarily borrow from one or several financial reserves for specific priority projects. This process needs to be formally approved by Council via a resolution.

The resolution must include, at a minimum, the following:

- The purpose of the temporary borrowing;
- The total amount borrowed;
- The term of the borrowing (including drawdown dates);
- The specific reserve(s) against which the borrowing will occur; and
- An appropriate repayment schedule at council's internal rate of return (IRR).

Internally approved borrowing against reserves cannot exceed the total balance of all internally restricted financial reserves at the time of borrowing.

Borrowing against externally restricted financial reserves

Should council wish to borrow against financial reserves that are externally restricted by legislation, ministerial approval may be required in accordance with the relevant legislation in addition to fulfilling all the requirements of clause 2.2.2 of this policy.

Reporting of financial reserves

Financial reserves are to be reported through Council's Quarterly Budget Review Statement (QBRs) under the Local Government (General) Regulation 2021.

Each Quarterly Budget Review Statement is to include a schedule of financial reserves, which includes, at a minimum, the following:

- The opening balance of the reserve at 1 July;
- The estimated transfer to the reserve during the financial year;
- The estimated transfer from the reserve during the financial year; and
- The forecast closing balance of the reserve at 30 June.

Financial reserve balances as at 30 June are also required to be disclosed in Councils annual financial statements as defined in the Local Government Code of Accounting Practice and Financial Reporting.

3 Policy Implementation

3.1 Policy responsibilities

The responsible officer or parties named in this policy and appendices shall be responsible for the strategic management of the relevant reserves and its integrity in line with its defined purpose and restrictions.

The Manager Finance has the responsibility of maintaining a schedule of all financial reserves in addition to overseeing all of the accounting functions in relation to the reserves including regular reporting through the Quarterly Budget Review Statement and annual financial statements.

3.2 Procedures

Procedures to support this policy shall be approved by the Director City Performance.

3.3 Breaches

Inappropriate use of Externally Restricted Reserves will generally constitute a breach of the Local Government Act and may result in punitive measures being imposed upon the Council.

4 Document Control

4.1 Review

This policy is reviewed at least every 4 years and/or when required by industry / legislative changes. The Director City Performance or Manager Governance and Risk may approve non-significant and/or minor editorial amendments that do not change the substance of the policy.

4.2 Related documents

- Local Government Act, 1993
- Local Government (General) Regulation, 2005
- NSW Local Government Code of Accounting Practice and Financial Reporting

4.3 Version history

Version	Release Date	Author	Reason for Change
1.0	14/10/2020	Finance Project Officer	New document
2.0	11/11/2020	Financial Strategy & Reporting Manager	Parking Infrastructure Reserve added
3.0	10/03/2021	Financial Strategy & Reporting Manager	Affordable Housing Program added
4.0	TBC	Head of Financial Strategy & Reporting	<ul style="list-style-type: none"> • Addition of the Smart Compliance & Infrastructure Maintenance Reserve • Removal of the Arncliffe Youth Centre & Energy Efficiency Reserve • Consolidation of Council's audit & legal and the public liability reserves • Other minor changes and updates to the policy

5 Appendix 1 - Schedule of Externally Restricted Financial Reserves

Reserve Name	Advertising Sign Planning Agreement Revenue
Purpose	<p>Cash collected under planning agreements/State Environmental Planning Policy (Industry and Employment) 2021 for the following purposes:</p> <p>(a) to ensure that signage (including advertising):</p> <ul style="list-style-type: none"> (i) is compatible with the desired amenity and visual character of an area, and (ii) provides effective communication in suitable locations, and (iii) is of high quality design and finish, and <p>(b) to regulate signage (but not content) under Part 4 of the Act, and</p> <p>(c) to provide time-limited consents for the display of certain advertisements, and</p> <p>(d) to regulate the display of advertisements in transport corridors, and</p> <p>(e) to ensure that public benefits may be derived from advertising in and adjacent to transport corridors.</p> <p>In accordance with the Department of Planning and Environment 'Transport Corridor Outdoor Advertising and Signage Guidelines November 2017':</p> <p>a. When the council is the advertising proponent, an annual fee need not be paid. However, as with RMS and Transport for NSW, Sydney Trains and NSW Trains, the council must set aside revenue raised from outdoor advertising to fund a public benefit works program. The council must record the total amount of outdoor advertising revenue received each year in their financial accounts and their Annual Reports. This includes fees collected from proponents as well as revenue raised directly from advertising signage where council is the proponent. The Annual Reports must also report on the amount of outdoor advertising revenue invested by the council in transport safety, amenity improvements or other public works, including a list of specific projects.</p> <p>b. Improvements to traffic safety for drivers, pedestrians and cyclists are a priority for expenditure. This may include works such as improving bicycle rider safety, installation of pedestrian refuges, bus shelters/seats, signage, speed calming devices, new and upgraded footpath, safety devices (e.g. raised pedestrian crossings or signals).</p>
Calculation Basis	Partial Cost Recovery - as per adopted Fees and Charges
Target Balance	No Target. Advertising Sign Planning Agreement revenue received fully expended in accordance with items identified under planning agreement.
Responsible	Manager City Infrastructure

Reserve Name	Community Safety Levy
Purpose	Effective from 1 July 2007, this Special Rate Levy is paid annually through the rates notice by residents of the former Rockdale City Council to fund an annual program consisting of graffiti removal, CCTV, safety audits and community education programs.

Reserve Name	Community Safety Levy
Calculation Basis	Raised on all properties in former Rockdale City Council and calculated using a base rate (fixed \$ per assessment) + an ad valorem
Target Balance	No Target. Cash fully expended in accordance with expenditure program in Delivery Program and Operational plan.
Responsible	Manager Compliance & Community Safety

Reserve Name	Developer Contributions - General
Purpose	<p>Cash contributions received under S7.11 Environmental Planning and Assessment Act 1979 - Contribution towards provision, extension or augmentation of the public amenities and public services concerned, to meet the increased demand created by development.</p> <p>Cash contributions received under S7.12 Environmental Planning and Assessment Act 1979 - Fixed development consent levies applied towards the provision, extension or augmentation of public amenities or public services (or towards recouping the cost of their provision, extension or augmentation), to meet the increased demand created by development. The application of the money is subject to any relevant provisions of the contributions plan.</p> <p>In accordance with Environmental Planning and Assessment Regulation 2000 Part 4, Division 5, clause 35 Council must maintain accounting records that allow monetary section 7.11 contributions, section 7.12 levies, and any additional amounts earned from their investment, to be distinguished from all other money held by the council.</p>
Calculation Basis	In accordance with contribution rates detailed in Contribution Plans.
Target Balance	Developer contribution cash received all fully expended in accordance with contribution plan works program and Delivery Program and Operational plan.
Responsible	Manager Strategic Planning

Reserve Name	Domestic Waste Management
Purpose	Section 496 of the Local Government Act 1993 (the Act) requires Council to make and levy an annual charge for the provision of domestic waste management services for each parcel of rateable land for which the service is available. Section 502 of the Act then allows Council to make a charge for a service referred to in section 496 according to the actual use of the service.
Calculation Basis	<p>Limited to recovering the reasonable cost of providing the domestic waste management service. Cash received for the service is transferred to this reserve and expenditure incurred for the service is transferred from this reserve. Also, cash received from the sale of garbage vehicles is transferred to this reserve. Expenditure incurred in acquiring garbage vehicles is funded, as a transfer from this reserve. Domestic waste management charge can cover:</p> <ul style="list-style-type: none"> ▪ change-over cost for garbage vehicles, ▪ replacement of garbage bins, ▪ remediation of contaminated old tip sites.

Reserve Name	Domestic Waste Management
Target Balance	Cash collected needs to be supported by the 10 year Domestic Waste Management (DWM) Long Term Financial Plan. Manager Waste & Cleansing to develop a 10 year DWM Long Term Financial Plan.
Responsible	Manager Waste & Cleansing

Reserve Name	Infrastructure Levy Reserve
Purpose	This levy which is funded by a Special Rate Variation came into effect on 1 July 2007 and which was supplemented by a further Special Rate Variation granted for the 4 years from 1 July 2014, and remaining permanently in the Council's rate base after the last year of the special variation (2017/18), for the purposes of renewal of existing infrastructure assets and to enhance financial sustainability through the repayment of borrowings for infrastructure renewal.
Calculation Basis	Raised on all properties in former Rockdale City Council and calculated using a base rate (fixed \$ per assessment) + an ad valorem
Target Balance	No Target. Cash fully expended in accordance with City Projects program.
Responsible	Manager City Infrastructure

Reserve Name	Local Area Funds
Purpose	Special rates levied on business in certain local business areas, to fund the cost of works, services, facilities or activities that are carried out to specifically benefit those business areas.
Calculation Basis	Raised on business properties in former Rockdale City Council and is calculated solely using an ad valorem rate except for Ramsgate Beach which is calculated using a base rate (fixed \$ per assessment) + an ad valorem.
Target Balance	No Target. Cash will be fully expended in accordance with expenditure program in Delivery Program and Operational plan.
Responsible	Manager Strategic Planning

Reserve Name	Local Area Funds - Mascot Main Street
Purpose	Local area rates applicable to rateable businesses in this area, to fund the cost of works, services, facilities or activities that are carried out to specifically benefit this business area.
Calculation Basis	Raised in former City of Botany Bay Council and calculated solely using an ad valorem rate.
Target Balance	No Target. Cash will be fully expended in accordance with expenditure program in Delivery Program and Operational plan.
Responsible	Manager Strategic Planning

Reserve Name	Local Area Funds - Mascot Parking Rate
Purpose	Local area rates applicable to rateable businesses in this area, to fund the cost of works, services, facilities or activities that are carried out to specifically benefit this business area.
Calculation Basis	Raised in former City of Botany Bay Council and calculated solely using an ad valorem rate.
Target Balance	No Target. Cash will be fully expended in accordance with expenditure program in Delivery Program and Operational plan.
Responsible	Manager Strategic Planning

Reserve Name	Planning Agreements
Purpose	Cash collected under S7.4 (2) Environmental Planning and Assessment Act 1979 for following purposes, the: <ul style="list-style-type: none"> a) provision of (or the recoupment of the cost of providing) public amenities or public services, b) provision of (or the recoupment of the cost of providing) affordable housing, c) provision of (or the recoupment of the cost of providing) transport or other infrastructure relating to land, d) funding of recurrent expenditure relating to the provision of public amenities or public services, affordable housing or transport or other infrastructure, e) monitoring of the planning impacts of development, f) conservation or enhancement of the natural environment.
Calculation Basis	Partial Cost Recovery - as per Council's Planning Agreement Policy
Target Balance	No Target. Planning agreements cash received fully expended for purpose collected.
Responsible	Manager Strategic Planning

Reserve Name	Roads Reserve
Purpose	S43 Roads Act 1993 - Disposal of land comprising former public road owned by Council. This land is vested in Council and forms part of a former public road. Land is operational land for the purposes of the Local Government Act 1993 unless, before the land becomes vested in the council, the council resolves that it is to be community land, in which case the land is community land. The gross sale proceeds less associated fees are transferred to this reserve. Money received by a council from the proceeds of sale of the land is not to be used by the council except for acquiring land for public roads or for carrying out road work on public roads.
Calculation Basis	Market value
Target Balance	No Target. Gross sale proceeds less associated fees received to be fully expended acquiring land for public roads or for carrying out road work on public roads.
Responsible	Manager City Infrastructure

Reserve Name	Special Purpose Unexpended Grants
Purpose	Council receives grant funds for specific projects and purposes. It is common that grants will be unexpended across different financial years and this reserve allows unexpended grant funds to be isolated and retained for expenditure on the project for which the grant was received.
Calculation Basis	Unexpended grant at year end, restricted by contractual obligations, as set out in grant agreement.
Target Balance	No Target - income variable.
Responsible	Manager Finance

Reserve Name	Stormwater Management
Purpose	Council charges a Stormwater Levy to every household and business in accordance with the policy gazetted by the Minister in October 2005 to improve the management of stormwater. The Stormwater Levy allows Council to undertake significant improvements to the stormwater system to provide a cleaner and safer environment for the benefit of owners, residents and visitors.
Calculation Basis	The maximum amounts of the Levy are set by Legislation, and included in the Delivery Program and Operational plan.
Target Balance	No Target - Cash received to be fully expended in accordance with expenditure program in Delivery Program and Operational plan.
Responsible	Manager City Infrastructure

6 Appendix 2 - Schedule of Internally Restricted Financial Reserves

Reserve Name	Affordable Housing Program
Purpose	To receive net rental proceeds from the Affordable Housing Tenancy Program for the specific purpose of future upgrades and maintenance of affordable housing stock, new capital works and acquisition and or leasing of additional affordable housing properties
Calculation Basis	Net discounted rental proceeds and cash contributions received for affordable housing purposes from developers as part of the negotiated Planning Agreement process.
Target Balance	No Target. Cash to be expended in accordance with Affordable Housing Program in the Delivery Program and Operational Plan.
Responsible	Manager Property & Manager Community Life
Approval	Council 10/03/2021 Minute 2021/052

Reserve Name	Botany Aquatic Centre
Purpose	To fund the Botany Aquatic Centre redevelopment.
Calculation Basis	Consolidation of funds from the following reserves: Domestic Waste Management (Botany); Infrastructure Replacement; O'Riordan Street Cables; and Public Works.
Target Balance	No Target. Cash to be expended in accordance with expenditure program in Delivery Program and Operational Plan.
Responsible	Manager City Projects
Approval	

Reserve Name	Brighton Bath Amenities Building
Purpose	Reserve established by former Rockdale City Council, with income received from the users within the Brighton Bath Amenities building, with the funds collected to be allocated to fund other improvement works in the future.
Calculation Basis	Income received from the users within the building transferred to this reserve.
Target Balance	In Council adopting the 2020/21 budget on 24 June 2020, it was resolved that there be no further annual transfers to the Brighton Baths Amenities reserve and the uncommitted balance (estimated at around \$1.6 million) of the reserve be retained for future essential works around the site. Reserve to be closed once all available funds expended.
Responsible	Manager City Infrastructure
Approval	Council 2 May 2007

Reserve Name	Business Improvements & Efficiencies
Purpose	To fund business improvement projects and efficiencies.

Reserve Name Business Improvements & Efficiencies	
Calculation Basis	An annual budget allocation is transferred to this reserve from General Revenue.
Target Balance	No Target. Cash to be expended in accordance with expenditure program in Delivery Program and Operational plan.
Responsible	General Manager
Approval	

Reserve Name Community & Environmental Projects	
Purpose	In accordance with deed of agreement between Sydney Airport Corporation Limited (SACL) and Bayside Council, Clause 26.2(a) Payments, signed 28 November 2018, Clause 14 states that in 2019/2020, Council will allocate \$1,000,000 of the 2019/2020 Clause 26.2(a) Payments upon payment by Sydney Airport to a fund (Community and Environmental Projects Reserve Fund) to be used for the development or improvement of infrastructure for community use or to improve environmental outcomes in the Bayside LGA (Projects).
Calculation Basis	In accordance with deed of agreement between SACL and Bayside Council Clause 26.2(a) Payments, signed 28 November 2020, Clause 16 states that in 2020/21 and subsequent years, Council will allocate an amount to the Community and Environmental Projects Reserve Fund equal to the previous year's allocation increased by the IPART limit applicable for that year. In accordance with Memorandum of Understanding between Sydney Airport and Bayside Council Community and Environmental Projects Reserve Fund, signed 21 December 2018, Clause 6 (d) additional funding to deliver Projects may be sourced from third party organisations, including from governments or other private or public sector organisations.
Target Balance	No Target. Cash to be expended in accordance with expenditure program in the Delivery Program and Operational Plan. In accordance with Memorandum of Understanding between Sydney Airport and Bayside Council Community and Environmental Projects Reserve Fund, signed 21 December 2018, Clause 6 (c) The projects to be considered by the Panel are to be identified from the Bayside Council draft Operational Plan or City Projects Program. This is to be undertaken on an annual basis prior to Bayside Council placing the annual Bayside Council draft budget for the upcoming financial year on public exhibition.
Responsible	Director City Futures In accordance with Memorandum of Understanding between Sydney Airport and Bayside Council Community and Environmental Projects Reserve Fund, signed 21 December 2018: Clause 6 (a) The Chief Executive Officer of Sydney Airport and the General Manager of Bayside Council shall each nominate 2 representatives, who will comprise the panel responsible for jointly recommending Projects for funding (Panel). Clause 6 (b) The Chief Executive Officer of Sydney Airport and the General Manager of Bayside Council are jointly responsible for selecting Projects, based on recommendations made to them by the

Reserve Name Community & Environmental Projects	
	Panel. The selected projects are to be submitted to Bayside Council to consider approving the allocation of a budget from the Fund.
Approval	CM 18/185424 and 18/194841

Reserve Name Council Election	
Purpose	Reserve established by former Rockdale City Council, to fund the costs of elections.
Calculation Basis	Transfers to and from the Reserve are based upon the estimated costs of conducting general elections every four years over a regular council term. An annual budget allocation is transferred to the reserve from general revenue each year based on the cost of elections in the previous cycle plus an appropriate factor for cost increases.
Target Balance	Estimated cost of conducting general elections based on the cost of elections in the previous cycle plus an appropriate factor for cost increases.
Responsible	Manager Mayoral & Councillor Support
Approval	Rockdale City Council 16 June 2010

Reserve Name Deposits, Retentions & Bonds	
Purpose	Cash held for Security bonds, deposits and retentions held as liabilities in the balance sheet.
Calculation Basis	Percentage of Security bonds, deposits and retentions liabilities transferred to this reserve annually. Percentage based on transition to 50-70% of liability over ten (10) years from 2021/22.
Target Balance	100 % of total Security bonds, deposits and retentions liabilities.
Responsible	Manager Finance
Approval	

Reserve Name Employee Leave Entitlement Reserve	
Purpose	Provide available cash for the payment of employee leave entitlements such as long service leave, vesting sick leave, annual leave, on the retirement or eligible resignation of staff members. Further, this reserve ensures that the funding of leave entitlements is provided for in the year that it accrues, thereby ensuring future years' ratepayers are not burdened with the payment of liabilities from prior years.
Calculation Basis	Transfers to and from the Reserve will be based upon projected end of year liabilities relating to employee leave entitlements. The calculation of such liabilities takes into consideration the anticipated timing of employee leave entitlement payments based on a number of factors, including the age demographic of employees.
Target Balance	The target balance will be based upon the age and anticipated pay-out date for each employee. The following levels of funding will be held to fund various age bands, based on expected employee leave liabilities at financial year end.

Reserve Name		Employee Leave Entitlement Reserve	
		Age Band	% Funding of gross entitlement
		60+	100%
		55 - 60	80%
		50 - 55	40%
		45 - 50	20%
		< 45	10%
	Range of 20% to 25% of the total outstanding ELE liability as at 30 June each year will be targeted. The minimum amount to be held should always cover the 55+ groupings and funding requirement.		
Responsible	Manager Finance		
Approval			

Reserve Name		Financial Assistance Grants in Advance
Purpose	To reduce the financial impact of the first year overstatement of actual FAG received versus budget and to reflect the true Financial Assistance Grant (FAG) received, relating to a particular financial year.	
Calculation Basis	General and Roads component of FAG actually received (may include advance payment) in financial year be transferred to reserve. The actual FAG grant relating to a financial year be transferred from this reserve.	
Target Balance	No Target. Reserve balance at end of financial year must reflect FAG received in advance (if applicable) for following financial year.	
Responsible	Manager Finance	
Approval		

Reserve Name		General Funded Revotes
Purpose	To carry forward funding for general revenue funded capital projects and grant funded operating projects that are on-going as at 30 June.	
Calculation Basis	General revenue funding source of City Projects Program (CPP) capital projects and grant funded operational projects.	
Target Balance	No Target. Reserve balance carried forward from previous year is to be cleared to zero at end of each financial year before including funds to be carried over for the current year. The balance of the reserve at the end of the financial year should only reflect the amount of previously approved unspent funding that is required be carried forward for on-going capital projects and grant funded operating projects at the end of that financial year, in order for those projects to be completed in the next financial year.	
Responsible	Manager Finance	
Approval		

Reserve Name	
Infrastructure Maintenance	
Purpose	This reserve is set up as part of Council's improvement plan which is to be used to offset the increased Council's infrastructure renewal and maintenance gap over the long-term.
Calculation Basis	The Executive Committee is to identify savings in the operational budget to be transferred to the reserve on an annual basis.
Target Balance	Council resolved to target approximately \$5m for every three years.
Responsible	Manager City Infrastructure
Approval	Council 09/09/2020

Reserve Name	
Legal and Public Liability	
Purpose	To fund any of Council's liabilities as determined by the Executive
Calculation Basis	Savings in public liability and professional indemnity premium paid versus budget transferred annually to this reserve. Expenditure incurred in payment of claims under the excess is funded, as a transfer from this reserve. Plus any remaining funds from the insurance funds of approximately \$4.8M that Council received in 2017/18.
Target Balance	No Target
Responsible	Manager Governance & Risk
Approval	

Reserve Name	
Mascot Oval	
Purpose	Unknown
Calculation Basis	Unknown
Target Balance	Reserve to be closed once all available funds are expended.
Responsible	Manager Libraries & Lifestyle
Approval	Established by the Former City of Botany Bay Council

Reserve Name	
Office Equipment & IT Reserve	
Purpose	Cash restricted for use in replacing office equipment and IT software and infrastructure.
Calculation Basis	Cash received from the sale of office equipment and IT infrastructure is transferred to this reserve. In addition, an annual transfer is made to this reserve, in line with the IT Strategy. Expenditure incurred in acquiring office equipment and IT software and infrastructure is funded, as a transfer from this reserve.
Target Balance	In accordance with 10 year IT Strategy.
Responsible	IT Steering Committee. Key stakeholder - Chief Information Officer
Approval	

Reserve Name	Plant & Equipment
Purpose	Cash restricted for use in replacing plant and equipment (excluding garbage vehicles).
Calculation Basis	Cash received from the sale of plant and equipment is transferred to this reserve. Expenditure incurred in acquiring plant and equipment is funded, as a transfer from this reserve. Internal plant hire recovery covers all costs related to managing Council's fleet operation.
Target Balance	In accordance with 10 year replacement program.
Responsible	Manager Procurement & Fleet
Approval	

Reserve Name	Planning Proposals
Purpose	Cash collected under Part 2 Clause 11 Environmental Planning and Assessment Regulation 2000 for operational costs and expenses incurred by Council in undertaking studies and other matters required in relation to a planning proposal.
Calculation Basis	Partial Cost Recovery - as per adopted Fees and Charges
Target Balance	No Target. Planning proposal cash received to be expended for purpose collected.
Responsible	Manager Strategic Planning
Approval	

Reserve Name	Revenue Received in Advance
Purpose	Funds received from external stakeholders for projects that may be undertaken or co-funded by Council in a future period.
Calculation Basis	Based on agreement between external stakeholder and Council
Target Balance	No Target
Responsible	Manager Finance
Approval	

Reserve Name	Smart Compliance
Purpose	To fund the deployment and replacement of intelligent CCTV Networks across the LGA
Calculation Basis	50% of all net infringement revenue from fixed Licence Plate Recognition (LPR) cameras (i.e. infringement income after Revenue NSW fees is paid)
Target Balance	No Target. Cash fully expended in accordance with expenditure program in Delivery Program and Operational Plan.
Responsible	Manager Compliance and Community Safety
Approval	Council 03/11/2021 Minute 2021/308

Reserve Name	Strategic Priorities
Purpose	Reserve established by former Rockdale City Council. The gross sales proceeds less associated fees of unencumbered land is to be transferred to this reserve. Funds are to be used on projects of strategic importance as resolved by Council. Reserve also provides additional funds required to provide the assets and works as outlined in Council's s7.11 (previously s94) Contributions Plan, unfunded s7.11 liabilities and land reservations.
Calculation Basis	Gross sale proceeds less associated fees from the sale of unencumbered land. In addition, salary and wages savings are transferred to this reserve.
Target Balance	No target
Responsible	Executive Committee
Approval	Rockdale City Council 16 June 2010

Reserve Name	Synthetic Fields
Purpose	To fund future synthetic fields, whole of life costs and replacement costs through lease agreements, casual use revenue and shortfall from general revenue. Executive to consider changing purpose to future renewal and replacement of existing synthetic fields, rather than future synthetic fields.
Calculation Basis	Net income generated (net of direct costs including maintenance costs), from the hire of synthetic fields for all Council's existing and new synthetic fields.
Target Balance	No Target. Cash to be expended in accordance with expenditure program in Delivery Program and Operational plan.
Responsible	Manager Libraries & Lifestyle
Approval	Recommendation 2; Council 13 June 2018 Minute 2018/114.

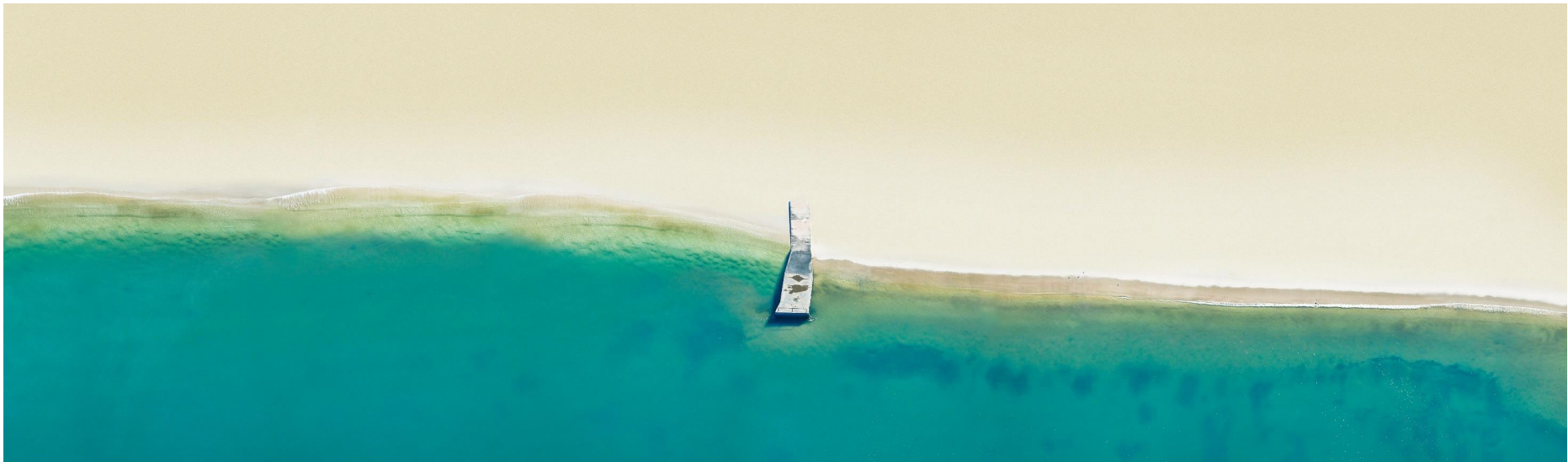
Reserve Name	Work Health & Safety
Purpose	To fund work health & safety initiatives.
Calculation Basis	StateCover rebates are transferred to this reserve.
Target Balance	No Target. Cash to be expended in accordance with expenditure program in Delivery Program and Operational Plan.
Responsible	Manager Business Transformation
Approval	WH&S Committee Meeting Minutes Item 3.2

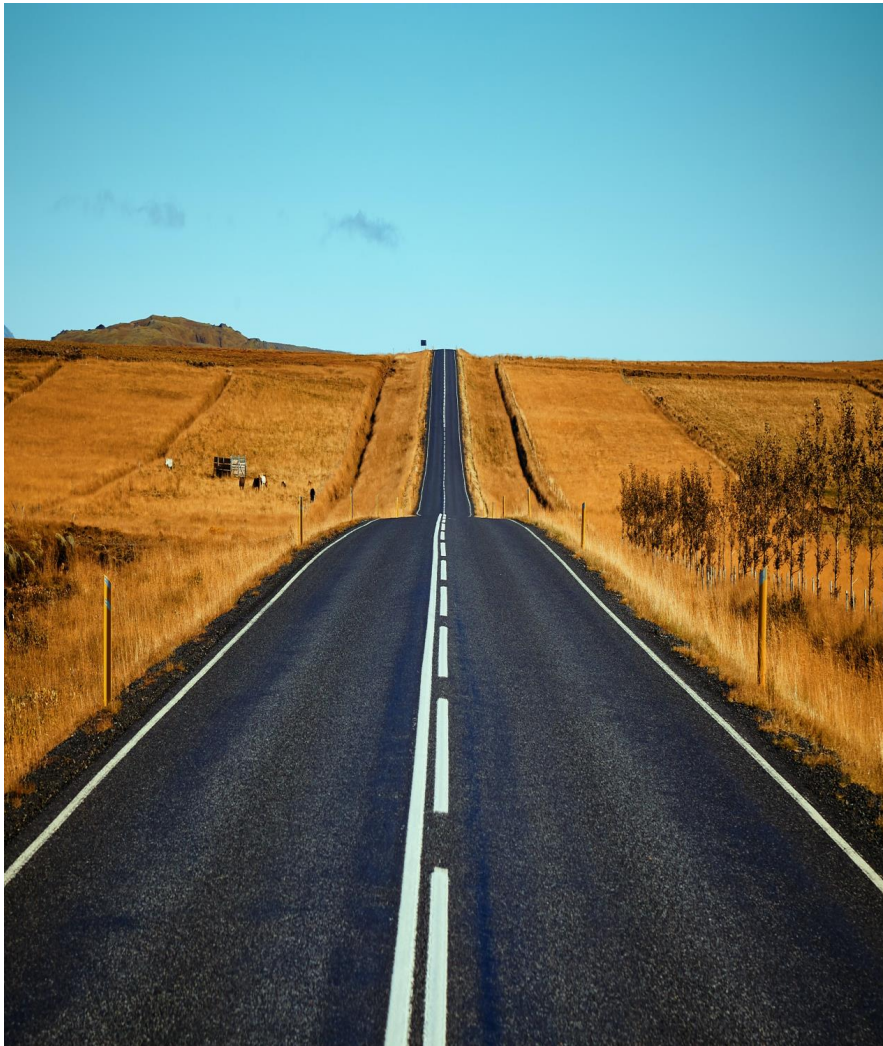


Financial Reserves Policy

Corporate Performance Committee Meeting

Wednesday, 5 June 2024





Content

1. Summary of Key Changes
2. Major External Reserves Balance
3. Major Internal Reserves Balance



1. Summary of Key Changes

- New Policies



Reserve Name	Updates made
Infrastructure Maintenance Reserve	<ul style="list-style-type: none"> • Council resolved in September 2020 to set up a reserve that will be used to address the infrastructure funding shortfall identified in the LTFFP. Efficiencies identified across Council will be transferred to this reserve on a quarterly or annual basis. • Topping up reserve from the Parking Infrastructure Reserve
Legal and Public Liability Reserve	<ul style="list-style-type: none"> • Consolidation of the Audit & Legal and the Public Liability Claims Reserves into a new “Legal and Public Liability” reserve. • As Operation Ricco has now concluded, there is no need to maintain the Audit & Legal reserve. Balance of the existing reserve will be rolled into this new reserve to cater for any unforeseen legal and/or public liability claims to Council.
Smart Compliance Reserve	<ul style="list-style-type: none"> • Council resolved in November 2021 to establish a Smart Compliance reserve which will be used as a funding source for future CCTV camera installations and replacements across the LGA • 50% of net income generated through LPR cameras are transferred to this reserve

3

1. Summary of Key Changes

- Deleted Policies



Reserve Name	Updates made
Arncliffe Youth Centre Reserve	<ul style="list-style-type: none"> This reserve was created by the former Rockdale City Council to fund the construction and initial fit-out of the Arncliffe Youth Centre. As the project has been completed, there is no longer a need to continue maintaining this reserve. Since this reserve was topped up from general funds, it is proposed to release the balance of \$970k back to general revenue.
Energy Efficiency Reserve	<ul style="list-style-type: none"> Council resolved on 10 October 2018 to endorse Ausgrid's proposal for the accelerated replacement of 4,266 Ausgrid lights on residential roads over three years. Energy saving certificates received by Council have been topping up this reserve annually.
Parking Infrastructure Reserve	<ul style="list-style-type: none"> This reserve was created to fund the roll out of the paid parking infrastructure programs across the LGA. It currently has a balance of \$2.9m, funded from general funds in 2020/21. At the advice of the GM, balance of this reserve has been transferred to the Infrastructure Maintenance Reserve and this reserve is being closed off.

4

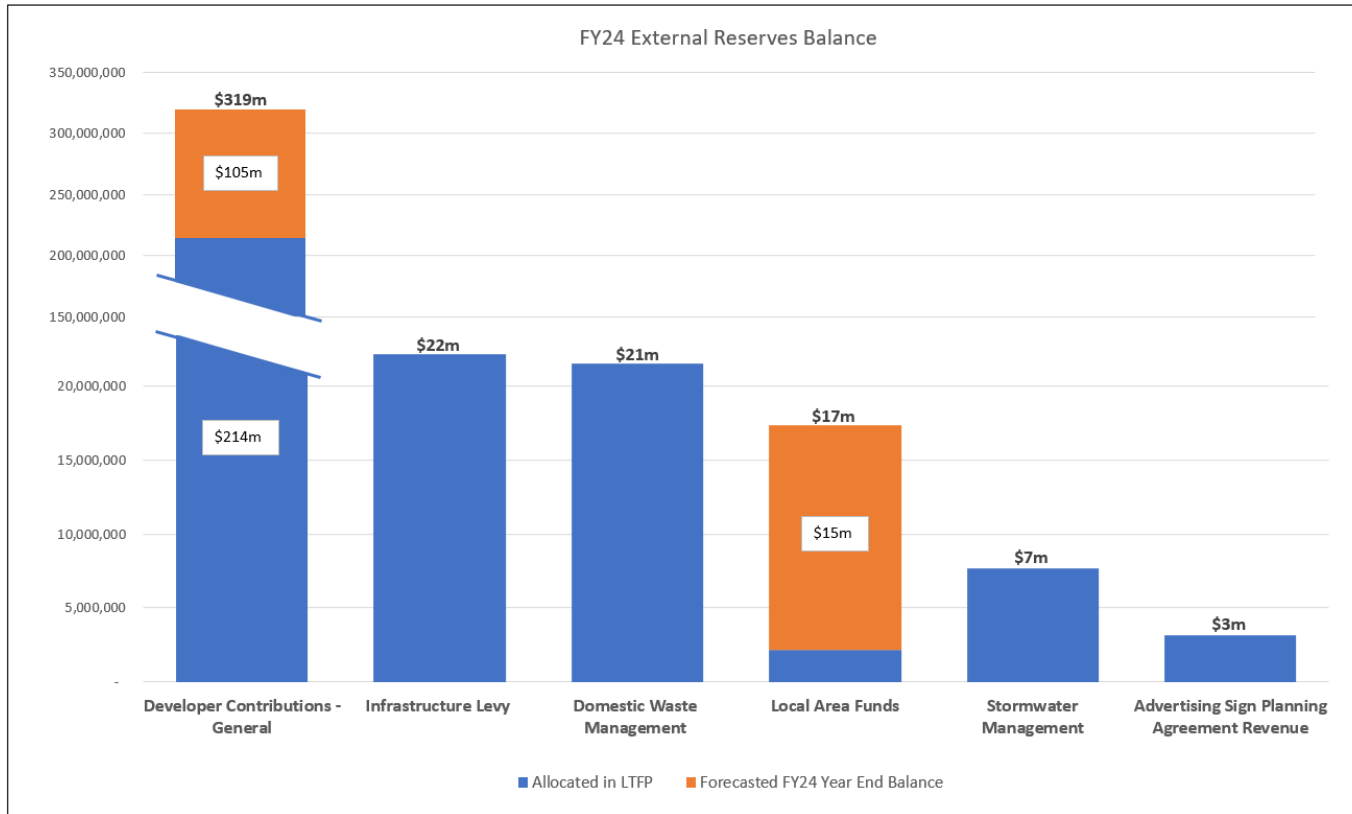
1. Summary of Key Changes

- Deleted Policies (continued)



Reserve Name	Updates made
Audit & Legal Reserve	<ul style="list-style-type: none"> This reserve was established in 2017/18 to fund legal costs associated with Operation Ricco and additional audit related costs in relation to the amalgamation and path towards an unmodified audit opinion. It is proposed that the balance of \$4.1m be transferred to the new “Legal and Public Liability” reserve
Public Liability Claims Reserve	<ul style="list-style-type: none"> The reserve was established in 2009/10 to fund unexpected increases to public liability and professional indemnity insurance premiums which may result from an increase in claims made or general market force. It is proposed that the balance of \$0.7m be transferred to the new “Legal and Public Liability” reserve

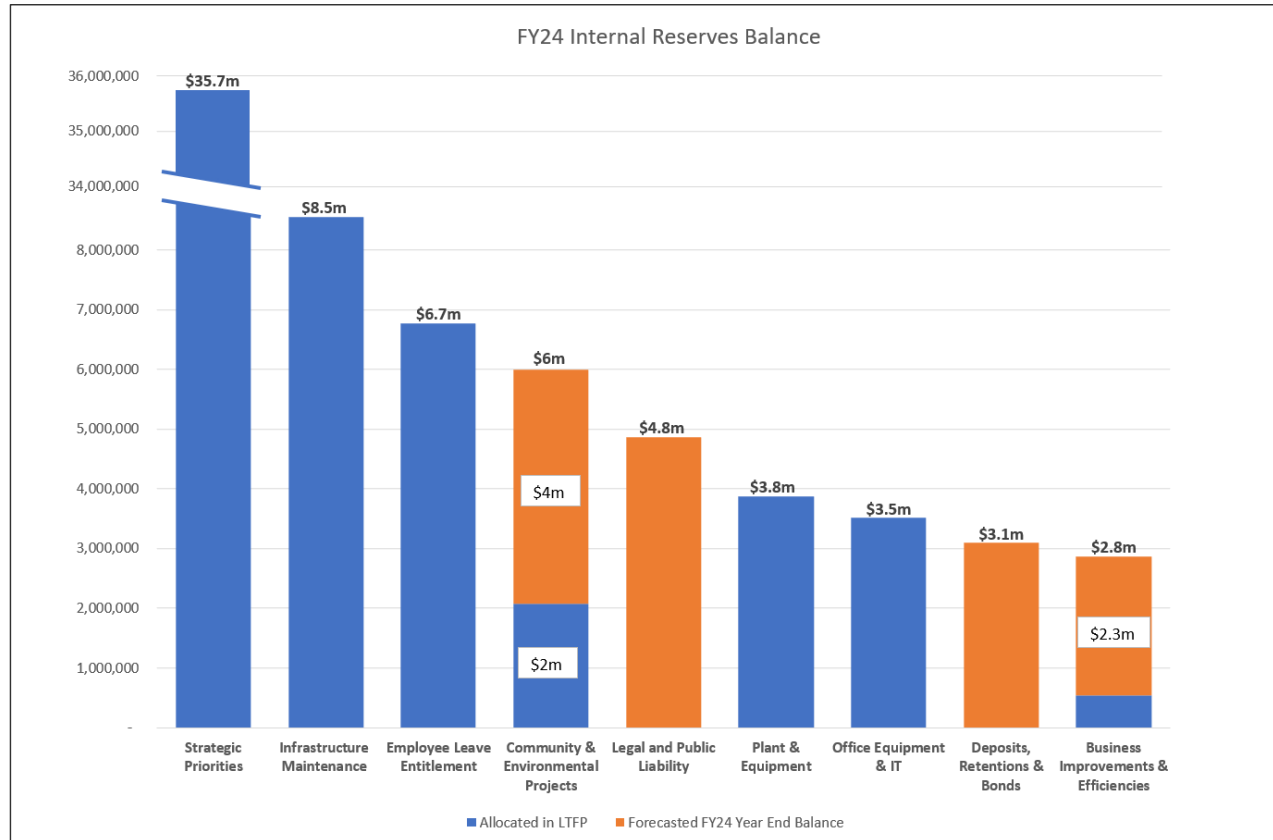
2. Major External Reserves Balance



Note: This diagram represents more than 90% of the overall external reserve balance.



3. Major Internal Reserves Balance





END



Corporate Performance Committee

5/06/2024

Item No CP24.016
Subject **Election Material Policy Review**
Report by Meredith Wallace, General Manager
File F16/951

Summary

Council’s Election Material Policy has been reviewed in the lead up to the September 2024 Local Government elections to ensure currency. The Policy remains relevant with only minor changes required for clarification, editorial, and administrative purposes.

Officer Recommendation

That Council adopts the draft Election Material Policy {v2} attached to the report.

Background

The purpose of Election Material Policy is to outline the regime for managing the display of election material in public places during an election period of the three tiers of government.

The policy requires the display and use of electoral material to comply with the relevant election legislation for Local, State and Federal government elections, as well as the various statutory planning instruments.

All political advertising on private property (including telegraph poles) will need to have the concurrence of the property owner. Council’s role is generally limited to dealing with any planning issues, the issue of permits for proposed street stalls under the relevant legislation and removal of unauthorised advertising signs not in accordance with this policy.

The policy is on Council’s website and is provided to applicants for the upcoming Council elections and future State and Federal elections.

The Election Material Policy was last reviewed formally by Council in 2017 and only minor changes have been suggested in the Draft Election Policy (version 2) attached to this report.

Financial Implications

- Not applicable
 - Included in existing approved budget
 - Additional funds required
-

Community Strategic Plan

- Theme One – In 2032 Bayside will be a vibrant place
- Theme Two – In 2032 Our people will be connected in a creative City
- Theme Three – In 2032 Bayside will be green, resilient and sustainable
- Theme Four – In 2032 Bayside will be a prosperous community
-

Risk Management – Risk Level Rating

- No risk
- Low risk
- Medium risk
- High risk
- Very High risk
- Extreme risk
-

Community Engagement

Not Applicable.

Attachments

Election Material Policy - Bayside Amended - Mark Ups [↓](#)

|



Election Material Policy

TBA



© Bayside Council

Election Material Policy

File: F08/633 Document: [17/46560\[v2\]](#)

Policy Register: F16/951 Policy No.: PP17/6

Class of document: Council Policy

Enquiries: Manager Governance & Risk



Telephone Interpreter Services - 131 450

Τηλεφωνικές Υπηρεσίες Διερμηνέων

بخدمة الترجمة الهاتفية

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Election Material Policy

2

Contents

1	Introduction	4
1.1	Background.....	4
1.2	Definitions	4
1.3	Policy statement	5
1.4	Scope of policy	5
2	Requirements	5
3	Enforcement	5
4	Policy implementation.....	6
4.1	Policy responsibilities.....	6
4.2	Procedures	6
5	Document control	6
5.1	Review	6
5.2	Related documents.....	6
5.3	Version history	7
	Appendix – Background to statutory requirements	8

1 Introduction

1.1 Background

The purpose of this policy is to outline the regime for managing the display of election material in public places during an election period of the three tiers of government.

Electoral signage requires development consent unless it meets the requirements for exempt development specified in the NSW State Environmental Planning Policy (Exempt and Complying Development Codes) 2008 – Division 2 – Advertising and Signage Exempt Development Code – (Subdivision 13 -Election signs).

The typical AO poster signs erected on private land and fences do not require approval.

1.2 Definitions

The definitions of certain terms are:

Electoral material

- ~~— any matter that is intended or calculated or likely or is capable of affecting the result of an election or that is intended or calculated or likely to influence or is capable of influencing an elector in relation to the casting of his or her vote at an election, or~~
- ~~— the name of a candidate at an election, the name of the party of any such candidate and the picture of any such candidate (including any photograph of the candidate and any drawing or printed matter that purports to depict any such candidate or to be a likeness or representation of any such candidate).~~
- a. Any matter that is intended, calculated or likely to affect, or is capable of affecting, the result of an election or that is intended, calculated or likely to influence, or is capable of influencing, an elector in relation to the casting of the elector's vote at an election, or
- b. the name of a candidate at an election, the name of the party of a candidate and a picture of a candidate, including a photograph of the candidate and a drawing or printed matter that purports to depict the candidate or to be a likeness or representation of the candidate.
- c. A sign includes a poster, banner, placard and other similar material.

Election

An official election for local, state or federal government under the relevant legislation.

Candidate

A person registered under the relevant state or federal legislation standing for election to local, state or federal government.

1.3 Policy statement

Council supports the reasonable promotion of candidates for government elections. Such promotion, including advertising signs and other electoral material is to comply with legislation and Council policies, including this policy.

1.4 Scope of policy

This policy applies to all election material used in the promotion of candidates (registered under the various state and federal legislation) for local, state and federal elections.

2 Requirements

The display and use of electoral material is to comply with the relevant election legislation for local, state and federal government elections, as well as the various statutory planning instruments.

All political advertising on private property (including telegraph poles) will need to have the ~~concurrence consent in writing~~ of the property owner. Council's role is ~~generally limited to dealing with approvals or breaches under the relevant legislation any planning issues.~~

Proposed 'street stalls' require approval from Council under the Local Government Act 1993 and/or the Road Act 1993.

3 Enforcement

The ~~following~~ enforcement approach during election periods of all three tiers of government ~~will be~~:

- Enforcement of the relevant election legislation is a matter for the respective state / federal electoral agencies and/or the Police in specific instances.
- ~~Election material is not on any must not be placed on or within any premises (including structure or building) occupied or used by, or under the control or management of Council~~
- ~~Otherwise~~ Council will not direct resources to the removal of election signage from ~~40 days eight (8) weeks immediately preceding before~~ election day (or the issue of the writ if earlier) and up to seven (7) days immediately following the election day, provided that any such signage:
 - ☞ supports a candidate or a party registered contesting election to Bayside Council or an electoral district within the Bayside local government area;
 - is no larger than ~~8,000sq centimetres~~ 0.8m²;
 - ☞ is not on Council's Open Space (such as parks, reserves) and/or Crown Land; and
 - ☞ is fixed or located in a manner that is not likely to endanger the general public or impede the general flow of pedestrian traffic.

Council officers are authorised to remove any posters not meeting the above conditions and/or which are displayed outside the [eight \(8\) 40-day week](#) (or the issue of the writs whichever is the greater) and 7 day periods [mentioned above](#). Such posters will be made available to the candidate or political party upon payment of a release fee as per Council's adopted Fees and Charges.

[Any poster affixed to a permanent structure by such means that removal of the poster/s cannot be undertaken without causing considerable damage to the poster, will be suitably disposed of by Council without reference back to the relevant candidate or political party.](#)

Outside the election period, Council may issue a Penalty Infringement Notice under the provisions of the Local Government Act 1993 for exposing an article without approval ["in/on/over a road"](#). Council may also invoice the candidate for the cost of the removal of unauthorised signage as per Council's adopted Fees and Charges.

[Council will dispose of all confiscated material 14 days after a candidate is notified of the removal and confiscation.](#)

4 Policy implementation

4.1 Policy responsibilities

The General Manager is responsible for this policy [overall](#).

The Manager [Certification and Compliance & Community Safety](#) is responsible for the implementation of this Policy, including monitoring its effectiveness.

4.2 Procedures

Administrative procedures that support this Policy, may be approved from time-to-time by the General Manager and/or the relevant Director or Manager [providing](#):

- detailed responsibilities; and
- practical enforcement details.

5 Document control

5.1 Review

This policy is to be reviewed at least [during the every](#) term of a Council [and](#) [a](#) Amendments to this policy are to be submitted to Council for approval [, apart from non-significant and/or editorial amendments, changes as a result of legislative changes, which can be approved by the General Manager Governance & Risk.](#)

[The Manager Governance & Risk may approve non-significant and/or minor editorial amendments and the republication of reviewed policies and procedures that do not change the policy substance.](#)

5.2 Related documents

Relevant legislation associated with this Policy are:-

- Local Government Act 1993

- Roads Act 1993
- Commonwealth Electoral Act 1918
- [Electoral Act 2017 – Destruction of ????](#)
- Parliamentary Electorates and Elections Act 1912
- State Environment Planning Policy [\(Exempt and Complying Development Codes\) 2008](#)
- Council's Footway Trading Policy and associated Guidelines
- ~~Other relevant legislation, planning instruments, Council policies or Council reports.~~

5.3 Version history

~~This policy was based on a former Rockdale City Council policy last approved on 15 October 2014.~~

Version	Release Date	Author	Reason for Change
1.0	14/06/2017	Warren Park	Harmonised document
2.0	TBA	Manager Governance & Risk	Review and update

Appendix – Background to statutory requirements

The current requirements relating to the display of election material in public places are numerous and a brief outline follows.

Note: Applicants are required to research and comply with all legislative requirements as this list is not exhaustive.

Council Planning Provisions and Policies

~~Bayside Council operates under the planning documents and guidelines of the former Rockdale City and Botany Bay Councils which govern and detail the regulations and enforcement provisions for this activity.~~ Advertising signage is governed by the following planning instruments:

- ~~Relevant-Bayside~~ Local Environment Plans;
- ~~Relevant-Bayside~~ Development Control Plans;
- State Environment Planning Policy (Advertising and Signage);
- State Environment Planning Policy (Exempt and Complying Development Codes)

Since the establishment of the State Environment Planning Policy (Exempt and Complying Development Codes), most of the details previously outlined for advertising and signage in DCPs and LEPs have been removed and have been standardised at a State level through the SEPP.

Council also has a formal Footway Trading Policy and associated Footway Trading Guidelines that provide the conditions for Footway advertising and signage in the Bayside LGA. Council approvals under Footway Trading Policy are made under the Roads Act.

Legislative Requirements

In addition to any specific Council requirements, all candidates for local, state and federal government elections and political parties are required to comply with advertising requirements in state and federal legislation.

~~In terms of federal-Federal~~ elections, the Commonwealth Electoral Act 1918 sets various milestones in an election timetable. The election period is determined by two key dates being the issue of the writs by the Governor General directing that an election be held and the date of the poll (ie election day). The minimum campaign period for an Australian Federal election is 33 days, meaning the writs are normally issued on the Monday after the weekend five weeks before polling day. Election material needs to be authorised by the Australian Electoral Commission.

~~In terms of NSW elections,~~ these are held on the last Saturday in March every 4 years. A NSW election is held following the issue of the writs by the Governor which directs the NSW Electoral Commissioner to conduct the election according to the procedure set down in the Parliamentary Electorates and Elections Act 1912. Writs are required to be issued 4 clear days from the expiry of Parliament which must be at least the Friday before the first Saturday in March four years after the previous Assembly was elected. Following the issue of the writs all election advertising (including posters) must be in accordance with the statutory requirements and enforced by the NSW Electoral Commission.

| ~~In terms of NSW local government~~, council elections are generally held on the second Saturday in September every 4 years. Relevant to council elections is the regulated election period, which commences 40 days before election day and ends at 6.00pm on election day. In this period all election advertising (including posters) must be in accordance with the statutory requirements and enforced by the NSW Electoral Commission (or the Returning Officer).

It should be noted that all breaches of election requirements are enforceable by the relevant State or Federal Electoral Commission (and the Police in specific instances) and not Council. Council is the enforcement authority for breaches of the Local Government Act and Roads Act.

Corporate Performance Committee

5/06/2024

Item No	CP24.017
Subject	De-amalgamation process including a suggested community consultation program.
Report by	Meredith Wallace, General Manager
File	SF23/8096

Summary

At its meeting of 22 May 2024, Council resolved that a report be presented to the June Corporate Performance Committee outlining the newly legislated process to be followed for merged councils seeking to de-amalgamate.

Council also resolved that the report include the program and timelines associated with community consultation. To address the second part of the resolution, the community consultation plan has been divided into two sections;

- 1 A pulse check conducted prior to undertaking further research and developing the detailed business case. The purpose of the pulse check is to test the community's interest in progressing to the first steps in the legal process to de-amalgamate.
 - 2 An extensive consultation plan conducted after developing a detailed, fully compliant business case.
-

Officer Recommendation

That Council notes the information provided about the de-amalgamation process and, specifically, the detail about community consultation requirements.

Background

At its meeting of 22 May 2024, Council resolved that a report be presented to the June Corporate Performance Committee outlining the legislated process for de-amalgamation and including the requirements and indicative timelines associated with community consultation.

The Process.

The attached flowchart provides a summary of the process set out in the Local Government Amendment (De-amalgamations) Bill 2024 and Schedule 1 Amendment of Local Government Act 1993 No 30. It follows the various steps in the process from the initial council decision to commission a business case through to proclamation of the new (de-merged) councils and the numerous steps in between.

In summary, the process requires council to present a compelling business case to the community and to then forward it, with the results of the community consultation, to the Minister for Local Government. The Minister will seek the views of the Boundaries Commission and after considering their advice determine if the case is sufficiently strong

enough to be put to a referendum. If the referendum is passed by a majority of eligible voters, the Minister may at their discretion, refer the matter to the Governor for proclamation.

Mandatory Community Consultation

Council is legally required to conduct two extensive education, awareness and community consultations during the demerger process.

The first 28 day consultation (42 day submission period) is conducted after council has adopted the business case which is to be forwarded, with the results of the community consultation, to the Minister for Local Government. The essential elements of the business case are described in the legislation and include the

- I. Financial impacts of the de-amalgamation
- II. How the de-amalgamation will be funded
- III. Rates and charges after de-amalgamation
- IV. Future sustainability of the de-merged councils
- V. Long term strategic plans for the de-merged councils
- VI. The service delivery capacity of the de-merged councils

The post business case consultation would be comprehensive and reliant on an information and awareness campaign using Council's website, eNewsletter, hard copy newsletter, social media platforms, media releases, flyers, 'Have Your Say', public forums, virtual town hall meetings and face-to-face engagements. A 'yes' case and a 'no' case may be developed to increase understanding and distil the critical components of this complex issue.

Community support for the de-amalgamation would be gauged by concurrently conducting a statistically representative survey of 600 residents during the awareness campaign.

The second period of community consultation (28 days and 42 days for submissions) occurs after council has received consent from the Minister for Local Government to hold a referendum of enrolled electors in Bayside. A formal survey would not be required at this point as it is replaced by the compulsory referendum, although council may resolve to conduct a further survey if the Boundaries Commission has recommended a boundary change different from the one that separated the former councils.

The focus at this phase of the process is to provide easily understood, factual information that will allow residents to make an informed decision at the referendum. While all channels used in the previous consultation would be drawn on again, council may also wish to utilise its fleet of vehicles and billboards to encourage people to find out more about the referendum question before voting.

Non mandatory consultation

In addition to fulfilling its statutory obligations to consult, council may wish to commission a non-binding preliminary pulse check, engaging an external research organisation to conduct an impartial, statistically representative phone survey similar to those undertaken to develop

the Community Strategic Plan. This survey would gauge the level of community support for pursuing a de-amalgamation business case to present to the Minister.

To ensure the survey's accuracy, the sample would be weighted according to age, gender, and wards to reflect the community profile of the Bayside LGA. A phone survey of 400 people would yield a result with an accuracy of + or – 4.9%. The survey results would provide an accurate representation of the community's appetite to pursue a fully resolved business case and take the first steps towards de-amalgamation.

To augment the statistically robust survey, council may also wish to invite additional feedback through council's 'Have Your Say' page, council's website and surveys available at customer service centres.

A presentation on the de-amalgamation process will be provided at the Committee Meeting.

Financial Implications

- | | | |
|--------------------------------------|-------------------------------------|---|
| Not applicable | <input type="checkbox"/> | |
| Included in existing approved budget | <input type="checkbox"/> | |
| Additional funds required | <input checked="" type="checkbox"/> | The level of funding will be dependant on the consultations that council resolves to undertake. Funding required for a pulse check would be in the order of \$27k while a statistically representative sample of 600 would be in the order of \$50k. Additional funding will be required for collateral and educational material, and for events and activities associated with the awareness campaign. |

Community Strategic Plan

- | | |
|--|-------------------------------------|
| Theme One – In 2032 Bayside will be a vibrant place | <input checked="" type="checkbox"/> |
| Theme Two – In 2032 Our people will be connected in a creative City | <input checked="" type="checkbox"/> |
| Theme Three – In 2032 Bayside will be green, resilient and sustainable | <input checked="" type="checkbox"/> |
| Theme Four – In 2032 Bayside will be a prosperous community | <input checked="" type="checkbox"/> |

Risk Management – Risk Level Rating

- | | |
|----------------|-------------------------------------|
| No risk | <input checked="" type="checkbox"/> |
| Low risk | <input type="checkbox"/> |
| Medium risk | <input type="checkbox"/> |
| High risk | <input type="checkbox"/> |
| Very High risk | <input type="checkbox"/> |
| Extreme risk | <input type="checkbox"/> |

Community Engagement

This report outlines community consultation requirements at various stages throughout the de-amalgamation process.

Attachments

Microsoft PowerPoint - Presentation Corporate Performance Meeting 05062024 Attachment



De-amalgamation Process (summary)

