

**Report to General Manager**

Attachments:

1. Minutes 10 February 2020

SUBJECT: Governance and Finance Committee - Minutes 10 February 2020**AUTHOR:** Ian Curry, Manager Governance and Committee Services**ENDORSED BY:** Margaret Palmer, Director Corporate Services**EXECUTIVE SUMMARY:**

This report presents the recommendations of the last meeting of the Governance and Finance Committee held on 10 February 2020 for Council adoption. The Minutes are attached for information.

FINANCIAL IMPLICATIONS:

The financial implications of each item are discussed in the individual reports.

RECOMMENDATION:

1. **THAT** the Community Ward Forums 2020 report be received. *(GF01)*
 2. **THAT** the Community Ward Forums Engagement Strategy be adopted. *(GF01)*
 3. **THAT** the Community Ward Forums Protocol be adopted. *(GF01)*
 4. **THAT** the Quarterly Review of the Operational Plan - 1 October to 31 December 2019 be received. *(GF02)*
 5. **THAT** Council notes the remedial action for those projects that were not on track for the period ending 31 December 2019. *(GF02)*
 6. **THAT** the Quarterly Budget Review Statement - December 2019 report be received. *(GF03)*
 7. **THAT** the revised 2019/20 budget be adopted. *(GF03)*
 8. **THAT** Council adopt the updated Long Term Financial Plan as per Attachment 1 and 2 of report GF04 to the Committee and it be included in the amended Resourcing Strategy, to be placed on public exhibition concurrently with the Draft Operational Plan & Budget 2020/21. *(GF04)*
 9. **THAT** the Operational Plan & Budget 2020/21 Preparation Timeline for Councillors as attached to report GF04 be noted. *(GF04)*
-

LINK TO COMMUNITY STRATEGIC PLAN

The relationship with the Community Strategic Plan is as follows:

Direction: 5. Our Civic Leadership

Outcome: 5.1 Council leads the strategic direction of North Sydney

BACKGROUND

In accordance with Council's Code of Meeting Practice:

20.24 The minutes of meetings of each Committee of the Council must be confirmed at a subsequent meeting of the committee.

The Charter of the Governance and Finance Committee states:

11.3 The recommendations arising at Committee meetings are to be submitted to the next available Council meeting for adoption. Any Councillor, irrespective of whether that Councillor is a member that Committee may be the mover or seconder of such recommendations.

CONSULTATION REQUIREMENTS

Community engagement is not required.

SUSTAINABILITY STATEMENT

The sustainability implications are of a minor nature and as such did not warrant a detailed assessment.

DETAIL

This report presents the recommendations of the last meeting of the Governance and Finance Committee held on 10 February 2020 for Council adoption. The Minutes are attached for information.

NORTH SYDNEY COUNCIL**REPORT OF GOVERNANCE & FINANCE COMMITTEE**

SUBJECT: PROCEEDINGS OF COMMITTEE AT MEETING HELD IN THE SUPPER ROOM AT THE COUNCIL CHAMBERS, NORTH SYDNEY, ON 10 FEBRUARY 2020 AT 6.30PM.

PRESENT

The Mayor, Councillor Gibson, in the Chair, Councillors Barbour, Brodie, Drummond, Keen, and Mutton.

Staff: Margaret Palmer, Director Corporate Services
Joseph Hill, Director City Strategy
Garry Ross, Manager Financial Services
Darren Goode, Manager Accounting Services
Jenny Gleeson, Manager Integrated Planning & Special Projects
Ian Curry, Manager Governance and Committee Services

Visitors: Nil

Apologies were received from Cr Carr.

At the commencement of business (6.30pm) Councillors present were:
The Mayor, Councillor Gibson, in the Chair, Councillors Barbour, Brodie, Drummond, Keen, and Mutton.

Declarations of Interest

Nil

1. Minutes

The Minutes of the previous meeting held on 4 November 2019, copies of which had been previously circulated, were taken as read and confirmed.

The Motion was moved by Councillor Mutton and seconded by Councillor Barbour.

Voting was as follows:

For/Against 7/0

Councillor	Yes	No	Councillor	Yes	No
Gibson	Y		Barbour	Y	
Beregi	Absent		Drummond	Y	
Keen	Y		Gunning		Absent
Brodie	Y		Mutton	Y	
Carr		Absent	Baker		Absent

2. GF01: Community Ward Forums 2020

Report of Gemma North, Community Engagement Coordinator

Council at its meeting of 26 August 2019 (Min. No. 255) resolved:

1. *THAT Council bring back the Ward Forums that were last held in 2015.*
2. *THAT Council reinstate the Ward Forums as per the previous conditions once per year.*
3. *THAT the main objective of the Ward Forums is to engage with the broadest range of individuals and businesses as possible and target those that are not currently engaged with Council.*
4. *THAT an engagement/promotion plan be established in order to achieve the above and the result be assessed and further reported to Council after 6 months.*
5. *THAT Council work with the Precincts as to the timing and content.*
6. *THAT Council hold the re-instated Ward Forums before the end of the 2019 calendar year.*

Subsequently, Council at its meeting of 28 October 2019 (Min. No. 292) resolved:

2. *THAT the Community Ward Forums be deferred and held between March and June 2020 to facilitate a greater level of publicity and participation.*

This report presents the Community Engagement Strategy/Communications Plan which will guide how the Ward Forums are promoted, and the updated Protocols, governing event coordination and attendee participation, including Council staff and Councillors.

The 2020 Forum dates have been set, based on the timing criteria detailed in the Protocol, Precinct Meeting dates and the Councillors Diary availability - 19 March, 21 May and 18 June.

As previously reported, \$5,000 is available in 2019/20 budget for this project. Additional funding up to \$7,000 will be provided via the Quarterly Budget Review.

Recommending:

1. **THAT** the Community Ward Forums 2020 report be received.
2. **THAT** the Community Ward Forums Engagement Strategy be adopted.
3. **THAT** the Community Ward Forums Protocol be adopted.

The Motion was moved by Councillor Keen and seconded by Councillor Barbour.

Resolved to Recommend:

1. **THAT** the Community Ward Forums 2020 report be received.
2. **THAT** the Community Ward Forums Engagement Strategy be adopted.
3. **THAT** the Community Ward Forums Protocol be adopted.

Voting was as follows:

For/Against 7/0

Councillor	Yes	No	Councillor	Yes	No
Gibson	Y		Barbour	Y	
Beregi	Absent		Drummond	Y	
Keen	Y		Gunning	Absent	
Brodie	Y		Mutton	Y	
Carr	Absent		Baker	Absent	

3. GF02: Operational Plan Quarterly Performance Review: October to December 2019

Report of Sarah Malcolm, Corporate Planning Coordinator

The *North Sydney Council Delivery Program 2018/19-2020/21* was adopted on 25 June 2018. The *Operational Plan 2019/20* i.e. Year 2 of the Delivery Program was adopted on 24 June 2019 and commenced 1 July 2019.

The adopted Delivery Program includes projects and services. This Quarterly Review includes a status update of these projects and cross functional operational key performance indicators (KPIs). It is a statutory IPR requirement to present the biannual performance reports against the Delivery Program to the Council.

Attachment 1 details the performance against projects by operational view (by Division) for the period 1 October to 31 December 2019. Of the 311 total projects scheduled to commence this quarter, 288 (93.5%) projects are on track (green status) and 20 (6.5%) are behind schedule (red and amber status projects). Note: 3 projects are unfunded/discontinued (black) and are not included in the % analysis.

Financial performance information is detailed within the Quarterly Budget Review Statement (QBRs) presented separately to Council (refer Item GF03).

Recommending:

1. **THAT** the Quarterly Review of the Operational Plan - 1 October to 31 December 2019 be received.
2. **THAT** Council notes the remedial action for those projects that were not on track for the period ending 31 December 2019.

The Motion was moved by Councillor Barbour and seconded by Councillor Drummond.

Resolved to Recommend:

1. **THAT** the Quarterly Review of the Operational Plan - 1 October to 31 December 2019 be received.
2. **THAT** Council notes the remedial action for those projects that were not on track for the period ending 31 December 2019.

Voting was as follows:

For/Against 7/0

Councillor	Yes	No	Councillor	Yes	No
Gibson	Y		Barbour	Y	
Beregi	Absent		Drummond	Y	
Keen	Y		Gunning	Absent	
Brodie	Y		Mutton	Y	
Carr	Absent		Baker	Absent	

4. **GF03: Quarterly Budget Review - December 2019**

Report of Darren Goode, Manager Accounting Services

This report should be read in conjunction with Item GF02 Operational Plan Performance Review. The purpose of this report is to inform Council of the results of the review of the budget for the quarter ended 31 December 2019 and to seek approval to make the necessary adjustments to the 2019/20 budget to reflect the current projected estimates of income and expenditure for the year.

The forecast operating surplus before capital grants and contributions for the year is \$2.6 million which is unchanged from that forecast at the end of the September quarter. The adjustments to the budget outlined in this report have reduced the drawdown from reserves to ensure that the budget remains balanced to \$11.3 million.

The net effect of the adjustments to the 2019/20 revised budget outlined in this report was the budget remaining in a balanced position at the end of the December quarter with net transfers from reserves of \$11.3 million.

Recommending:

1. **THAT** the Quarterly Budget Review Statement - December 2019 report be received.
2. **THAT** the revised 2019/20 budget be adopted.

The Motion was moved by Councillor Mutton and seconded by Councillor Brodie.

Resolved to Recommend:

1. **THAT** the Quarterly Budget Review Statement - December 2019 report be received.
2. **THAT** the revised 2019/20 budget be adopted.

Voting was as follows:

For/Against 7/0

Councillor	Yes	No	Councillor	Yes	No
Gibson	Y		Barbour	Y	
Beregi	Absent		Drummond	Y	
Keen	Y		Gunning	Absent	
Brodie	Y		Mutton	Y	
Carr	Absent		Baker	Absent	

5. **GF04: Updated Long Term Financial Plan**

Report of Darren Goode, Manager Accounting Services

Councils are required to update the Long Term Financial Plan component of its Resourcing Strategy annually as part of the development of the annual Operational Plan; and it must be reviewed in detail as part of the four yearly review of the Community Strategic Plan, with the next review to commence in September 2020 after the local government elections.

As part of the draft Operational Plan & Budget 2020/21 preparation, the Long Term Financial Plan component of Council's *Resourcing Strategy 2018-2028* must be updated. The key updates to the modelling are detailed below.

Following endorsement of the updates to Scenario 3 (Attachment 1 and 2), the amended Resourcing Strategy will be presented to Council in May 2020, for

endorsement to place on public exhibition for a minimum of 28 days, concurrent with the *Draft Operational Plan and Budget 2020/21*.

In accordance with past practice, the Operational Plan & Budget 2020 preparation timetable (Attachment 3) details how Councillors will be involved in the budget preparation.

In June 2018 Council resolved to operate under Scenario 3 of the Long Term Financial Plan, therefore only Scenario 3 has been updated inclusive of the following key changes:

- the partial Special Rate Variation approval, three years duration effective from 1 July 2019;
- funding of NSOP complex redevelopment, per Council resolution of August 2019; and
- \$14.7m carried over from 2018/19 to fund projects incomplete as at 30 June 2019; as reported to Council in the September 2019 Quarterly Budget Review.

The LTFP has been prepared in accordance with the OLG Integrated Planning and Reporting Guidelines. The LTFP has been reviewed, taking in account known changes to the previously implemented assumptions.

Recommending:

1. **THAT** Council adopt the updated Long Term Financial Plan as per Attachment 1 and 2 of this report and it be included in the amended Resourcing Strategy, to be placed on public exhibition concurrently with the Draft Operational Plan & Budget 2020/21.
2. **THAT** the Operational Plan & Budget 2020/21 Preparation Timeline for Councillors (Attachment 3) be noted.

The Motion was moved by Councillor Brodie and seconded by Councillor Barbour.

Resolved to Recommend:

1. **THAT** Council adopt the updated Long Term Financial Plan as per Attachment 1 and 2 of this report and it be included in the amended Resourcing Strategy, to be placed on public exhibition concurrently with the Draft Operational Plan & Budget 2020/21.
2. **THAT** the Operational Plan & Budget 2020/21 Preparation Timeline for Councillors (Attachment 3) be noted.

Voting was as follows:

For/Against 7/0

Councillor	Yes	No	Councillor	Yes	No
Gibson	Y		Barbour	Y	
Beregi	Absent		Drummond	Y	
Keen	Y		Gunning	Absent	
Brodie	Y		Mutton	Y	
Carr	Absent		Baker	Absent	

The meeting concluded at 6.50pm.

CHAIRPERSON

GENERAL MANAGER