

## SHOROC INC BOARD MEETING

12 December, 2007

Councillors' Room, Manly Council 3-5pm

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### AGENDA

- Item 1                    Welcome and Apologies
- Item 2                    Minutes of previous meeting 31 October, 2007
- Item 3                    Matters arising
  - 3.1 Election of President and Vice President
  - 3.2 Northern Beaches Youth Orchestra
- Item 4                    SHOROC Administrative Matters
  - 4.1     Meeting dates for 2008
  - 4.2     SHOROC Annual Report and Financial Report  
         - requirements of the Associations Incorporation Act
- Item 5                    Update on SHOROC projects
  - 5.1     Transport and land use study
  - 5.2     Regional Employment Study
  - 5.3     Regional State of the Environment Report
  - 5.4     Procurement
  - 5.5     Sportsground Management
  - 5.6     Human Resources Management
  - 5.7     Strategic Plan for SHOROC
- Item 6                    Matters of interest
  - 6.1     Improving the NSW Planning System  
         -discussion paper
  - 6.2     LGSA Campaign – developer contributions and planning reforms
- Item 7                    Matters submitted by member Councils
  - 7.1     Affordable Housing (Pittwater Council)
  - 7.2     Social Housing (Pittwater Council)
- Item 8                    General Business

**Item 9**            **Confirm Time and Date of Next Meeting**

**Item 3**            **MATTERS ARISING FROM SHOROC MEETING 31 October, 2007**

**Item 3.1**        **Election of President and Vice President**

At the meeting of 31 October, 2007 Cr Peter Macdonald (Manly Council) and Cr Denise Wilton (Mosman Council) were elected to the positions of President and Vice President respectively. A subsequent examination of the *Associations Incorporation Legislation* and SHOROC Constitution resulted in a recommendation to GMAC, which was endorsed, that a fresh and separate Annual General Meeting be held. Election of President and Vice President will need to be confirmed at the separate Annual General Meeting (see Item 6.1 below for background to the conduct of the annual general meeting).

**Item 3.2**        **Northern Beaches Youth Orchestra**

At the meeting of 31 October, 2007 Cr Peter Macdonald tabled a proposal from Soundwaves Productions for a joint venture between Councils and the company for the formation of a Northern Beaches Youth Orchestra. The proposal is that Councils provide start up funding and costs for the first year of operation and that staff from Soundwaves Productions donate their time and expertise. The orchestra would comprise musicians between 14-24 years of age and provide an opportunity for young musicians to develop their musicianship and provide cultural entertainment for residents. The orchestra would be available for free for Councils events but raise funds by charging other organisations, where appropriate, so as to develop financial independence.

Mosman Council indicated that it did not wish to participate as it already had an orchestra. Staff from Manly, Warringah and Pittwater Councils are reporting on this matter separately to their Councils to secure support and funding.

**Item 4**            **SHOROC ADMINISTRATIVE MATTERS**

**Item 4.1**        **Meeting dates for 2008**

Dates for meetings of the Board and GMAC have been considered by GMAC. Dates have been set for GMAC meetings on the first Wednesday of every month except January.

It is proposed that the meeting dates for 2008 for Board meetings be as follows:

Board meetings	19 March, 2008
	14 May, 2008
	23 August, 2008
	17 September, 2008

12 November 2008 (the Annual General Meeting will also be held)

In 2007 there were 6 Board meetings, with a meeting being held every two months, commencing February. The consequence of this arrangement was that there was no November meeting.

The SHOROC constitution requires:

- that SHOROC Board meet at least every three months,
- that SHOROC determine its budget for the following year by 31 May; and
- that SHOROC hold its annual general meeting in November and adopt its annual report and audited financial statements in November.

There was no November meeting so a draft annual report was considered at the October meeting and it is proposed that the Annual Report and audited financial statement be adopted in December. The adoption of financial statements in December meets the requirements of the Office of Fair Trading (which requires that these documents be submitted by the SHOROC by end of December).

This year SHOROC also developed its first regional State of the Environment report, which is required to be submitted to the Department of Local Government by each Council together with their respective annual reports by 30 November. The Board did not have an opportunity to review and adopt the SHOROC SOE report this year.

Should the Board desire a sixth meeting it is recommended that this be held in February as this would allow for strict compliance with SHOROC's constitution (note: Item 4.5 recommends a Special General Meeting in February, 2008).

**RECOMMENDATION:**

That the dates for SHOROC Board meetings be: 19 March, 2008; 14 May, 2008; 23 August, 2008; 17 September, 2008 and 12 November 2008 (the Annual General Meeting will also be held).

**Item 4.5 SHOROC Annual General Meeting and Financial Report**

***Background***

On 18 September, 2006 SHOROC was established as a separate legal entity under the *Associations Incorporation Act 1984* which is administered by the Fair Trading Office.

SHOROC is thus required to comply with the requirements of the *Associations Incorporation Act*, the *Associations Incorporation Regulation 1999* and Fair Trading Office in addition to its own constitution.

### ***Requirements concerning the annual general meeting***

Legislation requires an incorporated association to hold an annual general meeting annually and within 6 months of the end of an association's financial, with the first such meeting being within 18 months of incorporation. SHOROC's financial year ends 30 June.

SHOROC constitution sets out that the November meeting is to be the annual general meeting and that the annual report and financial statements are to be considered at a meeting of the association to be held no later than 30 November each year. SHOROC constitution requires that the financial account be audited prior to presentation (though the legislation does not require this). SHOROC constitution also requires that each member Council receives an annual report with the notice of the annual general meeting.

Section 26 of the Act requires that the committee (which in the case of SHOROC is the Board) submit to members a statement which is not misleading and which gives a true view of income and expenditure during the financial year, assets and liabilities of the association at the end of the financial year, mortgages charges etc and also provides the same detail in respect of each trust for which the association is a trustee. The association and each member of the committee are guilty of an offence and liable to a penalty not exceeding 2 penalty points if the committee fails to satisfy this requirement.

Within a month of the conduct of the annual general meeting, the public officer is required to provide an annual statement (which includes that financial statement and copies of any resolution passed at the annual general meeting concerning the financial statement) together with the prescribed fee to the Fair Trading Office. There is set form (form 12) for an annual statement and it must be completed and then signed by two members of the committee (board) who are authorised to do so by a resolution of the committee.

The *Associations Incorporation Regulation* contains model rules for associations. Model rules apply in their entirety where an association does not have its own rules or in part where an association has rules but the rules are silent on a matter specified by the Act to be included in the rules.

SHOROC rules do not specify the business of an annual general meeting, other than the consideration of audited financial accounts. However the model rules (clause 24(2)) specify that the business of the annual general meeting be:

- to confirm the minutes of the previous general meeting and any special general meetings held in the previous year;
- to receive from the Committee reports on the activities of the association during the last year;
- to elect office bearers; and

- to receive and consider the annual statement (including financial statement) required under section 26.

The model rules also contain requirement for notice of a general meeting (including annual general meeting) being 14 days where there is no special resolution and 21 days if a special resolution is being considered. The model rules specify that no business, other than the business set out as a special resolution in the notice of the meeting or, if the meeting is an annual general meeting, matters in clause 24(2) as above.

The model rules also set out the process for nomination of office bearers and requires that the nomination be in writing, signed by two members of the association and be accompanied by written acceptance of the nominated person. SHOROC's constitution does not contain such requirements.

### ***Board meeting 31 October, 2007***

SHOROC did not schedule a November meeting this year. A Board meeting was scheduled and held on 31 October. This was shown on the agenda as an annual general meeting as well as a usual board meeting. Despite being shown as such the meeting did not comply with the requirements of an annual general meeting in that the Board did not consider financial reports and nor did the Board authorise two members to sign the form (form 12) that accompanies the annual statement to be submitted to the Fair Trading Office. The conduct of a fresh annual general meeting allows these matters to be addressed and also provides an opportunity to elect a secretary / treasurer (see comments on the auditor's Management Letter below).

### ***Content of annual report***

Neither the legislation nor the Fair Trading Office have specific requirements in relation to the content of an annual report (but do have requirements in relation to annual statement and finances). However a google search reveals that a number of government bodies who provide grants to incorporated bodies have their own requirements and guidelines that apply to incorporated associations that seek grants from them.

The *Associations Incorporation Act* expressly excludes incorporated associations from Corporations Law. However some funding bodies require that the annual reports of incorporated associations comply broadly with the annual report requirements under the Corporations Act. The Corporations Act requires the annual report to include, amongst other information, the name of each person who was a director, the period during which they were a director, their qualifications and experience and any special responsibilities. It also requires that the annual reports show the number of Board meetings held during the course of the reporting year and the number of such meetings that each director attended.

The annual report has been prepared to provide this information.

### ***GMAC meeting 14 November, 2007***

At the GMAC meeting on 14 November, the General Managers considered the requirements of the *Associations Incorporation* legislation and resolved:

*Notwithstanding that the Board meeting 31 October, 2007 was advertised as an annual general meeting and that SHOROC rules require that the annual general meeting be in November, that SHOROC conduct a separate Annual General Meeting to be held in December 2007.*

*Provided that the audited financial accounts for SHOROC for the year ending 30 June 2007 are completed in sufficient time, that the annual general meeting be held on the date of the next meeting of the Board, being 12 December, 2007.*

*That the agenda for that meeting be:*

- *To elect office bearers.*
- *To receive the annual report on activities of SHOROC for the year ending 30 June, 2007.*
- *To receive and consider the annual statement and audited financial accounts for the year ending 30 June 2007.*

*And that the meeting authorise two members of the Board to sign the certificate for the annual statement (form 12) to be forwarded to the Fair Trading Office.*

*That prior to the next annual general meeting the constitution of SHOROC be reviewed to ensure that it covers all the content areas required by the legislation and model rules and that, if changes are proposed, these be notified as special resolutions to be considered at the 2008 annual general meeting.*

*That meeting schedules for SHOROC meetings from 2008 onwards schedule an annual general meeting in November each year.*

*That the SHOROC annual report provide information on Board members that complies with Corporations Law requirements for information on Directors and include information on the number of meetings held and the number attended by each member of the Board.*

### ***Management Letter from SHOROC Auditor***

After the auditor had completed an audit of financial statements and other records of Council, he provided the President with a letter commenting on various aspects of the management of SHOROC, bringing certain matters to the attention of the President.

The auditor noted that "in the main, the records have been satisfactorily maintained and the information sought for auditing purposes was readily available". He also noted that he had received full cooperation of staff so that the audit was completed efficiently.

The table below sets out matters raised in the letter in relation to compliance with legislation and / or SHOROC constitution together with comments on how the matters have been addressed or are proposed to be addressed:

<b>Matter</b>	<b>Action taken or proposed</b>
SHOROC does not meet the requirements s.7(1) of the Association Incorporations Act in that it has 4 members (being Councils) when the Act requires 5 members.	Exec Director has discussed with Fair Trading Office who recommend that we change our membership. Further advice will be sought and there may be a need to hold a Special General Meeting in February to change the constitution.
s. 21A requires association keep register of members of the Board (including personal addresses) which is to be kept at the residential address of public officer	Register has been prepared. Now comply.
SHOROC failed to comply with s.23 in relation to appointing and giving notice of a vacancy and replacement of the public officer within 14 days.	Vacancy occurred on 19 April. New public officer appointed in August and was notified to Fair Trading in August. Should be noted for future.
Legislation and Constitution contain responsibilities for a secretary (which should be elected at the annual general meeting). SHOROC does not have elected position of secretary.	Election of Secretary / Treasurer included on the agenda for the annual general meeting.
Cl. 4 SHOROC constitution requires each member pay fee of \$1 on admission to membership and \$2 annual membership fee but these amounts were not paid.	Amounts have now been collected on 5 December. \$2 annual fee will be added to the invoice for member contributions from Councils.
cl.25 requires adoption of a budget for SHOROC prior to May 31. Was not available for auditor.	Propose that budget for 2008/2009 year will be presented in May 2008. Propose that GMAC consider budget for 2007/2008 when it reviews financial position up till 31 December.
cl.13(ii) requires SHOROC annual report and audited financial reports be submitted to a meeting of the Board no later than 30 November each year.	Annual report and audited financial report considered by Board in December.

Other matter: Proposes that SHOROC produce interim financial statements with budget comparison to improve integrity of accounts.

Will be produced for GMAC meeting in February. GMAC resolved on 5 December to consider financial statements against budget on quarterly basis.

### ***Conclusion***

A number of actions and proposals have been put in place to address matters of non-compliance with the *Associations Incorporations Act*. Once addressed and once the constitution has been amended appropriately, SHOROC should operate effectively within the requirements of legislation and its own constitution.

### Recommendation:

1. That the Board note the actions taken and proposed by GMAC and the Executive Director to improve compliance with the *Associations Incorporation Act* and its own constitution.
2. That SHOROC seek further advice (including legal advice if necessary) as to the validity of SHOROC incorporation.
3. That if it is found to be necessary to change the constitution to ensure that SHOROC is validly incorporated, that a Special General Meeting be held in February on a date to be determined by the President.
4. That the Executive Director work with GMAC to develop proposals for further amendment of the SHOROC Constitution.
5. That the Board notes that SHOROC financial reports compared with budget will be reviewed by GMAC on a quarterly basis.

**Item 5            UPDATE ON SHOROC PROJECTS**  
**ITEM 5.1        TRANSPORT AND LAND USE STUDY**

***Background***

SHOROC invited Halcrow to prepare a transport and land use strategy for the SHOROC region.

In February 2007 Halcrow facilitated a workshop for SHOROC Councils which developed a wishlist of transport improvements. The findings of that workshop were contained in a report produced in March. SHOROC Councils agreed to work collaboratively to raise the profile of transport in the subregion as an issue at State level. The Transport and Landuse Study is being considered in concert with the Employment Study which is being undertaken concurrently.

A Phase 1 Draft report was prepared by the consultants in September, 2007. It provides details on the context of the study and the study area; summarises relevant existing information; describes current transport mode share and existing travel patterns and details future requirements including issues related to mode share, trips, population and employment changes and growth and reviews the relationship between transport improvements and landuse changes.

A SHOROC Transport Forum and briefing was held on 11 October, 2007 at Manly Council. It was attended by about 25 Councillors and staff. Stephen Moore from Halcrow Consulting spoke to a power point presentation and advocated that both sustainability and accessibility need to be embraced when developing a transport and landuse strategy.

At the *SHOROC Board Meeting 31 October, 2007* the Board noted progress on the strategy. The Board resolved:

*That both the Transport and Land Use study and the Employment Strategy need to take account of each other before they are finalised and adopted by the SHOROC Board and member Councils.*

*The Board recognises that while both the Transport and Land Use Study and the Employment Strategy will inform further discussion on the future of the SHOROC region, the studies will not necessarily be determinant in shaping a future strategic plan for the SHOROC area.*

*That SHOROC and its member Councils develop a broader vision and strategic plan for the SHOROC area over the next year which take account of the Transport and Land Use study, the Employment Strategy and various strategic plans that have been developed by member Councils and State government.*

***Draft Stage 2 report***

This was forwarded to General Managers and to relevant staff on 1 November, 2007.

It contains outcomes from the workshop held on 11 October; provides an overview of transport options for the SHOROC region and contains a recommended transport strategy for the region consistent with what the consultants consider it SHOROC's vision for the region.

Observations made include:

- That it is unlikely that state government has an interest in development of a motorway or heavy rail to improve accessibility on the north south corridor (although there may be private providers who may be interested);
- Increasing road capacity on the north south corridor would impact on businesses due to loss of on street parking;
- There is a need to address the lack of public transport along the east west corridors;
- The SHOROC region should encourage further containment in the region to reduce transport demand, although there are issues related to housing affordability and the workforce, in particular key workers, that are of concern in relation to the capacity to do this.
- Ferries are costly and need to improve services if they are to serve the community well;
- Emissions, including greenhouses gas emissions, of various forms of transport need to be considered in the development of any future strategy.

The report recommends:

- Pursuit of supply and demand side measures to reduce car use and to achieve modal shift to public transport;
- Development of public transport corridors along east west corridors, most probably buses;
- A range of measures to improve the efficiency of public transport (buses) – Council to lobby;
- That Council note the findings of the Special Commission of Inquiry into Sydney ferries and note that it is not likely that there will be an increase in ferry patronage;
- Review the "wishlist" to determine priorities and to remove those items which do not accord with Councils' vision for the area;
- Review the recommendations of previous studies to identify those that are consistent with Councils' vision and to identify those recommendations that are yet to be implemented – reports to be reviewed include Section 22 Committee, Unsworth report, Parry report.
- Assessment of person trips related to meeting targets for population and employment in the Metropolitan Strategy.
- Setting of targets for interim and long term reduction in internal car trips to assess and target schemes and policies

The report will be finalised once the findings of the Employment Strategy are considered.

## ITEM 5.2 REGIONAL EMPLOYMENT STUDY

### *Background*

SHOROC received funding from the Department of Planning from the Planning Reform Fund to undertake a study to evaluate the existing and potential employment generating activities and land use patterns in the SHOROC region. The study will inform the North East and Inner North Subregional Strategies and LEP reviews and the development of a regional economic strategy. HillPDA have been appointed as consultants for the study.

### *Progress*

A draft report has now been received and provided to staff in Councils, however it has not been reviewed by staff or the Department to date.

The draft report notes a number of trends that will impact on the ability of the region to generate jobs and the types of employment in the area. The report considers the contribution of employment lands to jobs and the economy and also the contribution of retails and commercial centres and specialist centres. The report proposes and a 25 year timescale for an employment strategy.

The report identifies:

- The region will experience modest growth in population (about 13%) compared to other parts of Sydney.
- The region's population are older and have a lower level of unemployment compared to other parts of Sydney.
- There are about 100,140 jobs in the region, with the main industries being retail (19%), property and business services (16%), manufacturing (10%) and health and community services (10%). The proportion of jobs in retail and property and business services is high compared with other parts of Sydney.
- 50% of SHOROC residents work in the region. However of the jobs in the region, 77% are filled by residents within the region. This is a very high level of containment.
- Of those who travel outside the region, the majority (54%) travel to Global Sydney and 31% travel to west of the region ie Chatswood, Gordon and Macquarie Park.
- While household size is declining and the population is ageing, the increasing affluence of the region will increase demand for retail floorspace.
- Long hours worked by male and female workers increases the demand for convenient and out of hours retail and service provision. This will require that town centres and villages provide larger supermarkets and increased convenience through parking and public transport.

- There is an increased demand for bulky goods and for greater diversity of services including entertainment, gyms, childcare, market squares – this will require a hierarchy of centres.
- Higher office costs in global Sydney will generate demand for flexible commercial units within a range of town centres and business park locations within SHOROC.
- There is an increasing demand for businesses to co-locate industrial and commercial components of their businesses. This will require on site provision of a range of services including retail, a high quality environment and accessible public transport as well as a prestigious image.
- The nature and format of traditional industries is changing.
- Tourism is a significant industry which also impacts on demand for retail and accommodation.
- There is potential for conflict between commercial and residential uses especially in town centres.
- There is an important reciprocal relationship between employment, transport and employment in region. As the population ages and retires and as property prices increase, there will be a need for a labourforce which may not be able to buy or rent in the area. This will increase the number of people travelling into the area for work.
- Housing affordability will be an issue as the future employment growth (about 89%) will occur in retail, business and property, wholesale trade, accommodation, cafes and restaurants ie in sectors that have lots of low paid positions. This will increase the disparity between income and the ability of workers to buy homes in the area. This will require the introduction of sustainable transport into the area. For example bus corridors on east-west links but also links between the central coast and SHOROC region.
- The estimates for employment increases by the transport data centre is significantly below the target set by the Department of Planning (13,302 compared to 20,800). To meet the shortfall, the region will need to actively support existing business but also actively attract others.
- Growth of employment centres outside the region (Chatswood, Macquarie Park, Norwest) is likely to attract major businesses and highly skilled workers. This is likely to lead to reduced containment in the area and increase strain on east west corridors.

The report provides a range of principles and strategies to guide future action.

Once the report has been considered by staff, a briefing will be organised for Councillors.

The report does signal that there are complex issues that will need to be addressed in order to meet the Department of Planning targets but also to address future needs in a way which meets containment objectives.

### **ITEM 5.3 REGIONAL STATE OF THE ENVIRONMENT REPORT**

SHOROC has resolved to prepare a regional SoE report. This report is now complete and has been forwarded by member Councils to the Department of Local Government together with their annual report.

### **ITEM 5.4 PROCUREMENT**

SHOROC has a Procurement Group comprised of officers from member councils responsible for procurement. The group meets once each month.

The business paper for the Board meeting 31 October, 2007 included a report that covered matters discussed by the Procurement Steering Committee at meetings held on 23 August, 20 September and 25 October. There have been no further meetings.

The next meeting is to be held on 12 December, 2007.

### **ITEM 5.5 SPORTSGROUND MANAGEMENT**

#### ***Background***

As reported verbally to the last Board meeting, a meeting was held between Councils and the MWPSU Steering Committee on 30 October, 2007.

Peter O'Dwyer, on behalf of MWPSU tabled a paper dated 22 October, 2007 which was received and discussed. The paper presented three options for a new fee structure:

Option 1 - retain the current \$3 levy and apply a \$2 service fee to all Council residential and business rated.

Option 1(a) - groups with small membership and that use grounds once per week pay a flat fee of \$3. Other groups would pay \$5. This to be reviewed November 2008.

Option 2 - contained a number of suggestions including reviewing the basis on which the proposal that fees should recover 15% of costs.

The paper also included essential criteria for any new agreement including:

- that a service level agreement be developed;
- that increases in contributions be targeted to meeting standard in that agreement;
- that a plan be developed to increase the amount of sportsfields; and
- that a SHOROC and MWPSU Ground Review and Maintenance Committee be established to identify areas for new grounds and to monitor overuse.

The paper also included other suggestions to reduce Councils' cost including that sports groups could do more work, a modest fee be charged to schools and that Energy Australia be appointed as a sponsor.

Following discussion, Councils put up a proposal that:

- the fee structure have a fee for seniors and lower fee for juniors per season;
- there be a school hire charge per hour;
- that sports pay their electricity costs directly;
- that additional revenues generated be used to improve maintenance on existing sporting facilities;
- that Councils undertake the allocation of sports;
- that there be an increase in the down period to allow Councils to adequately maintain and prepare grounds.

The Sports Union:

- agreed to take the above to their annual general meetings;
- expressed concern that there be a smooth transition with a phase in period over two years and with continued liaison with the sports groups;
- requested that there be a service level agreement;
- indicated that they wanted clear communication so that there is one contact in a council and one contact for each sporting group;
- expressed concern about the overuse of sportsgrounds and indicated that they were willing to consider Council's proposals to reduce usage, including increasing the downtime to allow proper maintenance and preparation between seasons;
- could see benefits in Councils being responsible for allocations in collaboration with the Sports Union.

Councils' consultant, Brett Rogers, prepared an implementation plan which addresses implementation issues including timetable and service level agreement which has been discussed at a meeting held on 13 November, 2007. The meeting also discussed fee structure. A further document providing guidelines on allocations and usage of sportsfields was also prepared. It was considered on 5 December, 2007.

On 21 November, the General Managers of Pittwater, Warringah and Manly Councils attended the annual general meeting of the MWP Sports Union and presented the Councils' position.

### ***Consensus reached***

The meeting of the Sportsground Management Working Group on 5 December, 2007 reached an 'in principle' agreement on the following:

1. That the new fee be \$5 for juniors and \$7 for seniors for the first year being 2008/2009.

2. That the junior rate apply to under 18s and whether a senior rate is paid depends on the division in which the team is playing, not the age of an individual player, so that players in an under 19s team pay the senior rate.
3. That the introduction of the new fee:
  - a. be dependent on agreement for a service level agreement;
  - b. apply in the 2008 winter season; and
  - c. be dependent on agreement that MWPSU continue to work together with Councils to ensure that a new fee structure be adopted in the third year which would provide 15% cost recovery.
4. That sporting groups pay for utilities and direct costs in addition to the increased fee.
5. That in determining the operational costs on which the 15% is to be calculated, there be an agreement as to the standard to which sportsfields are to be maintained and that the cost of maintaining the following fields not be included in the calculation: RAT Park no1, Brookvale Oval, Cromer Park and Manly Oval.
6. That costs recovered from the use of sportsfields by school groups be included in the 15%.

These "in principle" agreements are to be considered by a meeting of the Regional Sports Liaison Committee at a meeting to be held immediately following the Board meeting on 12 December, 2007. If agreement is reached, the individual Councils will need to consider and advertise proposals to amend their fees and charges in accordance with the requirements of the Local government Act before new fees can be applied.

#### **Item 5.6 Workforce Planning and Human Resources Management.**

On Friday 8 December there was a meeting of Human Resources Managers from both NSROC and SHOROC Councils at Ku-ring-gai Council. The group discussed how they could best cooperate on matters of common interest and mutual benefit and decided to allocate a full day on 18 January, 2008 to plan how to undertake projects, including workforce planning, participation in career expos etc.

At the last GMAC meeting, the General Managers endorsed participation of two SHOROC teams in the LGMA Management Challenge. This is a valuable career development, networking and team development opportunity as it provides staff from Councils with structured exercises on a series of tasks that develop and test for key management skills. Team members are required to undertake a number of activities in preparation for the competition (which takes place in early April).

The General Managers also endorsed the conduct of four leadership breakfast sessions where staff from member Councils get together and have

a guest speaker on a key leadership development topic. This activity provides an opportunity for staff from member Councils to network and exchange ideas as well as gain from the content of the talk.

#### **Item 5.7      A Strategic Plan for SHOROC**

At the December GMAC meeting the General Managers considered a discussion paper prepared by the Executive Director which provided an overview of approaches taken by or on behalf of other groupings of Councils towards the development of a long term strategic plan. This matter will be considered further by GMAC in February and will be reported in detail when a proposed course of action has been developed.

RECOMMENDATION:

That the Board receive and note the reports on SHOROC projects.

#### **Item 6                      MATTERS OF INTEREST**

##### **Item 6.1      Improving the NSW Planning System – a discussion paper**

The Planning Minister, Frank Sartor released the discussion paper at the end of November. An information seminar was advertised at short notice and held on 3 December.

The focus of the paper is to introduce changes to planning and assessment processes to speed up rezoning, LEP preparation and approval of developments.

Changes include:

Plan making – the introduction of a gateway screening system which determines early in the process whether or not a rezoning proposal should go ahead. This process will also determine the level of consultation and referral required. A number of changes are proposed to speed up the LEP preparation process. This includes a proposal that the legal drafting not be done by Council and a proposal that some LEP can be approved directly by Councils. Guidelines will be developed to specify the level of detail permitted in DCPs.

Major applications – what is proposed is a new regime by which a Planning Assessment Commission is set up to deal with most development of State significance and Joint Regional Planning Panels are set up to deal with development of regional significance.

Minor developments for development up to about \$50 million in value Council would be the consent authority and would be encouraged to use Independent Hearing and Assessment Panels in certain circumstances ie where the proposals seek variation of controls.

For small developments (up to about \$1 million in value) a new system of planning arbitrators will be established to hear appeals in the first instance in a non legal forum.

What is also proposed is to expand the scope of exempt and complying development with the target that 50% of current development proposals will fall under one of these categories. The Department of Planning will develop statewide codes for routine development. Advice on such codes will be received from a Complying Development Expert Panel, which will include local government representatives. Alternative codes would be permitted but must be consistent with the statewide code and approved by the Department.

Development approval times- new timeframes will be established for determining the applications related to the level of complexity of the project:

- 10 days for complying development;
- 20 days for DAs that do not require advertising;
- 40 days for small scale development;
- 60 days for medium scale development;
- 90 days for development equivalent to designated development.

Other changes in relation to development approvals include:

- The level of information required to be lodged with an application will relate to the scale of development.
- Planning Arbitrators will determine appeals for minor developments.
- The number of referrals to government agencies will be reduced by the preparation of guidelines and /or standard conditions.

ePlanning - Timeframes will be set for all councils to establish on- line DA tracking, for codes to be provided on- line, for section 149 certificates to be provided on- line and for establishing LEP tracking systems.

Private certification – Limits will be set on the number of certificates that can be issued to any one client to reduce conflict of interest. Certification will be broadened to permit companies to be certified and councils to also be certified. Responsibility of certifiers and Councils will be clarified so that Councils will have responsibility to enforce conditions of consent. The Building Professionals Board will have increased power to deal with certifiers.

Other changes include:

- Changes to cover the transitional phase when a strata scheme is established and the owners take over responsibility from the developer.

- Changes to deal with circumstances where land is held by multiple owners and where it is not possible to get the unanimous agreement between landholders to sell or develop land.
- Amendments to the Land and Environment Court to make mediation or section 34 conferences compulsory to reduce protracted cases.
- Changes to the EPA Act to require statements of environmental effects for all developments and to deal with aspects of the lapsing of development consents.

The closing date for comments on the paper is 8 February, 2008.

An exposure draft of proposed legislation changes will be before parliament in March 2008 with the view to passing changes to legislation by May / June 2008.

Note: the discussion paper does not include and matters related to section 94 and developer contributions.

Recommendation:

That the Board receive and note the report on the discussion paper on planning changes.

## **Item 6.2 LGSA Campaign Regarding Developer Contributions and Planning Reforms.**

### Background

On 14 August, the Planning Minister held a forum on planning reform, *New Ideas in Planning*, and set up a number of small groups to consider specific aspects of planning. He signalled that this would result in a discussion paper late 2007 to be followed by draft Bill to amend the *Environmental Planning and Assessment Act* in early 2008. The discussion paper *Improving the NSW Planning System* has now been released for comment (see item 6.1).

In advance of the promised discussion paper, the Minister announced reductions to the developer contributions required to be paid by developers in new release areas.

At the LGA Annual Conference in Coffs Harbour in October, the LGA foreshadowed and made a commitment to a campaign on planning reforms.

President of the LGA, Councillor Genia McCaffery called a meeting on 20 November for ROC presidents and Mayors from growth centres to discuss local government's response to announcements by the State government on reduction of developer contributions in new release areas and proposed planning reforms that are expected to be subject of a discussion paper to be

released shortly by the Planning Minister and to discuss what action local government could take.

SHOROC was represented at the meeting by SHOROC Vice President and Mayor of Mosman Council, Cllr Denise Wilton, SHOROC Executive Director, Leta Webb and the Manager, Strategic Planning at Warringah Council, David Kerr.

A further meeting of the LGSA and ROC Executive Officers was held on 3 December, 2007 immediately following an information session on the discussion paper.

At the meeting of 20 November, 2007 the LGA President indicated that the proposed discussion paper was expected to be released soon after the Federal election. She indicated that it is likely that the paper will contain proposals with which Local Government is likely to agree, for example advances in ePlanning and other aspects with which Councils are not likely to agree, for example the scope of exempt and complying development, increased powers to private certifiers, a greater role for councils in regulating private certifiers, restrictions on what Councils can levy developers and restrictions on the quantum of section 94 levies.

In regards to the role of council in relation to private certifiers and likely changes to developer contributions, she pointed out that these are likely to involve further cost shifting to Councils.

### ***Developer Contributions***

At the meeting of 20 November, changes made to the levying of infrastructure changes in greenfield release area was presented by Judy Birrell from the Associations. While the presentation focussed on infrastructure charges in greenfield release areas there are policy aspects that may signal direction for section 94 and section 94A contributions.

State announced 30% reduction on State Infrastructure levy that was to fund 75% of new infrastructure costs and 42% decrease in local government levy. It was also noted that when the State introduced State Infrastructure Levy, the State introduced a levy for itself by reducing what local government could levy and now that the amount that can be levied in total has been further reduced, the greatest reduction is on the amount of developer contributions that can be levied by Councils.

In relation to the local government levy in Greenfield areas:

- section 94 and section 94A plans and timetables will now be approved by Minister, not the Council;
- funds collected will be held in trust by Treasury not individual Councils;
- funds collected must be spent within 7 years;

- funds can only be allocated to local roads; local bus infrastructure; local parks that service a development site or precinct; land and facilities that service a development site or precinct and land only for other community infrastructure and recreation facilities.
- (note that cost of providing facilities benefiting existing communities, including Council wide community and recreational facilities cannot be recovered via local contributions)

*Discussion points:*

It was pointed out that these restrictions in relation to place are likely to result in a proliferation of pocket parks at a time when most councils are moving towards larger parks and regional facilities.

The restrictions also raise questions about what will happen to section 94 plans that apply to infill development. If Councils are allowed to levy for land only this may prevent Councils collecting funds to embellish facilities and upgrade facilities to permit more intensive usage.

The changes also raise questions about how Councils provide infrastructure that is currently provided by section 94. Most likely option may be some easing of rate cap by State. This is a form of cost shifting from developers to residents.

***Action and Campaign***

To date LGSA has written letters related to the haste in which the planning reform agenda is progressing and the lack of meaningful consultation. It has requested briefing on changes to infrastructure funding and developer contributions.

The LGSA has written to Councils asking them for examples of infrastructure that their area will lose or not be able to fund if developer contributions are restricted in quantum and scope so that this information can be presented to the government.

LGSA staff are preparing media kits for Councils and materials that can be used in local campaigns. While the Minister and the Premier are focussing on their position that NSW is open for business, the focus of the LGSA campaign will be to protect and enhance the communities in which we all live.

On 20 November *Principles for Planning Reform – a Policy Platform* was released to promote constructive debate about planning in NSW ahead of the release of the State government's discussion paper.

LGSA provided details of letters and submission to date.

Discussion at the meeting raised a number of suggestions including:

- The preparation of a joint communique once the discussion paper comes out;
- The preparation of a letter for signature of Mayors that individual Councils would send to all ratepayers.
- The State opposition also needed to be targeted (they have been silent on planning changes and voted in support of previous changes such as Part 3A).
- That all councils contribute to the funding of a campaign.

The President stressed the importance of all Councils being involved and being united.

The meeting of 3 December, 2007 discussed a draft letter to be sent to the Premier and the possible uses of this letter eg placing a full page advertisement in newspapers. The LGSA would like as many Councils and ROCs as possible to sign the letter.

A copy of the draft letter was considered by General Managers at their meeting on 5 December. The General Managers were particularly concerned about the ramifications of likely changes to section 94 on Council finances and the provision of infrastructure. Comments made have been forwarded to the LGSA.

The LGSA is organising a meeting of all Mayors and General Managers as well as ROCs in January. This will allow Councils to consider the discussion paper prior to that meeting.

Recommendation:

That SHOROC support, in principle, the LGSA campaign opposing changes that will reduce the level and scope of developer levies and the control of funds raised by Treasury noting that section 94 has now become an integral part of Councils' planning and budgets for meeting the needs of current and future residents.

That SHOROC General Managers be delegated authority to determine the extent of support for a campaign that targets planning reform in general, noting particularly concerns regarding changes that cost shift responsibilities to Councils eg Councils being responsible for enforcing conditions of consent when the Council gets no fee towards costs where a private certifier is involved.

That the President be delegated authority to sign campaign material on behalf of SHOROC if required.

## Item 7      **MATTERS SUBMITTED BY MEMBER COUNCILS**

### Item 7.1      **Affordable Housing – as submitted by Pittwater Council**

#### ***Background***

The recent Northern Beaches Affordable Housing Forum was jointly hosted by Rotary Club of Manly Sunrise and the Northern Beaches Mental Health Community Consultative Committee. The aim of the Forum was for participants to gain an understanding of the current housing crisis affecting not only the Northern Beaches but the country as a whole. Affordable housing affects the whole community including; Key workers, youth, older people, lower income earners, single parents, people with disabilities as well as people with mental illnesses alike.

Affordable Housing concerns low to middle income households that spend more than 30% of their income on housing costs (rent & mortgage payments). There are over 850 000 households in Australia who are affected and who are considered to be in housing stress. Locally there are approximately 12 500 households on the Northern Beaches who are in housing stress. In addition to this, the need for additional affordable housing stock was also substantiated by the urban Research Centre (University of Western Australia) and Centre for Affordable Housing (Housing NSW). Speakers at the Forum clearly identified the need for both Federal and State Governments to do more to address this Affordable Housing crisis. This is also a smaller but important role for Local Government to play in trying to address this crisis.

#### ***Current situation***

Shown below are the current numbers of households within Manly, Pittwater and Warringah who are affected by housing stress. These figures have been taken from the 2006 Census. The solution to housing stress is a complex one that needs interventions from all levels of government as well as from the non-government sector. In light of these figures there is an urgent need to address the future availability of affordable housing stock for our Key Workers within SHOROC. If not addressed the number of key workers living within SHOROC will be greatly reduced therefore resulting in reduced availability of Key Workers within the essential service sector.

No of Households who spend >30% on Housing Costs (rental & mortgage)

	Weekly Income Ranges		
	>\$900	\$900 - \$1399	\$1400 - \$2099
Manly	1163	514	254
Pittwater	1240	865	578
Warringah	4189	2310	1407

Since 2000 Pittwater Council has been investigating a number of planning initiatives including accessory dwelling options. They are a self-contained dwelling, with a kitchen and bathroom that is subservient to the main

dwelling. It is intended that accessory dwellings be limited in size (60sq m) and attached to the main dwelling. They are not subdivisible and so will increase the available rental stock in Pittwater. It is anticipated that some of the illegal flats in Pittwater may be able to be legalised under the accessory dwelling policy. Since January 2007 Council has been in negotiation with the Department to try to resolve this issue as the proposed draft definition could result in two large detached houses on one large lot, which does not achieve the objective of accessory dwellings of providing affordable accommodation. Council is continuing to seek a meeting with the Director-General but to date has not received a reply.

Recommendation by Pittwater Council officer

That SHOROC hold a workshop with the Centre for Affordable Housing – Housing NSW, in the first quarter of 2008, to examine further ways that local Councils can respond to the current crisis in affordable housing on the Northern Beaches.

## **Item 7.2 Social Housing – as submitted by Pittwater Council**

### ***Background***

The recent Northern Beaches Affordable Housing Forum was jointly hosted by Rotary Club of Manly Sunrise and the Northern Beaches Mental Health Community Consultative Committee. The aim of the Forum was for participants to gain an understanding of the current housing crisis affecting not only the Northern Beaches but the country as a whole. Affordable housing affects the whole community including; Key workers, youth, older people, lower income earners, single parents, people with disabilities as well as people with mental illnesses alike.

In this context social housing is a term used to describe rental housing provided for people with low incomes that may have particular issues such as people with disabilities, Indigenous people and older people who often have specific housing needs that are not always able to be met in mainstream housing. In this definition we also encompass crisis and transitional housing for people going through crisis and transitional life issues, such as young people needing to move out of home due to family dissolution or women escaping from domestic violence. These groups are provided with homes through social housing i.e. public or community housing which is largely funded by government.

### ***Current situation***

At the Forum a number of Community Organisations presented, these were Mission Australia (The Fairlight Centre), The Burdekin Association Inc, Northshore Community Housing, Garrigal Housing Association and Churches

Community Housing all of these organisations provide Social Housing. There are other organisations that provide social housing in the Northern Beaches such as the Salvation Army, and the Department of Housing.

It is apparent that these organisations are dealing with similar issues such as a lack of housing stock, working with clients going through life crisis so that they remain in their local community and can draw on their informal support networks. As a community it is essential that we do not isolate the disadvantaged in the community by being unable to provide them with suitable housing. It is also essential to acknowledge that to maintain a vibrant community a diverse community with all income ranges need to be represented.

It is clear there is a lack of overall coordination with Community Organisations and Local Government, this initiative aims to address this.

Recommendations by Pittwater Council officer

1. That SHOROC establish a working group comprising of;

Lindsay Godfrey (Chair), Pittwater Council

Louise Jeffs, Pittwater Council

Staff representative from Warringah Council

Staff representative from Manly Council

to work with local Community Organisations and key State government agencies to identify the needs in the Northern Beaches for social housing to prepare a submission to the State and Federal governments for additional funding/resources to address the need.

2. That the working group prepare a draft submission to be presented for consideration by the SHOROC Executive by August 2008.

# SHOROC INC BOARD MEETING

12 December, 2007

Councillors' Room, Manly Council 3-5pm

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## MINUTES

### ITEM 1 WELCOME AND APOLOGIES

The Chair welcomed members and Chris Hunt, Acting General Manager Pittwater Council and noted apologies from Mark Ferguson

**The Board Resolved:**

To accept apologies from Mark Ferguson

### ITEM 2 MINUTES OF PREVIOUS MEETING HELD 31 October, 2007

**The Board Resolved:**

To adopt the Minutes of the Meeting held 31 October 2007

### ITEM 3 MATTERS ARISING FROM SHOROC MEETING 31 October, 2007

#### Item 3.1 Election of President and Vice President

At the meeting of 31 October, 2007 Cr Peter Macdonald (Manly Council) and Cr Denise Wilton (Mosman Council) were elected to the positions of President and Vice President respectively. A subsequent examination of the *Associations Incorporation Legislation* and SHOROC Constitution resulted in a recommendation to GMAC, which was endorsed, that a fresh and separate Annual General Meeting be held. Election of President and Vice President will need to be confirmed at the separate Annual General Meeting (see Item 6.1 below for background to the conduct of the annual general meeting).

**The Board Resolved:**

To receive and note the report.

#### Item 3.2 Northern Beaches Youth Orchestra

At the meeting of 31 October, 2007 Cr Peter Macdonald tabled a proposal from Soundwaves Productions for a joint venture between Councils and the company for the formation of a Northern Beaches Youth Orchestra. The proposal is that Councils provide start up funding and costs for the first year of operation and that staff from Soundwaves Productions donate their time and expertise. The orchestra would comprise musicians between 14-24 years of age and provide an opportunity for young musicians to develop their musicianship and provide cultural entertainment for residents. The orchestra would be available for free for Councils events but raise

funds by charging other organisations, where appropriate, so as to develop financial independence.

Mosman Council indicated that it did not wish to participate as it already had an orchestra. Staff from Manly, Warringah and Pittwater Councils are reporting on this matter separately to their Councils to secure support and funding.

**Board Discussion:**

Manly and Warringah Councils have given in principle support whilst Pittwater will consider at their February meeting. The funding arrangements to be calculated as follows:

Warringah 50%; Manly 33%; Pittwater 17%.

Issues to be resolved include:

- Membership of the Northern Beaches Orchestra Board.
- The need to appoint one council to take a leadership role and take responsibility for co-ordinating meetings and arrangements.
- The need to draw up a Memorandum of Understanding between the Councils and the Northern Beaches Orchestra Board setting out funding arrangements and expectations.

**The Board Resolved:**

1. That Manly Council take on the leadership role in this project and form a working group comprising council officers from Manly, Warringah and Pittwater (subject to agreement at Pittwater's February meeting)
2. The Working Group to draw up a Memorandum of Understanding in conjunction with Soundwaves Productions.

**ITEM 4 SHOROC ADMINISTRATIVE MATTERS**

**Item 4.1 Meeting dates for 2008**

Dates for meetings of the Board and GMAC have been considered by GMAC. Dates have been set for GMAC meetings on the first Wednesday of every month except January.

It is proposed that the meeting dates for 2008 for Board meetings be as follows:

Board meetings	19 March, 2008
	14 May, 2008
	20 August, 2008
	17 September, 2008
	12 November 2008 (the Annual General Meeting will also be held)

In 2007 there were 6 Board meetings, with a meeting being held every two months, commencing February. The consequence of this arrangement was that there was no November meeting.

The SHOROC constitution requires:

- that SHOROC Board meet at least every three months,
- that SHOROC determine its budget for the following year by 31 May; and

- that SHOROC hold its annual general meeting in November and adopt its annual report and audited financial statements in November.

There was no November meeting so a draft annual report was considered at the October meeting and it is proposed that the Annual Report and audited financial statement be adopted in December. The adoption of financial statements in December meets the requirements of the Office of Fair Trading (which requires that these documents be submitted by the SHOROC by end of December).

This year SHOROC also developed its first regional State of the Environment report, which is required to be submitted to the Department of Local Government by each Council together with their respective annual reports by 30 November. The Board did not have an opportunity to review and adopt the SHOROC SOE report this year.

Should the Board desire a sixth meeting it is recommended that this be held in February as this would allow for strict compliance with SHOROC's constitution (note: Item 4.5 recommends a Special General Meeting in February, 2008).

**The Board Resolved:**

That the dates for 2008 SHOROC Board meetings be:

19 March; 14 May; 20 August; 12 November (when the Annual General Meeting will also be held) plus an additional meeting in February – date to be advised.

**Item 4.2 SHOROC Annual General Meeting and Financial Report**

***Background***

On 18 September, 2006 SHOROC was established as a separate legal entity under the *Associations Incorporation Act 1984* which is administered by the Fair Trading Office.

SHOROC is thus required to comply with the requirements of the *Associations Incorporation Act*, the *Associations Incorporation Regulation 1999* and Fair Trading Office in addition to its own constitution.

***Requirements concerning the annual general meeting***

Legislation requires an incorporated association to hold an annual general meeting annually and within 6 months of the end of an association's financial, with the first such meeting being within 18 months of incorporation. SHOROC's financial year ends 30 June.

SHOROC constitution sets out that the November meeting is to be the annual general meeting and that the annual report and financial statements are to be considered at a meeting of the association to be held no later than 30 November each year. SHOROC constitution requires that the financial account be audited prior to presentation (though the legislation does not require this). SHOROC constitution also requires that each member Council receives an annual report with the notice of the annual general meeting.

Section 26 of the Act requires that the committee (which in the case of SHOROC is the Board) submit to members a statement which is not misleading and which gives a true view of income and expenditure during the financial year, assets and liabilities

of the association at the end of the financial year, mortgages charges etc and also provides the same detail in respect of each trust for which the association is a trustee. The association and each member of the committee are guilty of an offence and liable to a penalty not exceeding 2 penalty points if the committee fails to satisfy this requirement.

Within a month of the conduct of the annual general meeting, the public officer is required to provide an annual statement (which includes that financial statement and copies of any resolution passed at the annual general meeting concerning the financial statement) together with the prescribed fee to the Fair Trading Office. There is set form (form 12) for an annual statement and it must be completed and then signed by two members of the committee (board) who are authorised to do so by a resolution of the committee.

The *Associations Incorporation Regulation* contains model rules for associations. Model rules apply in their entirety where an association does not have its own rules or in part where an association has rules but the rules are silent on a matter specified by the Act to be included in the rules.

SHOROC rules do not specify the business of an annual general meeting, other than the consideration of audited financial accounts. However the model rules (clause 24(2)) specify that the business of the annual general meeting be:

- to confirm the minutes of the previous general meeting and any special general meetings held in the previous year;
- to receive from the Committee reports on the activities of the association during the last year;
- to elect office bearers; and
- to receive and consider the annual statement (including financial statement) required under section 26.

The model rules also contain requirement for notice of a general meeting (including annual general meeting) being 14 days where there is no special resolution and 21 days if a special resolution is being considered. The model rules specify that no business, other than the business set out as a special resolution in the notice of the meeting or, if the meeting is an annual general meeting, matters in clause 24(2) as above.

The model rules also set out the process for nomination of office bearers and requires that the nomination be in writing, signed by two members of the association and be accompanied by written acceptance of the nominated person. SHOROC's constitution does not contain such requirements.

### ***Board meeting 31 October, 2007***

SHOROC did not schedule a November meeting this year. A Board meeting was scheduled and held on 31 October. This was shown on the agenda as an annual general meeting as well as a usual board meeting. Despite being shown as such the meeting did not comply with the requirements of an annual general meeting in that the Board did not consider financial reports and nor did the Board authorise two members to sign the form (form 12) that accompanies the annual statement to be submitted to the Fair Trading Office. The conduct of a fresh annual general meeting

allows these matters to be addressed and also provides an opportunity to elect a secretary / treasurer (see comments on the auditor's Management Letter below).

### ***Content of annual report***

Neither the legislation nor the Fair Trading Office have specific requirements in relation to the content of an annual report (but do have requirements in relation to annual statement and finances). However a google search reveals that a number of government bodies who provide grants to incorporated bodies have their own requirements and guidelines that apply to incorporated associations that seek grants from them.

The *Associations Incorporation Act* expressly excludes incorporated associations from Corporations Law. However some funding bodies require that the annual reports of incorporated associations comply broadly with the annual report requirements under the Corporations Act. The Corporations Act requires the annual report to include, amongst other information, the name of each person who was a director, the period during which they were a director, their qualifications and experience and any special responsibilities. It also requires that the annual reports show the number of Board meetings held during the course of the reporting year and the number of such meetings that each director attended.

The annual report has been prepared to provide this information.

### ***GMAC meeting 14 November, 2007***

At the GMAC meeting on 14 November, the General Managers considered the requirements of the *Associations Incorporation* legislation and resolved:

*Notwithstanding that the Board meeting 31 October, 2007 was advertised as an annual general meeting and that SHOROC rules require that the annual general meeting be in November, that SHOROC conduct a separate Annual General Meeting to be held in December 2007.*

*Provided that the audited financial accounts for SHOROC for the year ending 30 June 2007 are completed in sufficient time, that the annual general meeting be held on the date of the next meeting of the Board, being 12 December, 2007.*

*That the agenda for that meeting be:*

- *To elect office bearers.*
- *To receive the annual report on activities of SHOROC for the year ending 30 June, 2007.*
- *To receive and consider the annual statement and audited financial accounts for the year ending 30 June 2007.*

*And that the meeting authorise two members of the Board to sign the certificate for the annual statement (form 12) to be forwarded to the Fair Trading Office.*

*That prior to the next annual general meeting the constitution of SHOROC be reviewed to ensure that it covers all the content areas required by the legislation and model rules and that, if changes are proposed, these be notified as special resolutions to be considered at the 2008 annual general meeting.*

*That meeting schedules for SHOROC meetings from 2008 onwards schedule an annual general meeting in November each year.*

*That the SHOROC annual report provide information on Board members that complies with Corporations Law requirements for information on Directors and include information on the number of meetings held and the number attended by each member of the Board.*

**Management Letter from SHOROC Auditor**

After the auditor had completed an audit of financial statements and other records of Council, he provided the President with a letter commenting on various aspects of the management of SHOROC, bringing certain matters to the attention of the President.

The auditor noted that "in the main, the records have been satisfactorily maintained and the information sought for auditing purposes was readily available". He also noted that he had received full cooperation of staff so that the audit was completed efficiently.

The table below sets out matters raised in the letter in relation to compliance with legislation and / or SHOROC constitution together with comments on how the matters have been addressed or are proposed to be addressed:

<b>Matter</b>	<b>Action taken or proposed</b>
SHOROC does not meet the requirements s,7(1) of the Association Incorporations Act in that it has 4 members (being Councils) when the Act requires 5 members.	Exec Director has discussed with Fair Trading Office who recommend that we change our membership. Further advice will be sought and there may be a need to hold a Special General Meeting in February to change the constitution.
s. 21A requires association keep register of members of the Board (including personal addresses) which is to be kept at the residential address of public officer	Register has been prepared. Now comply.
SHOROC failed to comply with s.23 in relation to appointing and giving notice of a vacancy and replacement of the public officer within 14 days.	Vacancy occurred on 19 April. New public officer appointed in August and was notified to Fair Trading in August. Should be noted for future.
Legislation and Constitution contain responsibilities for a secretary (which should be elected at the annual general meeting). SHOROC does not have elected position of secretary.	Election of Secretary / Treasurer included on the agenda for the annual general meeting.
Cl. 4 SHOROC constitution requires each member pay fee of \$1 on admission to membership and \$2 annual membership fee but these amounts were not paid.	Amounts have now been collected on 5 December. \$2 annual fee will be added to the invoice for member contributions from Councils.

Cl.25 requires adoption of a budget for SHOROC prior to May 31. Was not available for auditor.	Propose that budget for 2008/2009 year will be presented in May 2008. Propose that GMAC consider budget for 2007/2008 when it reviews financial position up till 31 December.
Cl.13(ii) requires SHOROC annual report and audited financial reports be submitted to a meeting of the Board no later than 30 November each year.	Annual report and audited financial report considered by Board in December.
Other matter: Proposes that SHOROC produce interim financial statements with budget comparison to improve integrity of accounts.	Will be produced for GMAC meeting in February. GMAC resolved on 5 December to consider financial statements against budget on quarterly basis.

### **Conclusion**

A number of actions and proposals have been put in place to address matters of non-compliance with the *Associations Incorporations Act*. Once addressed and once the constitution has been amended appropriately, SHOROC should operate effectively within the requirements of legislation and its own constitution.

### Recommendation:

1. That the Board note the actions taken and proposed by GMAC and the Executive Director to improve compliance with the *Associations Incorporation Act* and its own constitution.
2. That SHOROC seek further advice (including legal advice if necessary) as to the validity of SHOROC incorporation.
3. That if it is found to be necessary to change the constitution to ensure that SHOROC is validly incorporated, that a Special General Meeting be held in February on a date to be determined by the President.
4. That the Executive Director work with GMAC to develop proposals for further amendment of the SHOROC Constitution.
5. That the Board notes that SHOROC financial reports compared with budget will be reviewed by GMAC on a quarterly basis.

### **The Board Resolved:**

1. To receive and note the report and adopt the recommendations.
2. To thank the Executive Director for identifying areas which require attention to achieve compliance with legislation and the SHOROC Constitution.

## **ITEM 5 UPDATE ON SHOROC PROJECTS**

### **Item 5.1 Transport and Land Use Study**

#### **Background**

SHOROC invited Halcrow to prepare a transport and land use strategy for the SHOROC region.

In February 2007 Halcrow facilitated a workshop for SHOROC Councils which developed a wish list of transport improvements. The findings of that workshop were

contained in a report produced in March. SHOROC Councils agreed to work collaboratively to raise the profile of transport in the subregion as an issue at State level. The Transport and Land use Study is being considered in concert with the Employment Study which is being undertaken concurrently.

A Phase 1 Draft report was prepared by the consultants in September, 2007. It provides details on the context of the study and the study area; summarises relevant existing information; describes current transport mode share and existing travel patterns and details future requirements including issues related to mode share, trips, population and employment changes and growth and reviews the relationship between transport improvements and land use changes.

A SHOROC Transport Forum and briefing was held on 11 October, 2007 at Manly Council. It was attended by about 25 Councillors and staff. Stephen Moore from Halcrow Consulting spoke to a power point presentation and advocated that both sustainability and accessibility need to be embraced when developing a transport and land use strategy.

At the *SHOROC Board Meeting 31 October, 2007* the Board noted progress on the strategy. The Board resolved:

*That both the Transport and Land Use study and the Employment Strategy need to take account of each other before they are finalised and adopted by the SHOROC Board and member Councils.*

*The Board recognises that while both the Transport and Land Use Study and the Employment Strategy will inform further discussion on the future of the SHOROC region, the studies will not necessarily be determinant in shaping a future strategic plan for the SHOROC area.*

*That SHOROC and its member Councils develop a broader vision and strategic plan for the SHOROC area over the next year which take account of the Transport and Land Use study, the Employment Strategy and various strategic plans that have been developed by member Councils and State government.*

### ***Draft Stage 2 report***

This was forwarded to General Managers and to relevant staff on 1 November, 2007. It contains outcomes from the workshop held on 11 October; provides an overview of transport options for the SHOROC region and contains a recommended transport strategy for the region consistent with what the consultants consider it SHOROC's vision for the region.

Observations made include:

- That it is unlikely that state government has an interest in development of a motorway or heavy rail to improve accessibility on the north south corridor (although there may be private providers who may be interested);
- Increasing road capacity on the north south corridor would impact on businesses due to loss of on street parking;
- There is a need to address the lack of public transport along the east west corridors;
- The SHOROC region should encourage further containment in the region to reduce transport demand, although there are issues related to housing

affordability and the workforce, in particular key workers, that are of concern in relation to the capacity to do this.

- Ferries are costly and need to improve services if they are to serve the community well;
- Emissions, including greenhouses gas emissions, of various forms of transport need to be considered in the development of any future strategy.

The report recommends:

- Pursuit of supply and demand side measures to reduce car use and to achieve modal shift to public transport;
- Development of public transport corridors along east west corridors, most probably buses;
- A range of measures to improve the efficiency of public transport (buses) – Council to lobby;
- That Council note the findings of the Special Commission of Inquiry into Sydney ferries and note that it is not likely that there will be an increase in ferry patronage;
- Review the “wish list” to determine priorities and to remove those items which do not accord with Councils’ vision for the area;
- Review the recommendations of previous studies to identify those that are consistent with Councils’ vision and to identify those recommendations that are yet to be implemented – reports to be reviewed include Section 22 Committee, Unsworth report, Parry report.
- Assessment of person trips related to meeting targets for population and employment in the Metropolitan Strategy.
- Setting of targets for interim and long term reduction in internal car trips to assess and target schemes and policies

The report will be finalised once the findings of the Employment Strategy are considered.

**The Board Resolved:**

To note that the Transport and Land Use Strategy Stage 2 report will not be finalised until the Employment Study is complete.

**Item 5.2 Regional Employment Study**

***Background***

SHOROC received funding from the Department of Planning from the Planning Reform Fund to undertake a study to evaluate the existing and potential employment generating activities and land use patterns in the SHOROC region. The study will inform the North East and Inner North Subregional Strategies and LEP reviews and the development of a regional economic strategy. HillPDA have been appointed as consultants for the study.

***Progress***

A draft report has now been received and provided to staff in Councils; however it has not been reviewed by staff or the Department to date.

The draft report notes a number of trends that will impact on the ability of the region to generate jobs and the types of employment in the area. The report considers the

contribution of employment lands to jobs and the economy and also the contribution of retail and commercial centres and specialist centres. The report proposes and a 25 year timescale for an employment strategy.

The report identifies:

- The region will experience modest growth in population (about 13%) compared to other parts of Sydney.
- The region's population are older and have a lower level of unemployment compared to other parts of Sydney.
- There are about 100,140 jobs in the region, with the main industries being retail (19%), property and business services (16%), manufacturing (10%) and health and community services (10%). The proportion of jobs in retail and property and business services is high compared with other parts of Sydney.
- 50% of SHOROC residents work in the region. However of the jobs in the region, 77% are filled by residents within the region. This is a very high level of containment.
- Of those who travel outside the region, the majority (54%) travel to Global Sydney and 31% travel to west of the region ie Chatswood, Gordon and Macquarie Park.
- While household size is declining and the population is ageing, the increasing affluence of the region will increase demand for retail floorspace.
- Long hours worked by male and female workers increases the demand for convenient and out of hours retail and service provision. This will require that town centres and villages provide larger supermarkets and increased convenience through parking and public transport.
- There is an increased demand for bulky goods and for greater diversity of services including entertainment, gyms, childcare, and market squares – this will require a hierarchy of centres.
- Higher office costs in global Sydney will generate demand for flexible commercial units within a range of town centres and business park locations within SHOROC.
- There is an increasing demand for businesses to co-locate industrial and commercial components of their businesses. This will require on site provision of a range of services including retail, a high quality environment and accessible public transport as well as a prestigious image.
- The nature and format of traditional industries is changing.
- Tourism is a significant industry which also impacts on demand for retail and accommodation.
- There is potential for conflict between commercial and residential uses especially in town centres.
- There is an important reciprocal relationship between employment, transport and employment in region. As the population ages and retires and as property prices increase, there will be a need for a labour force which may not be able to buy or rent in the area. This will increase the number of people travelling into the area for work.
- Housing affordability will be an issue as the future employment growth (about 89%) will occur in retail, business and property, wholesale trade, accommodation, cafes and restaurants ie in sectors that have lots of low paid positions. This will increase the disparity between income and the ability of workers to buy homes in the area. This will require the introduction of

sustainable transport into the area. For example bus corridors on east-west links but also links between the central coast and SHOROC region.

- The estimates for employment increases by the transport data centre is significantly below the target set by the Department of Planning (13,302 compared to 20,800). To meet the shortfall, the region will need to actively support existing business but also actively attract others.
- Growth of employment centres outside the region (Chatswood, Macquarie Park, Norwest) is likely to attract major businesses and highly skilled workers. This is likely to lead to reduced containment in the area and increase strain on east west corridors.

The report provides a range of principles and strategies to guide future action.

Once the report has been considered by staff, a briefing will be organised for Councillors.

The report does signal that there are complex issues that will need to be addressed in order to meet the Department of Planning targets but also to address future needs in a way which meets containment objectives.

**The Board Resolved:**

To note that the Employment Strategy will be further discussed at the February meeting and that it will inform the development of a broader strategy for the SHOROC region.

**Item 5.3 Regional State of the Environment Report**

SHOROC has resolved to prepare a regional SoE report. This report is now complete and has been forwarded by member Councils to the Department of Local Government together with their annual report.

**The Board Resolved:**

To congratulate the working group on the preparation of the first SHOROC Regional State of the Environment report.

**Item 5.4 Procurement**

SHOROC has a Procurement Group comprised of officers from member councils responsible for procurement. The group meets once each month.

The business paper for the Board meeting 31 October, 2007 included a report that covered matters discussed by the Procurement Steering Committee at meetings held on 23 August, 20 September and 25 October. There have been no further meetings.

The next meeting is to be held on 12 December, 2007.

**The Board Resolved:**

To note the verbal report on the Procurement Meeting.

**Note:**

The Board requested the Procurement Working Group investigate expanded use of

Greenpower.

## Item 5.5 Sportsground Management

### ***Background***

As reported verbally to the last Board meeting, a meeting was held between Councils and the MWPSU Steering Committee on 30 October, 2007.

Peter O'Dwyer, on behalf of MWPSU tabled a paper dated 22 October, 2007 which was received and discussed. The paper presented three options for a new fee structure:

Option 1 - retain the current \$3 levy and apply a \$2 service fee to all Council residential and business rated.

Option 1(a) - groups with small membership and that use grounds once per week pay a flat fee of \$3. Other groups would pay \$5. This to be reviewed November 2008.

Option 2 - contained a number of suggestions including reviewing the basis on which the proposal that fees should recover 15% of costs.

The paper also included essential criteria for any new agreement including:

- that a service level agreement be developed;
- that increases in contributions be targeted to meeting standard in that agreement;
- that a plan be developed to increase the amount of sportsfields; and
- that a SHOROC and MWPSU Ground Review and Maintenance Committee be established to identify areas for new grounds and to monitor overuse.

The paper also included other suggestions to reduce Councils' cost including that sports groups could do more work, a modest fee be charged to schools and that Energy Australia be appointed as a sponsor.

Following discussion, Councils put up a proposal that:

- the fee structure have a fee for seniors and lower fee for juniors per season;
- there be a school hire charge per hour;
- that sports pay their electricity costs directly;
- that additional revenues generated be used to improve maintenance on existing sporting facilities;
- that Councils undertake the allocation of sports;
- that there be an increase in the down period to allow Councils to adequately maintain and prepare grounds.

The Sports Union:

- agreed to take the above to their annual general meetings;
- expressed concern that there be a smooth transition with a phase in period over two years and with continued liaison with the sports groups;
- requested that there be a service level agreement;
- indicated that they wanted clear communication so that there is one contact in a council and one contact for each sporting group;
- expressed concern about the overuse of sportsgrounds and indicated that they were willing to consider Council's proposals to reduce usage, including increasing the downtime to allow proper maintenance and preparation between seasons;
- could see benefits in Councils being responsible for allocations in collaboration with the Sports Union.

Councils' consultant, Brett Rogers, prepared an implementation plan which addresses implementation issues including timetable and service level agreement which has been discussed at a meeting held on 13 November, 2007. The meeting also discussed fee structure. A further document providing guidelines on allocations and usage of sportsfields was also prepared. It was considered on 5 December, 2007.

On 21 November, the General Managers of Pittwater, Warringah and Manly Councils attended the annual general meeting of the MWP Sports Union and presented the Councils' position.

### ***Consensus reached***

The meeting of the Sportsground Management Working Group on 5 December, 2007 reached an 'in principle' agreement on the following:

- 1 That the new fee be \$5 for juniors and \$7 for seniors for the first year being 2008/2009.
- 2 That the junior rate apply to under 18s and whether a senior rate is paid depends on the division in which the team is playing, not the age of an individual player, so that players in an under 19s team pay the senior rate.
- 3 That the introduction of the new fee:
  - a. be dependent on agreement for a service level agreement;
  - b. apply in the 2008 winter season; and
  - c. be dependent on agreement that MWPSU continue to work together with Councils to ensure that a new fee structure be adopted in the third year which would provide 15% cost recovery.
- 4 That sporting groups pay for utilities and direct costs in addition to the increased fee.
- 5 That in determining the operational costs on which the 15% is to be calculated, there be an agreement as to the standard to which sportsfields are to be maintained and that the cost of maintaining the following fields not be included in the calculation: Pittwater Rugby Park No1, Brookvale Oval, Cromer Park No 1 and Manly Oval.
- 6 That costs recovered from the use of sportsfields by school groups be included in the 15%.

These "in principle" agreements are to be considered by a meeting of the Regional Sports Liaison Committee at a meeting to be held immediately following the Board meeting on 12 December, 2007. If agreement is reached, the individual Councils will need to consider and advertise proposals to amend their fees and charges in accordance with the requirements of the Local government Act before new fees can be applied.

<b>The Board Resolved:</b>
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To receive and note the report.
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### **Item 5.6 Workforce Planning and Human Resources Management**

On Friday 8 December there was a meeting of Human Resources Managers from both NSROC and SHOROC Councils at Ku-ring-gai Council. The group discussed how

they could best cooperate on matters of common interest and mutual benefit and decided to allocate a full day on 18 January, 2008 to plan how to undertake projects, including workforce planning, participation in career expos etc.

At the last GMAC meeting, the General Managers endorsed participation of two SHOROC teams in the LGMA Management Challenge. This is a valuable career development, networking and team development opportunity as it provides staff from Councils with structured exercises on a series of tasks that develop and test for key management skills. Team members are required to undertake a number of activities in preparation for the competition (which takes place in early April).

The General Managers also endorsed the conduct of four leadership breakfast sessions where staff from member Councils get together and have a guest speaker on a key leadership development topic. This activity provides an opportunity for staff from member Councils to network and exchange ideas as well as gain from the content of the talk.

**The Board Resolved:**

To receive and note the report.

**Item 5.7      A Strategic Plan for SHOROC**

At the December GMAC meeting the General Managers considered a discussion paper prepared by the Executive Director which provided an overview of approaches taken by or on behalf of other groupings of Councils towards the development of a long term strategic plan. This matter will be considered further by GMAC in February and will be reported in detail when a proposed course of action has been developed.

**The Board Resolved:**

To receive and note the report.

**Note:**

There will be further discussion on the Strategic Plan in February 2008.

**ITEM 6            MATTERS OF INTEREST**

**Item 6.1        Improving the NSW Planning System – a discussion paper**

The Planning Minister, Frank Sartor released the discussion paper at the end of November. An information seminar was advertised at short notice and held on 3 December.

The focus of the paper is to introduce changes to planning and assessment processes to speed up rezoning, LEP preparation and approval of developments.

Changes include:

Plan making – the introduction of a gateway screening system which determines early in the process whether or not a rezoning proposal should go ahead. This process will also determine the level of consultation and referral required. A number

of changes are proposed to speed up the LEP preparation process. This includes a proposal that the legal drafting not be done by Council and a proposal that some LEP can be approved directly by Councils. Guidelines will be developed to specify the level of detail permitted in DCPs.

Major applications – what is proposed is a new regime by which a Planning Assessment Commission is set up to deal with most development of State significance and Joint Regional Planning Panels are set up to deal with development of regional significance.

Minor developments for development up to about \$50 million in value Council would be the consent authority and would be encouraged to use Independent Hearing and Assessment Panels in certain circumstances ie where the proposals seek variation of controls.

For small developments (up to about \$1 million in value) a new system of planning arbitrators will be established to hear appeals in the first instance in a non legal forum.

What is also proposed is to expand the scope of exempt and complying development with the target that 50% of current development proposals will fall under one of these categories. The Department of Planning will develop statewide codes for routine development. Advice on such codes will be received from a Complying Development Expert Panel, which will include local government representatives. Alternative codes would be permitted but must be consistent with the statewide code and approved by the Department.

Development approval times- new timeframes will be established for determining the applications related to the level of complexity of the project:

- 10 days for complying development;
- 20 days for DAs that do not require advertising;
- 40 days for small scale development;
- 60 days for medium scale development;
- 90 days for development equivalent to designated development.

Other changes in relation to development approvals include:

- The level of information required to be lodged with an application will relate to the scale of development.
- Planning Arbitrators will determine appeals for minor developments.
- The number of referrals to government agencies will be reduced by the preparation of guidelines and /or standard conditions.

ePlanning - Timeframes will be set for all councils to establish on- line DA tracking, for codes to be provided on- line, for section 149 certificates to be provided on- line and for establishing LEP tracking systems.

Private certification – Limits will be set on the number of certificates that can be issued to any one client to reduce conflict of interest. Certification will be broadened to permit companies to be certified and councils to also be certified. Responsibility of certifiers and Councils will be clarified so that Councils will have responsibility to enforce conditions of consent. The Building Professionals Board will have increased power to deal with certifiers.

Other changes include:

- Changes to cover the transitional phase when a strata scheme is established and the owners take over responsibility from the developer.
- Changes to deal with circumstances where land is held by multiple owners and where it is not possible to get the unanimous agreement between landholders to sell or develop land.
- Amendments to the Land and Environment Court to make mediation or section 34 conferences compulsory to reduce protracted cases.
- Changes to the EPA Act to require statements of environmental effects for all developments and to deal with aspects of the lapsing of development consents.

The closing date for comments on the paper is 8 February, 2008.

An exposure draft of proposed legislation changes will be before parliament in March 2008 with the view to passing changes to legislation by May / June 2008.

Note: the discussion paper does not include and matters related to section 94 and developer contributions.

**The Board Resolved:**

To receive and note the report on the Discussion Paper on planning changes and that the matter be referred to individual councils for their responses to the Discussion Paper.

**Item 6.2 LGSA Campaign Regarding Developer Contributions and Planning Reforms.**

**Background**

On 14 August, the Planning Minister held a forum on planning reform, *New Ideas in Planning*, and set up a number of small groups to consider specific aspects of planning. He signalled that this would result in a discussion paper late 2007 to be followed by draft Bill to amend the *Environmental Planning and Assessment Act* in early 2008. The discussion paper *Improving the NSW Planning System* has now been released for comment (see item 6.1).

In advance of the promised discussion paper, the Minister announced reductions to the developer contributions required to be paid by developers in new release areas.

At the LGA Annual Conference in Coffs Harbour in October, the LGA foreshadowed and made a commitment to a campaign on planning reforms.

President of the LGA, Councillor Genia McCaffery called a meeting on 20 November for ROC presidents and Mayors from growth centres to discuss local government's response to announcements by the State government on reduction of developer contributions in new release areas and proposed planning reforms that are expected to be subject of a discussion paper to be released shortly by the Planning Minister and to discuss what action local government could take.

SHOROC was represented at the meeting by SHOROC Vice President and Mayor of Mosman Council, Cllr Denise Wilton, SHOROC Executive Director, Leta Webb and the Manager, Strategic Planning at Warringah Council, David Kerr.

A further meeting of the LGSA and ROC Executive Officers was held on 3 December, 2007 immediately following an information session on the discussion paper.

At the meeting of 20 November, 2007 the LGA President indicated that the proposed discussion paper was expected to be released soon after the Federal election. She indicated that it is likely that the paper will contain proposals with which Local Government is likely to agree, for example advances in ePlanning and other aspects with which Councils are not likely to agree, for example the scope of exempt and complying development, increased powers to private certifiers, a greater role for councils in regulating private certifiers, restrictions on what Councils can levy developers and restrictions on the quantum of section 94 levies.

In regards to the role of council in relation to private certifiers and likely changes to developer contributions, she pointed out that these are likely to involve further cost shifting to Councils.

### ***Developer Contributions***

At the meeting of 20 November, changes made to the levying of infrastructure changes in greenfield release area was presented by Judy Birrell from the Associations. While the presentation focussed on infrastructure charges in greenfield release areas there are policy aspects that may signal direction for section 94 and section 94A contributions.

State announced 30% reduction on State Infrastructure levy that was to fund 75% of new infrastructure costs and 42% decrease in local government levy. It was also noted that when the State introduced State Infrastructure Levy, the State introduced a levy for itself by reducing what local government could levy and now that the amount that can be levied in total has been further reduced, the greatest reduction is on the amount of developer contributions that can be levied by Councils.

In relation to the local government levy in Greenfield areas:

- section 94 and section 94A plans and timetables will now be approved by Minister, not the Council;
- funds collected will be held in trust by Treasury not individual Councils;
- funds collected must be spent within 7 years;
- funds can only be allocated to local roads; local bus infrastructure; local parks that service a development site or precinct; land and facilities that service a development site or precinct and land only for other community infrastructure and recreation facilities.
- (note that cost of providing facilities benefiting existing communities, including Council wide community and recreational facilities cannot be recovered via local contributions)

### ***Discussion points:***

It was pointed out that these restrictions in relation to place are likely to result in a proliferation of pocket parks at a time when most councils are moving towards larger parks and regional facilities.

The restrictions also raise questions about what will happen to section 94 plans that apply to infill development. If Councils are allowed to levy for land only this may

prevent Councils collecting funds to embellish facilities and upgrade facilities to permit more intensive usage.

The changes also raise questions about how Councils provide infrastructure that is currently provided by section 94. Most likely option may be some easing of rate cap by State. This is a form of cost shifting from developers to residents.

### ***Action and Campaign***

To date LGSA has written letters related to the haste in with which the planning reform agenda is progressing and the lack of meaningful consultation. It has requested briefing on changes to infrastructure funding and developer contributions.

The LGSA has written to Councils asking them for examples of infrastructure that their area will lose or not be able to fund if developer contributions are restricted in quantum and scope so that this information can be presented to the government.

LGSA staff are preparing media kits for Councils and materials that can be used in local campaigns. While the Minister and the Premier are focussing on their position that NSW is open for business, the focus of the LGSA campaign will be to protect and enhance the communities in which we all live.

On 20 November *Principles for Planning Reform – a Policy Platform* was released to promote constructive debate about planning in NSW ahead of the release of the State government's discussion paper.

LGSA provided details of letters and submission to date.

Discussion at the meeting raised a number of suggestions including:

- The preparation of a joint communiqué once the discussion paper comes out;
- The preparation of a letter for signature of Mayors that individual Councils would send to all ratepayers.
- The State opposition also needed to be targeted (they have been silent on planning changes and voted in support of previous changes such as Part 3A).
- That all councils contribute to the funding of a campaign.

The President stressed the importance of all Councils being involved and being united.

The meeting of 3 December, 2007 discussed a draft letter to be sent to the Premier and the possible uses of this letter e.g. placing a full page advertisement in newspapers. The LGSA would like as many Councils and ROCs as possible to sign the letter.

A copy of the draft letter was considered by General Managers at their meeting on 5 December. The General Managers were particularly concerned about the ramifications of likely changes to section 94 on Council finances and the provision of infrastructure. Comments made have been forwarded to the LGSA.

The LGSA is organising a meeting of all Mayors and General Managers as well as ROCs in January. This will allow Councils to consider the discussion paper prior to that meeting.

**The Board Resolved:**

That SHOROC support, in principle, the LGSA campaign opposing changes that will reduce the level and scope of developer levies and the control of funds raised by Treasury noting that section 94 has now become an integral part of Councils' planning and budgets for meeting the needs of current and future residents.

It was further Resolved that SHOROC sign the open letter to the State Government pending approval of the Pittwater Mayoral Minute at Pittwater Council's December meeting.

**ITEM 7            MATTERS SUBMITTED BY MEMBER COUNCILS**

**Item 7.1           Affordable Housing – as submitted by Pittwater Council**

***Background***

The recent Northern Beaches Affordable Housing Forum was jointly hosted by Rotary Club of Manly Sunrise and the Northern Beaches Mental Health Community Consultative Committee. The aim of the Forum was for participants to gain an understanding of the current housing crisis affecting not only the Northern Beaches but the country as a whole. Affordable housing affects the whole community including; Key workers, youth, older people, lower income earners, single parents, people with disabilities as well as people with mental illnesses alike.

Affordable Housing concerns low to middle income households that spend more than 30% of their income on housing costs (rent & mortgage payments). There are over 850 000 households in Australia who are affected and who are considered to be in housing stress. Locally there are approximately 12 500 households on the Northern Beaches who are in housing stress. In addition to this, the need for additional affordable housing stock was also substantiated by the urban Research Centre (University of Western Australia) and Centre for Affordable Housing (Housing NSW). Speakers at the Forum clearly identified the need for both Federal and State Governments to do more to address this Affordable Housing crisis. This is also a smaller but important role for Local Government to play in trying to address this crisis.

***Current situation***

Shown below are the current numbers of households within Manly, Pittwater and Warringah who are affected by housing stress. These figures have been taken from the 2006 Census. The solution to housing stress is a complex one that needs interventions from all levels of government as well as from the non-government sector. In light of these figures there is an urgent need to address the future availability of affordable housing stock for our Key Workers within SHOROC. If not addressed the number of key workers living within SHOROC will be greatly reduced therefore resulting in reduced availability of Key Workers within the essential service sector.

No of Households who spend >30% on Housing Costs (rental & mortgage)

	Weekly Income Ranges
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	>\$900	\$900 - \$1399	\$1400 - \$2099
Manly	1163	514	254
Pittwater	1240	865	578
Warringah	4189	2310	1407

Since 2000 Pittwater Council has been investigating a number of planning initiatives including accessory dwelling options. They are a self-contained dwelling, with a kitchen and bathroom that is subservient to the main dwelling. It is intended that accessory dwellings be limited in size (60sq m) and attached to the main dwelling. They are not subdivisible and so will increase the available rental stock in Pittwater. It is anticipated that some of the illegal flats in Pittwater may be able to be legalised under the accessory dwelling policy. Since January 2007 Council has been in negotiation with the Department to try to resolve this issue as the proposed draft definition could result in two large detached houses on one large lot, which does not achieve the objective of accessory dwellings of providing affordable accommodation. Council is continuing to seek a meeting with the Director-General but to date has not received a reply.

Cr David James spoke to this matter and also stressed the urgency of addressing the crises in our region with regard to affordable housing. He also suggested that the definition in the standard template of Accessory Dwelling be amended to allow "granny flats" in order meet this housing need.

**The Board Resolved:**

That SHOROC hold a workshop with the Centre for Affordable Housing – Housing NSW, in the first quarter of 2008, to examine further ways that local Councils can respond to the current crisis in affordable housing on the Northern Beaches.

**Item 7.2 Social Housing – as submitted by Pittwater Council**

***Background***

The recent Northern Beaches Affordable Housing Forum was jointly hosted by Rotary Club of Manly Sunrise and the Northern Beaches Mental Health Community Consultative Committee. The aim of the Forum was for participants to gain an understanding of the current housing crisis affecting not only the Northern Beaches but the country as a whole. Affordable housing affects the whole community including; Key workers, youth, older people, lower income earners, single parents, people with disabilities as well as people with mental illnesses alike.

In this context social housing is a term used to describe rental housing provided for people with low incomes that may have particular issues such as people with disabilities, Indigenous people and older people who often have specific housing needs that are not always able to be met in mainstream housing. In this definition we also encompass crisis and transitional housing for people going through crisis and transitional life issues, such as young people needing to move out of home due to family dissolution or women escaping from domestic violence. These groups are provided with homes through social housing i.e. public or community housing which is largely funded by government.

***Current situation***

At the Forum a number of Community Organisations presented, these were Mission Australia (The Fairlight Centre), The Burdekin Association Inc, Northshore Community Housing, Garrigal Housing Association and Churches Community Housing all of these organisations provide Social Housing. There are other organisations that provide social housing in the Northern Beaches such as the Salvation Army, and the Department of Housing.

It is apparent that these organisations are dealing with similar issues such as a lack of housing stock, working with clients going through life crisis so that they remain in their local community and can draw on their informal support networks. As a community it is essential that we do not isolate the disadvantaged in the community by being unable to provide them with suitable housing. It is also essential to acknowledge that to maintain a vibrant community a diverse community will all income ranges need to be represented.

It is clear there is a lack of overall coordination with Community Organisations and Local Government, this initiative aims to address this.

**The Board Resolved:**

1. That Item 7.1 and Item 7.2 be combined into a single working group consisting of representatives of all member councils. This working group should collaborate with local community organisations and key State government agencies to (i) identify the need in the Northern Beaches for social housing (ii) prepare a submission to the State and Federal governments for additional funding/resources to address the need.

2. That the working group prepare a draft submission to be presented for consideration by the SHOROC Board by August 2008.

**ITEM 8            GENERAL BUSINESS**

There was no General Business

**ITEM 9            TIME AND DATE OF NEXT BOARD MEETING**

To be advised