



# ISJO Board Papers

Friday 27 November 2020

9.30 am – 12.30 pm

Via Zoom

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## 1. Welcome & Acknowledgement to Country

To welcome Board and guests; and provide an Acknowledgement to Country.

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## 2. Attendees and apologies

Member Council voting delegates:

Wollongong City

Clr Gordon Bradbery, Chairman

Clr David Brown

Shellharbour City

Clr Marianne Saliba, Deputy Chairman

Kiama Municipal

Clr Mark Honey

Clr Kathy Rice

Shoalhaven City

Clr Amanda Findley

Clr John Wells

Member Council General Managers

Non-voting Delegates

Carey McIntyre, Shellharbour City

Kerry McMurray, Kiama Municipal

Stephen Dunshea, Shoalhaven City

Greg Doyle, Wollongong City

ISJO Affiliates

Paul Knight, Illawarra Local Aboriginal Land Council

Department of Planning Industry and Environment:

Regional NSW

Anthony Body, Director Illawarra Shoalhaven

Kirstan Fulton, Deputy Director Illawarra Shoalhaven

Department Planning, Industry & Environment:

Office of Local Government

Karen Purser, Manager Council Engagement Team

ISJO

Melinda Liberato, acting Chief Executive

Nikki Sartor, Office Administration Officer

Guests

The Hon. Bronnie Taylor MLC, Minister for

Mental Health Regional Youth and Women

Isabelle Gillespie, Policy Advisor for The Hon.

Bronnie Taylor MLC

Michele Adair, CEO, the Housing Trust

Adam Zarth, Executive Director, Illawarra

Business Chamber

Nigel McKinnon, Deputy Director – Illawarra

Shoalhaven, Regional NSW

Bruce Hopkins, Lifeguard Team Leader,

Waverley Council

John Stuart, Independent Financial Consultant

Apologies

Clr John Murray

# Board Papers 27 November 2020

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## 3. Presentations & Guests including Parliamentary Members

Parliamentary Members:

09.30 – 9.50 The Hon. Bronnie Taylor MLC, Minister for Mental Health Regional Youth and Women  
And Policy Advisor, Isabelle Gillespie

Presentations:

09.50 – 10.10 John Stuart, Independent Financial Consultant

10.10 – 10.30 Adam Zarth, Executive Director, Illawarra Business Chamber

10.30 – 10.50 Michele Adair, CEO, the Housing Trust (For pre-reading see attachment 3.1)

10.50 – 11.20 Bruce Hopkins, Lifeguard Team Leader, Waverley Council

11.20 – 11.40 Nigel McKinnon, Deputy Director – Illawarra Shoalhaven, Regional NSW

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## 4. Meeting Opening

### 4.1 Confirmation of previous minutes

Recommendation that the Board endorse the minutes of the meeting held on 24 September 2020.

### 4.2 Actions arising from previous minutes

Agenda Item	Action	Status
3.1	Lord Mayor to write to Minister Ward regarding issues with certain public housing estates within the region.	
3.2	Clr Marianne Saliba to work with Minister Ward regarding direct correspondence to the Minister for Police and Emergency Services in relation to the ESL increase.	
6.1.2	Acting Chief Executive to invite Wollondilly Shire Council to join ISJO and accept their offer of \$5000 for a second tier Program Associate Membership.	In progress
6.2.2	ISJO Board to explore with the General Managers, business models 4 and 5.	In progress
10.2	Lord Mayor to Liaise with acting Chief Executive to develop the meeting Agenda for the November Board meeting.	Complete

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## 4.3 Correspondence

Letter dated 18 November 2020 from the Office of Local Government re request for extension of time for the lodgement of Illawarra Shoalhaven Joint Organisation's 2019-20 Financial Statements (copy attached).

Recommendation that the information be received and noted.

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## 4.4 Consideration of Late Business

The ISJO Constitution allows for the consideration of late business if, at the commencement of the meeting, items are listed for possible discussion at the conclusion of tabled business and if there is general agreement by delegates that it is appropriate to discuss the matters on the day.

Recommendation that any items of late business be noted for later discussion.

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## 4.5 Declaration of Interest

In accordance with ISJO's Code of Meeting Practice and specifically Section 451 for the Local Government Act 1993, declarations of interest are required by Councilors and designated staff attending the meeting.

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## 5. Reports

### 5.1 Chair's minute

Recommendation that the information be received and noted.

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2020 has been a year of challenges. We have had fires, flood and then the impacts of COVID. I would like to take this opportunity to recognise the work of ISJO and the member Councils who have been able to meet all of these challenges in a responsive manner and who continue to deliver exceptional services to their communities. Much of which has been made possible through collaboration with, and support from, neighbouring councils.

Operationally, the ISJO has also been through a number of challenges. Our Chief Executive, Leanne Taylor, departed the organisation in September. Leanne helped create a solid foundation and direction for the ISJO. Despite this disruption, the ISJO has continued to deliver projects and create partnerships to create a confident, vibrant and productive Illawarra Shoalhaven. Our projects and service delivery are of the highest standard, with the Cross Regional Transport Forum and City Deals launch being major highlights. Yvette Barrs and her team's success has continued in 2020 with the ISJO winning the LGNSW Excellence in Environment Awards for benchmarking the value of resources in the Household Bulky Waste stream.

I want to congratulate and thank our staff for their continued efforts and their contribution in making the ISJO a successful and outcomes focused Joint Organisation. I would also like to thank Melinda Liberato and acknowledge her work as the acting Chief Executive Officer as well as the ISJO team. It is through Melinda's effort that the ISJO has been able to meet our statutory reporting deadlines.

As the year draws to a close I would like to thank my fellow Board members, the General Managers, ISJO staff and all who work collaboratively with the ISJO to create an organisation that delivers best practice outcomes for the people of the Illawarra Shoalhaven.

Clr Gordon Bradbery AM  
ISJO Chair

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## 5.2 DPIE - Regional NSW Update

Referred by: Anthony Body, Director Illawarra Shoalhaven

Attachments:

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Recommendation that the Board accept and note the report.

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### NSW Government Update

#### Department of Regional NSW (DRNSW)

- DRNSW is responsible for driving the NSW State Outcome of 'optimised recovery, community wellbeing and economic growth in regional NSW' through the four priority pillars of:
  - Economic Development;
  - Regional Youth;
  - Aboriginal Partnerships; and
  - Workforce Development.
- The Department of Regional NSW will deliver the NSW Government's \$100 million Regional Job Creation Fund (RJCF). The RJCF will support interstate and overseas businesses to establish or expand in regional NSW by providing grants of up to \$10 million. It will create jobs and support economic recovery in regional NSW
- Applications for the \$2 million Round Four of the PKCIF closed on 31 October. DRNSW received 32 applications requesting \$6.2 million in funding for projects which will activate, enhance and build community amenity in Port Kembla. An Evaluation Panel assessed applications on 23 November and successful projects will be announced following the assessment process.

#### Recovery and Resilience

- Recovery and Resilience Sub-Committee
  - The Sub-Committee met on 20 October to discuss governance arrangements and prepare a Recovery and Resilience Initiatives forward work plan.
  - The Work Plan is focused on three themes:
    - Resilience and preparedness
    - Continuing service delivery
    - Future investment strategy
  - A draft Work Plan is due to be tabled at the Illawarra Shoalhaven Leadership Executive meeting on 3 December for feedback and endorsement.
- Bushfire Local Economic Recovery Fund
  - The NSW Government has allocated \$11.75 million to projects in the Shoalhaven under the Bushfire Local Economic Recovery Fund:
    - \$8 million to deliver the southern component of the Shoalhaven Community and Recreation Precinct at Bomaderry, including upgrades at Artie Smith Oval and a community pavillion.
    - \$2 million for the Improving Resilience of Shoalhaven Power and Communications Project to deliver power and digital connectivity upgrades in bushfire-affected areas.

- \$1.75 million for 19 new boat berths at Ulladulla Harbour for commercial and recreational craft.
- Electric Highway
  - In collaboration with Canberra Region Joint Organisation, ISJO and relevant councils, DRNSW is coordinating a project to expand the availability of electric vehicle (EV) fast charging stations in Southern NSW.
  - This is designed to attract high-value visitors to the South Coast and boost the visitor economy, supporting the objectives of the NSW South Coast Marine Tourism Strategy.
  - Councils have identified indicative partnership opportunities and preferred locations for EV infrastructure. DRNSW and NRMA are exploring funding opportunities to progress this project.
- Nowra Riverfront Advisory Taskforce
  - An Advisory Taskforce has been established to drive the revitalisation of the Nowra Riverfront precinct and assist in fast-tracking the development of the site. The Taskforce will meet monthly to progress this project.
  - The Taskforce is co-chaired by DRNSW and DPIE. Membership includes the Hon. Shelley Hancock MP, Member for South Coast and the Hon. Gareth Ward MP, Member for Kiama, Fiona Phillips, Member for Gilmore and key government agencies including Transport for NSW, NSW Health and NSW Land and Housing Corporation.
- Hospitality and Tourism Centre of Excellence
  - Destination Sydney Surrounds South are developing a Bushfire Local Economic Fund application for the Hospitality and Tourism Centre of Excellence.
  - The Centre will facilitate targeted training to hospitality and tourism workers to better service high yield customers and facilitate higher tourism yield through high-end product development and investment attraction.
- EY Drop-In Centre
  - As at 6 November, the EY Drop-In Centres have supported 531 businesses in the Shoalhaven, Eurobodalla, Bega Valley and Snowy Monaro to access \$1,376,700 of government and non-government financial assistance.
  - The NSW Government committed an additional \$207,500 to extend the pilot to 31 December 2020 to assist more businesses in the bushfire affected communities.
- COVID-19 Grants
  - As at 9 November 2020, applications for the \$10,000 Small Business Support Grant and the \$3,000 Small Business Recovery Grant are now closed.
  - Total applications received across the Illawarra Shoalhaven are:



	\$10,000 Small Business Support	\$3,000 Small Business Recovery
Wollongong	1,026	714
Shellharbour	256	165
Kiama	156	118
Shoalhaven	797	549

- The NSW Government has also committed \$1 million under the COVID-19 stimulus program for improvement works at Warden Head Lighthouse reserve in Ulladulla.

## Illawarra Shoalhaven Leadership Executive

- The next Illawarra Shoalhaven Leadership Executive (ISLE) meeting is on 3 December. The meeting will include strategic discussions about:
  - Maximizing the impact of recovery and resilience activity in the Illawarra Shoalhaven;
  - Leveraging Government investment in workforce development to create sustainable employment opportunities; and,
  - Building strong partnerships between government and Aboriginal communities.
- Melinda Liberato is the ISJO representative on the ISLE.

## Workforce Development

- There is significant investment in skills and employment initiatives from all levels of government to support economic recovery from COVID-19. There are 3 key programs relevant to the Illawarra Shoalhaven;
  - **Skilling for Recovery:** The Skilling for Recovery program, led by Training Services NSW (TSNSW), is delivering immediate state-wide interventions to reskill displaced workers and support industries affected by COVID-19. Training Services has appointed a Skills Broker for the Illawarra Shoalhaven (Michelle Klohs), who will be responsible for upskilling displaced workers into job creating industries.
  - **Local Jobs Program:** The Local Jobs Program is a Commonwealth Government initiative that will bring together expertise and resources at the local level to focus on reskilling, upskilling and generating employment pathways for people in the region. An Illawarra South Coast Local Jobs Taskforce has been established to assess the employment barriers and assist to move people into training or jobs as quickly as possible. DRNSW is represented on the Taskforce.
  - **Regional Skills Framework:** DRNSW will partner with Training Services NSW and the Federal Department of Education, Skills and Employment to ensure these skilling initiatives deliver quality training and employment outcomes for people in regional NSW. DRNSW will coordinate and drive workforce development initiatives targeted at reskilling displaced workers, attracting new businesses to the region, and supporting young people and Aboriginal people.
    - For example, DRNSW is continuing to work with Training Services on the Local Government Infrastructure Skills Legacy Program pilot to design and implement interventions that will support local contractors and bolster workforce diversity in local government infrastructure projects.

## Regional Youth

- The final 2020 Regional Youth Taskforce was held in Dubbo on 11 October. The group discussed the impact of the COVID-19 pandemic on regional youth and explored strategies to support regional young people to be work-ready.
- Applications for the 2021 Regional Youth Taskforce have now closed with 6 applications received from Illawarra Shoalhaven.
- The Office for Regional Youth will review applications and provide a shortlist to Minister for Regional Youth, Hon. Bronnie Taylor MP. Minister Taylor will appoint and announce the final Taskforce members before the end of the year.

## Illawarra Shoalhaven Regional Plan 2041

- Minister for Planning and Public Spaces, the Hon. Rob Stokes MP, released the draft [Illawarra Shoalhaven Regional Plan 2041](#) for public exhibition until 17 December.
- It is the first of nine regional plans to be delivered and sets out a strategic vision for the Illawarra Shoalhaven's housing, employment, infrastructure and environmental planning needs for the next 20 years.
- Four themes guide the 30 objectives in the Regional Plan:
  - A productive and innovative region
  - A sustainable and resilience region
  - A region that values its people and places
  - A smart and connected region

## **NSW Government Announcements**

### NSW Budget

- A media release outlining the key highlights for the Illawarra Shoalhaven from the 2020-21 NSW Budget is attached, including:
  - \$10.1 million in 2020-21 (as part of a \$698.6 million project) for the new Shellharbour Hospital (State and Federal funded)
  - \$4 million in 2020-21 (as part of a \$438 million project) for the commencement of the Shoalhaven Hospital Redevelopment
  - \$4.5 million in 2020-21 (as part of a \$5.3 million project) for the Shoalhaven Sustainable Tourism Infrastructure Package
  - \$5.8 million in 2020-21 for the continued planning for the Kiama to Bomaderry Rail Capacity Increase

### Picton Road

- The NSW Government will allocate \$44 million in planning money for the duplication of Picton Road. The duplication of Picton Road is a key transport connectivity priority in the Western Sydney - Illawarra-Shoalhaven Roadmap to Collaboration. DRNSW has worked with the Illawarra Shoalhaven Joint Organisation, Illawarra Business Chamber and NSW Ports to advocate for its duplication.

### Regional Job Creation Fund

- On 25 October, the Deputy Premier announced the RJCF.

- The \$100 million RJCF will help businesses in engine industries to withstand the impact of drought, bushfires, floods and COVID-19 by co-funding regional projects that initiate or accelerate investment, create jobs and support economic recovery and resilience in regional NSW.
- Applications are now open and will close 14 May 2021 or when funding is fully allocated.

## WHIN Nurses

- The NSW Government has earmarked \$46.8 million over 4 years to assist in the expansion of the successful Wellbeing and Health In-Reach Nurse program (WHIN) which enables young people to have a confidential chat with a nurse at school. The WHIN program is a joint initiative of NSW Health and the Department of Education.

## Electorate Summaries

- DRNSW prepares a quarterly update on regional funding programs for the Kiama, Shellharbour and South Coast electorates.
- As at 30 September 2020, the total funding approved across all Regional Growth Fund programs is:
  - Shellharbour – \$8,161,189
  - Kiama – \$55,190,483
  - South Coast - \$19,563,709

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## 5.3 DPIE Office of Local Government Update

Referred by: Karen Purser, Manager Council Engagement Team

Attachments: Nil

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Recommendation that the Board accept and note the report.

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A verbal update will be provided by Karen Purser from the Office of Local Government.

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## 5.4 General Managers' Committee report

Referred by: Melinda Liberato, acting Chief Executive

Attachments: Nil

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Recommendation that the Board receive and note the report.

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A verbal update will be provided by the General Managers of each of the four member councils.

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## 5.5 Management Report of the acting Chief Executive

Referred by: Melinda Liberato, acting Chief Executive

Prepared by: Melinda Liberato, acting Chief Executive

Attachments: Nil

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Recommendation that the Board receive and note the report.

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### Background

#### 5.5.1 Western Sydney Illawarra Shoalhaven Cross Regional Transport Advisory Group

One of the outcomes of the abovementioned Cross Regional Transport Forum was the support to form a Cross Regional Transport Advisory Group with membership drawn from both Western Sydney and the Illawarra Shoalhaven. This Group comprises membership from ISJO – Clr Gordon Bradbery and Melinda Liberato; RDA Illawarra – Debra Murphy; Illawarra Business Chamber – Adam Zarth; NSW Ports – Greg Walls; Wollondilly Shire Council – Clr Matthew Deeth and Ben Taylor; Campbelltown City Council – Lindy Deitz and Kate Stares; Member for Wollondilly – Nathaniel Smith MP; and Regional NSW’s Director – Anthony Body.

This Advisory Group initially met in August to collectively agree on the key priorities required to enable cross regional transport connectivity for both passenger and transport movements. These are:

1. Master planning to develop an integrated transport plan to enable access to the Aerotropolis from Wollondilly/Macarthur and the wider region for both passenger and freight;
2. Picton Road duplication to motorway standard;
3. Wilton Interchange;
4. Mt Ousley Interchange;
5. SWIRL (otherwise known as Maldon-Dombarton rail line) for both freight and passengers
6. Orbital extension; and
7. Fast rail.

Following the announcement of the NSW Government allocation of \$44M funding for Picton Road duplication planning, the advisory group will now reconvene to revise transport priorities for our region.

#### 5.5.2 Illawarra Shoalhaven Regional Plan Review

Our region was the first in NSW to undertake a review of its Regional Plan and ISJO has actively partnered with DPIE’s Planning team to ensure that its member councils play a key role in providing input and support. Since December 2019, ISJO and its member councils have actively participated in fortnightly working group meetings to ensure the review incorporates each member council’s Local Strategic Planning Statement vision; as well as including a range of other factors relevant to our region. In addition to this, ISJO is actively involved in the Steering Committee guiding the review – which is chaired by Carey McIntyre, General Manager of Shellharbour City Council.

ISJO has partnered with DPIE’s Communications team to connect member council communications managers in the planning process for community engagement. Mayoral columns, newsletters and social media posts have been aligned across the region in providing information

to our community on how they can have a say by visiting the online engagement hub at <http://planning.nsw.gov.au/ISRP>

The draft Regional Plan is currently on exhibition and ISJO continues to work with DPIE's Communication team to support their community engagement process. The plan is due to complete exhibition on 19 December 2020.

### 5.5.3 Regional Cycling Strategy

ISJO has progressed the planning for a regional cycling strategy through partnering with Transport for NSW's Regional Planning team who are working on a range of multi-modal transport plans for the Illawarra Shoalhaven region. There has been a sharing of research including that undertaken by our member Wollongong City Council who has recently developed the Wollongong Cycling Strategy 2030 (which is currently out on exhibition). This partnership will enable all regional cycling plans, whether it be undertaken by the state government, local government or ISJO to be in alignment and designed to support the intent of all.

Planning has commenced to deliver the outcomes of the grant lead by Greg Doyle on behalf of ISJO.

### 5.5.4 Planning for the Princes Highway to be the first e-highway in NSW

ISJO and the Canberra Region Joint Organisation (CRJO) have partnered with the NSW Government's Regional NSW and the NRMA to explore the potential for an additional 20 electric vehicle charging sites along the Princes Highway, making it the first e-highway in NSW. The NRMA have undertaken research on the uptake of electric vehicles over a 10 year timeline which shows compelling data and provides a strong foundation for this initiative.

Each member council has identified potential sites to accommodate the target of 20 additional sites along the Princes Highway. It is estimated that \$5m in funding will be required from the NSW to complete this ambitious target. Planning for stage 1 of the funding is underway between the CRJO and the NRMA.

### 5.5.5 Smart Regions Co-operative Research Centre (CRC) Bid

The Illawarra Shoalhaven Joint Organisation and its member councils have partnered with the Smarter Regions CRC as an innovation showcase region through in-kind contribution, in a bid for funds from the Federal Government's CRC Program that involves 35 companies, 11 universities, Artesian Capital and 13 "Showcase Regions" from across Australia. Partners have committed \$90M in cash and \$156M in-kind making it one of the largest such bids in the Program's history.

Regretfully, the collaborative has been unsuccessful at the completion of stage two. The group will now reconvene and assess other avenues in order to gain funding.

### 5.5.6 Water Sensitive Urban Design

ISJO has engaged Water Sensitive Cities Index providers, Alluvium and Mosaic Insights to develop a water sensitive communities benchmarking and transition strategy for the region. The process is based on the benchmarking framework developed by the national Cooperative Research Centre for Water Sensitive Cities. The benchmarking is a key component of the first and second stages of the regional project generating an understanding of where are positioned in comparison with other regions; sharing regional case studies; and regional capacity building.

Consultation via several workshops with the four participating member Councils has now been completed successfully. Alluvium and Mosaic Insights are now finalising their report for distribution. A presentation will be provided at the next board meeting in the New Year.

## 5.5.7 Recovery and Resilience

The Illawarra Shoalhaven Joint Organisation recently participated in the Recovery and Resilience Sub-committee meeting on 20 October. The purpose of the sub-committee is to develop a Work Plan with a strong focus on the following themes:

- Resilience and preparedness
- Continuing service delivery
- Future investment strategy

A draft Work Plan is due for completion on 3 December 2020.



## 6. Matters for Strategic Decision Making

No items for Strategic Decision Making.

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## 7. Matters for Board Endorsement

### 7.1 Board and General Managers meeting calendar

Referred by: Melinda Liberato, acting Chief Executive

Prepared by: Nikki Sartor, Office Administration Officer

Attachments: Proposed ISJO Board and General Managers Meetings 2021

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#### Recommendation

That the Board:

1. Receive and note the report.
  2. Endorse the Board and General Managers meeting calendar for 2021.
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#### Background

As is the case for ISJO board meetings, it is a requirement to set the dates for up and coming meetings.

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## 7.2 ISJO Financial Statements – Referral for Audit

Referred by: Melinda Liberato, acting Chief Executive

Prepared by: John Stuart – Independent Consultant

Attachments: Annual Financial Statements

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### Recommendation

That the Board:

1. Receive and note the report.
  2. Endorse the Financial Statements for audit.
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### RECOMMENDATION

That ISJO:

1. That pursuant to the provisions of Section 413 of the Local Government Act 1993, ISJO hereby declares that it has prepared the General Purpose Financial Statements for the 2019/2020 financial year ending 30 June 2020 and has formed an opinion, based on the advice of ISJO officers, that these reports;
  - (a) Have been prepared in accordance with;
    - (i) The Local Government Act 1993 (as amended) and the Regulations made thereunder;
    - (ii) The Australian Accounting Standards and professional pronouncements; and
    - (iii) The Local Government Code of Accounting Practice and Financial Reporting.
  - (b) Present fairly the operating result and financial position of the Illawarra Shoalhaven Joint Organisation for the year ended 30 June 2020; and
  - (c) Accords with ISJO's accounting and other records and policies.
2. That the General Purpose Financial Statements be certified by the Chairperson, Voting Representative Board Member and Acting Chief Executive Officer, in accordance with Section 413(2)(c) of the Local Government Act.
3. That pursuant to the provisions of Section 413 of the Local Government Act 1993, ISJO hereby declares that the General Purpose Financial Statements for the year ending 30 June 2020 be referred for audit.
4. That the Acting CEO be authorised to issue the financial statements and forward them to the Office of Local Government upon receipt of the audit reports.

### PURPOSE

The purpose of this report is to address the requirement for ISJO and management to make a statement as to the preparation and content of the General Purpose Financial Statements prior to their referral for audit.

### SUMMARY

This report is submitted to ISJO for its endorsement and referral of the Draft 2019/2020 Financial Statements to Council's external auditors, Deloitte, who perform the external audit as a contractor for the NSW Audit Office.

This report details the process for Council to adopt the 2019/2020 Financial Statements, including advertising them, placing them on public exhibition for public comment, issue of the final set of Financial Statements, and receipt of the Auditor's reports.

The auditors will commence audit testing in early December and have set aside 1 week to complete the work. They will need to access both Kiama Municipal Council and Essential Bookkeeping Services records to undertake the task.

Should the audit show a material difference from the attached draft, this will be incorporated into the final set of Financial Statements that will be presented back to the Board at the next meeting. The Audit Office requires the external auditors to report all changes between the Draft Statements and the Final Statements.

## BACKGROUND

As prescribed under Section 413 of the Local Government Act 1993, ISJO is required to consider and resolve to refer the 2019/2020 Draft Financial Statements for audit as soon as practicable after the end of the financial year.

In accordance with section 418 (2) of the Local Government Act 1993 the full set of audited Financial Statements, including the Auditor's reports, must be presented to will be presented to the public within 5 years of receiving the audit report.

The financial statements differ significantly from those previously presented as ISJO must now comply with an adopted Code of Accounting. There are also some significant new accounting standards that become operative from 1 July 2019. These include;

- An adjustment to the opening accumulated surplus and creation of a contract liability for all unspent grants from 2018/19 that have performance obligations in the contract. In ISJO's case, that is almost all grants, this adjustments at 1 July was [REDACTED]. When the funds are subsequently spent, [REDACTED] in 2019/20, there is a transfer from the liability to income which means that income will be recorded in both years some the same funds. This may sound unusual however it is what the standards required. Any grants received but unspent in the current year are also recorded as a contract liability, the balance at 30 June 2020 was [REDACTED] and these funds have also been externally restricted in note 7c.
- Creation of a Right of Use Asset and Lease Liability for the lease over the Terralong Street property. Under the new lease standard, the value of the lease has to be bought in as a liability for the remaining life of the lease including any extension options that are likely to be taken up. In ISJO case this was [REDACTED] When the rental payments are made these are then charged against the lease liability. The Right of Use Asset is also depreciated over the remaining life of the lease.

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## 7.3 ISJO Annual Performance Statement

Referred by: Melinda Liberato, acting Chief Executive

Prepared by: Melinda Liberato

Attachments: Draft Annual Performance Statement

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### Recommendation

That the Board:

1. Receive and note the report.
  2. Endorse the Illawarra Shoalhaven Joint Organisation 2019-20 Annual Performance Statement.
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### Background

As is the case for all NSW Councils, Joint Organisations are required by the Office of Local Government to prepare an Annual Report each financial year detailing its governance and performance outcomes according to a set list of criteria. This year the due date for lodgement of the Annual Report was Friday 29 November.

### Current Situation

Attached is an electronic copy of the ISJO Annual Performance Statement for 2019-20.

An electronic copy will be lodged with the Office of Local Government on 30 November 2020 and also be uploaded to the ISJO website on the same date.

## 8. Matters for Noting

No Matters for Noting.

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## 9. Late Business item

## 10. Next Meeting

The next scheduled meeting for 2021 will be held on Friday 26 February at a venue to be advised.

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