

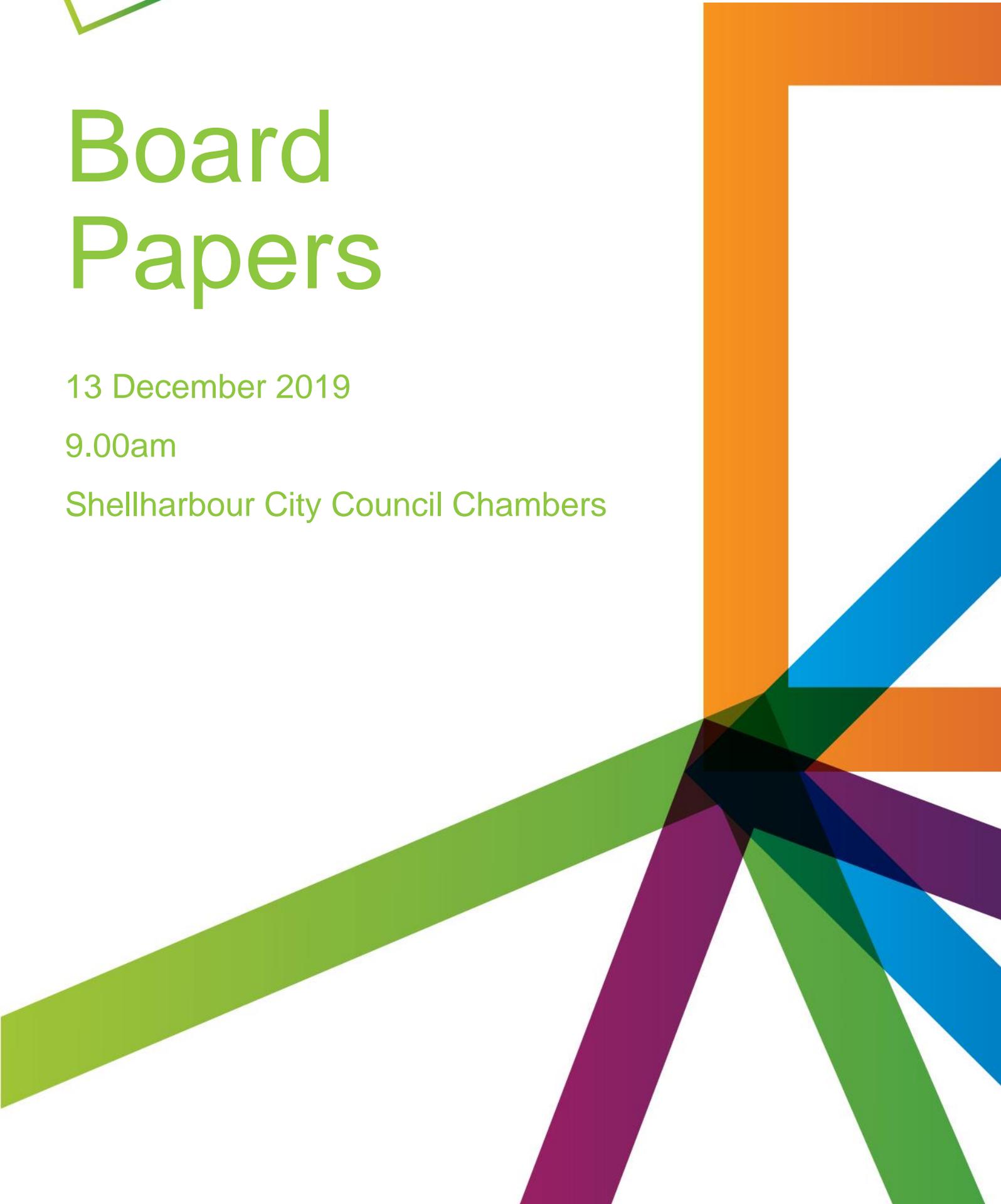


# Board Papers

13 December 2019

9.00am

Shellharbour City Council Chambers



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## 1. Welcome & Acknowledgement to Country

The Chair, Clr Gordon Bradbery to welcome attendees and 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

Clr John Murray

Kiama Municipal

Clr Mark Honey

Clr Neil Reilly

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

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

Elizabeth Dixon, Council Engagement Manager

ISJO

Leanne Taylor, Chief Executive

Tracey Maguire, Executive Assistant

Guests

Apologies

Clr Neil Reilly

## 3. Presentations & Guests including Parliamentary Members

Each General Manager to discuss an idea/issue/opportunity/challenge confronting their LGA that has a regional impact. This will be followed by a Board discussion.

## 4. Meeting Opening

### 4.1 Confirmation of previous minutes

Recommendation that the Board endorse the minutes of the meeting held on 19 September 2019 hosted by ISJO at Parliament House.

## 4.2 Actions arising from previous minutes

Agenda Item	Action	Status
4.2.3	IDWA Aerial Spraying specialist report	Draft report received, Management Committee reviewing, presentation on outcomes to ISJO February 2020 Board Meeting.
6.1.2	ISJO Business Model	Reviewed at General Managers' Committee meeting – outcomes documented in Section 5.4 below.
6.2.2	OLG Capability Grant Fund	Reviewed at General Managers' Committee meeting – outcomes document in Section 5.4 below.
6.3.5	Roadmap to Collaboration resourcing	Reviewed at General Managers' Committee meeting – resourcing is being sought through OLG Capability Grant Fund.
6.4.4	South Coast Councils Forum	Postponed to early 2020.
7.1	ISJO's Financial Statements FY 18/19	Out of session meeting held on 26 September where approval to release statements to external auditors was given.

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## 4.3 Correspondence

Nil

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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 Councillors and designated staff attending the meeting.

## 5. Reports

### 5.1 Chair's minute

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#### Recommendation

That the information be received and noted.

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As the year draws to a close I want to take the opportunity to thank all of you for your commitment to making a difference to our region. Having a committed and effective Board is so important in guiding the strategic direction of our Joint Organisation. As you will see in our latest Annual Report, ISJO's first year of operating as a local government entity has been fruitful with five regional strategies being delivered. One of the keys to these achievements is our strong partnership with the State Government. These strategies provide a platform for greater cross regional partnerships which not only delivers regional outcomes but strengthens our position with government policy and decision makers. I encourage you to read ISJO's 2018/19 Annual Report as it provides a good summary of our strategic focus and achievements to date.

Year end is a time for reflection, and in my capacity as ISJO Chair I am proud to have championed the region in many ways. I have participated actively in the State Government's Joint Organisation Chairs Network where all 13 Chairs meet quarterly to influence State Government decision makers; represented the region, along with our Chief Executive, on the Minister for Local Government's Joint Organisation Advisory Group to ensure the long term sustainability of the Joint Organisation model; Chaired the State Government's Illawarra Shoalhaven Coordination and Monitoring Committee which governs the delivery on the Illawarra Shoalhaven Regional Plan; and represented the region on a range of other regional stakeholder committees including Illawarra First on transport infrastructure issues.

Most recently I have represented the region and Wollongong City Council in a partnership with the City of Newcastle and The City of Greater Geelong in developing the Gateway Cities Report which was launched at Parliament House on 25 November 2019. I believe the Gateway Cities Report is a significant start to solving the population pressures experienced in greater Sydney and Melbourne and clearly demonstrates a model to enliven regions such as the Illawarra Shoalhaven. The Gateway Cities model closely aligns with the recently released Western Sydney Illawarra Shoalhaven Roadmap to Collaboration where our region will be providing workable solutions to the population and infrastructure challenges being faced by the growth of Greater Sydney.

Best wishes for a Merry Christmas and Happy New Year!

Clr Gordon Bradbery AM  
ISJO Chair

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## 5.2 Department of Planning Industry and Environment update

Referred by: Anthony Body, Director Illawarra Shoalhaven, Regional NSW

Attachments: N/A

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### Recommendation

That the Board accept and note the report.

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### NSW Government Update

#### Illawarra Shoalhaven Sports Infrastructure Plan

- On 27 November, Office of Sport circulated the final draft Illawarra Shoalhaven Sport Infrastructure Plan for review. The relevant Recreation Manager contacts from each council have received a copy. Office of Sport is seeking feedback by 20 January.
- This is the region's first Sport Infrastructure Plan and is aligned to the Illawarra-Shoalhaven Regional Plan and the Illawarra-Shoalhaven Sport and Active Recreation Plan 2018.

#### Illawarra Shoalhaven Regional Plan Refresh

- The Illawarra Shoalhaven Regional Plan is being reviewed. The Minister for Planning and Public Spaces has committed the revised Plan will be released by end of 2020.
- The review is likely to have a strong focus on places, resilience, and sustainability with an emphasis on integrating land use planning with economic development.
- Department of Planning will be working in close partnership with local government and ISJO on the review.
- Community consultation is anticipated for June / July 2020 with social media messaging earlier in the year to engage and capture community voices in the refresh.

#### Office of Regional Youth

- The Regional Youth Taskforce has been established, comprising 18 young people (12-24 years) from across the state, with 2 from each region. The Illawarra Shoalhaven representatives are Amanda Reid (Kiama) and Lachlan Page (Ulladulla). The group is a diverse mix of youth including gender, LGBTQ and cultural background. The first meeting was held 12-13 October with the Minister for Regional Youth, the Hon. Bronnie Taylor and was a great success.
- The Regional Youth Framework is close to being finalised. It is a comprehensive and coordinated approach to supporting young people based on four pillars – wellbeing, work ready, connectivity and community. The Framework will be supported by a 10-year Regional Youth Action Plan.
- Regional NSW is using the upcoming budget process to seek funding to deliver this work. We are continuing to work with Treasury and the Minister's Office to submit the budget big and Cabinet Submission.
- Round 3 of the Stronger Country Communities Fund is now closed (\$50k allocated to youth projects). We received the following youth applications from the region: 7 in Kiama, 8 in Shellharbour, 19 in Shoalhaven. A total 1276 applications were submitted across the state. Funding announcements are due early 2020.

# Board Papers 13 December 2019

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- Anthony Body is the Regional NSW Director responsible for driving the Regional Youth Framework across the state.

## Mining Skills Hub

- Regional NSW is working with Training Services NSW, Education, University of Wollongong and industry (SIMEC, South32, Hume Coal) to pilot a Mining Skills Hub in the Illawarra to attract future workforce into the underground coal mining sector.
- There are four streams being developed:
  - School Outreach and Work Readiness program – to promote mining sector opportunities and prepare students for work experience/employment.
  - School Based Apprenticeships and Traineeships - combines paid work, training and school. Participants receive credit towards their HSC.
  - Partial Qualifications – working with Illawarra YES to co-design a pre-employment program targeted to the requirements of entry level positions.
  - Scholarships – facilitating ‘Work integrated’ Bachelor of Engineering scholarships at the University of Wollongong (UOW).
- Training Services NSW will coordinate school outreach days at two host schools (Keira High School and St Mary’s) to the target cohort (Years 10, 11 and 12) in Term 1 2020, with the complementary streams being delivered from Term 3.

## Drought

- The Office of Drought Response has been established. Previously, drought had largely been a farm issue – but it has now reached beyond the farm gate and is impacting people and businesses across the state.
- NSW Government has broadened its focus, with three priorities:
  - Water security
  - Community and business
  - Farms and primary production
- The Office of Drought Response, led by Coordinator-General Gary Barnes, will coordinate support for these three priorities across government.
- Regional NSW’s Anne Muir is represented on the South East Drought Task Group that reports into the Office of Drought Response.

## Illawarra Shoalhaven Leadership Executive

- The Illawarra Shoalhaven Leadership Executive (ISLE) met on 22 November 2019.
- Leanne represented ISJO and presented on the Roadmap to Collaboration, seeking agency buy-in and commitment to participate in key actions e.g. Transport Forum on road and rail connectivity in early 2020.

## NSW Government Announcements

## Stronger Country Communities Fund

- Round 3 of the Stronger Country Communities Fund is now closed. A total 34 applications were submitted across the region. Announcements are due early 2020. This round will have both general amenity element as well as Youth Focus. This round was open to the NGO sector, NSW Government as well as local Government.

## Marine Tourism

- There have been several very significant funding announcements in regards to marine tourism and harbor activation in recent months.
  - \$6.5 million under Regional Growth – Environment and Tourism Fund awarded to Reflections Killalea Reserve to deliver new and upgraded facilities to Killalea Reserve Holiday Park including the development of a 200-seat multifunction facility, 15 luxury eco-cabins, 53 full-serviced campsites, a playground, walking trails and outdoor recreational equipment.
  - \$5.3 million under Regional Growth – Environment and Tourism Fund awarded to Shoalhaven City Council to enable foreshore walk upgrades, beach and walking track access, park and beach amenities, playground upgrades, carpark upgrades, and interpretative signage.
  - \$28 million for Round 3 of the Boating Now Program to improve maritime access and safety at facilities across NSW. An information session was held in Wollongong on 21 November and Expressions of Interest opened in late October. Formal applications will open in early 2020.
- We have also made progress on harbour master planning along the coast.
  - Wollongong – the Wollongong Harbour Master Plan is has been approved and Crown Lands are moving to procure and commence remediation s well as other proposed works. They will continue to liaise with key stakeholders in the delivery of this project
  - Kiama - \$200,000 has been committed to deliver the Kiama Harbour Master Plan. The Marine Infrastructure Delivery Office (MIDO, led by Andrew Mogg) will coordinate this project, which commenced with the establishment of steering group 9/12 including representatives of MIDO, DPIE, Kiama Council, Crown Lands.

## Kiama Aged Care Centre of Excellence

- On 22 November, the Kiama Aged Care Centre of Excellence was officially opened. It is a Premiers Priority Infrastructure Project and the largest building works project by a regional council at \$106M with co-funding from NSW & Federal Governments.
- Congratulations to all involved, and special thanks to Kiama Council.
- The Centre comprises of an aged care home for 134 residents and 58 independent living units. The aged care wing includes two dedicated dementia homes. The construction project saw 2,000 staff work on the project and will create 120 new ongoing jobs.

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## 5.3 Department of Planning, Industry & Environment update

Referred by: Elizabeth Dixon, Council Engagement Manager

Attachments: Nil

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### Recommendation

That the Board accept and note the report.

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National Redress Scheme – for people who have experienced institutional child sexual abuse

- The Commonwealth Minister for Social Services will ‘declare’ the updated list of participating NSW government institutions (including local government) this month. The Scheme will run for 10 years.
- Only 1.2 per cent of reported cases of abuse have happened at council owned or run facilities
- The State Government will cover the cost of the redress payments and counselling. Councils will be asked to cover costs associated with searching of council records and any direct personal response (apology) if requested by the survivor.
- If your staff have any questions – please just ring or email me and I will help them.

Crown lands and Native Title Training (3 December + E learning Module)

- All ISJO Councils have a nominated Native Title Manager. If you require further staff to attend training the last available training this year is in Sydney on 3 December. Places are limited.
- Crown Lands have advised that it is currently considering the 30 June 2021 deadline for POMs, following extensive feedback from councils that the deadline is unrealistic. I expect we will know more about this in the new year and will advise councils when we can.
- As for the funding, the consensus view from councils across the State is that the \$7 million funding provided to date will not meet the costs incurred by councils in developing POMs. However, the Government has made clear that this was only ever intended to be a contribution to costs and that it does not intend to provide any additional funding for the development of POMs. They are however looking at ways to reduce the number of required public hearings.

Women in LG Awards

- The Minister will shortly open nominations for the Women in LG Awards. Please encourage your council to nominate some of your amazing staff and councillors for these awards. There will be a range of new categories and the event will involve a cocktail party (rather than the usual morning tea).

Pecuniary Interests – issues arising for LSPS and LEP discussions

- Some of the accelerated metro councils have tried to consider their LEP and then found they can’t get a quorum due to numerous councillors disclosing a pecuniary interest.
- Councillors may be prevented from participating in consideration of a Local Environmental Plan, Development Control Plan or if applicable their Local Strategic Planning Statement, due to the existence of pecuniary or significant non-pecuniary interests. This could result in councils being unable to form a quorum. Councils have the capacity to seek exemptions from the Minister for pecuniary interests under s.370A of the LG Act & Part 4.38(a) of the Model Code of Conduct for Local Councils in NSW (Model Code) and for significant non-pecuniary interests (Part 5 (a) of the Model Code).

- There are also provisions in the Model Code for councillors to seek exemptions they consider it would be in the public interest for them to participate. See 4.38(b) of the Model Code and 5.21(b) of the Model Code.
- In circumstances where a council may not be able to for a quorum, as discussed, councils should consider as an alternative to seeking exemptions, if they can:-
  - split up the components of a Local Environmental Plan, Development Control Plan or if applicable their Local Strategic Planning Statement into sections, to enable the Council to maintain a quorum without the need to seek an exemption from the Minister
  - delegate their powers to determine the Local Environmental Plan, Development Control Plan or if applicable their Local Strategic Planning Statement to another body or person as provided for by Part 4.35 of the Model Code.

Please note, if the Minister was to decide to grant exemptions to any councillor, that exemption would be limited to specific interests identified in the councillor's application. This means that if a councillor's circumstances were to change and they have an additional matter in which they have a pecuniary interest or significant non-pecuniary interest, they would need to disclose that interest where appropriate and not take part in consideration of the matter, or reapply to the Minister for an exemption, to address their changed circumstances.

Councillors should be reminded to consider whether they might require an exemption from the Minister to remove their significant non-pecuniary interest liabilities, as referred to in Part 5 of the Model Code.

If any councillor wishes to seek an exemption from their pecuniary and significant non-pecuniary liabilities, they need to complete a form and return it to OLG along with a copy of the Councillor's current return. This process does not necessarily have a quick turn-around.

Hopefully this won't be an issue for ISJO Councils, but just thought I should flag it as it seems to be cropping up as an issue for others. By way of good examples – Canterbury Bankstown has done some really proactive work to appoint an independent Probity and Governance Referee to assist Councillors in navigating through their statutory obligations – they are happy to share if others are interested in this approach.

## Governance

- reminder there are 'at a glance guides' on the website
- OLG is also currently preparing a procedural guide for managing code of conduct complaints as well as a guide for respondents.

## 5.4 General Managers' Committee report

Referred by: Leanne Taylor, Chief Executive

Attachments: Nil

### Recommendation

That the Board:

- 1 Receive and note the report
- 2 Endorse the 2020 Calendar of Board meeting dates

### Background

The General Managers' Committee met on Thursday 28 November with the following outcomes:

#### 5.4.1 Results of GM Think Tank

The notes from the GM Think Tank held on 27 September were reviewed and endorsed as an accurate copy. Here is a summary of the outcomes:

#### What Does Success Look Like for ISJO:

- Advocacy for regional project funding – focussing on the top 3
- Regional approach preferred to single LGA
- Councillor engagement and buy in, ie knowledge of ISJO and working with ISJO
- Enterprises – choose 1 and build from there
- Efficiencies and improved service delivery

#### What is ISJO's Value Proposition to Member Councils:

- Regional Collaboration

#### What will ISJO look like in 5, 10 years:

- Advocacy and Regional Leader

#### What are our Priorities, Capabilities, and Timeframes:

Opportunity	Capability (High, Medium, Low)	Priority (H, M, L)	Timeframe (2020, 2021, 2022, 2023, 2024)
Regional Leadership and Strategic Advocacy	High (SD) Medium (CM) High (GD) (Resourcing and capacity)	High	Immediately
Associate Members and Affiliates	High	High	2020
Cross regional partnerships	High	High	2020
Events/Forums	High - linked to member council resourcing	Med	2020

Regional Tourism	Low	Low	2024
Targeted Regional Research	High (member councils and IRIS input)	High	ongoing
Regional Procurement	ISJO – Low Enhancement for Member councils - high	High	2020
Regional Recycling Facilities	Low	Low	2024
Regional Consulting Services (eg grant, heritage, native title, internal audit)	Subject to business case Define service or specialist	Med	2021

These outcomes were used to determine the projects that fit with the Office of Local Government’s \$150,000 Capability Building Grant Fund. The projects that were endorsed by the General Managers were:

Strategy	Actions
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#### 5.4.2 Regional Member Council secondments

A workshop will be facilitated by ISJO for all GMs and their Directors in February 2020 with the aim of developing a regional model to manage secondments.

#### 5.4.3 ISJO’s 2018 – 19 Annual Report

The draft document was endorsed for publication on 29 November 2019 to meet legislative requirements.

#### 5.4.4 ISJO’s Staffing and Resourcing

The Chief Executive proposed changes to the organisation chart to ensure delivery of the priorities that came out of the GM’s Think Tank. The proposal was endorsed and is further scoped in a business paper to follow for Board consideration.

#### 5.4.5 ISJO 2020 Calendar

The General Managers reviewed the following calendar and recommended it to the Board for endorsement.

Committee	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Board		21		24		26			24		27	
General Managers Formal meetings		13		16		18			17		19	

#### 5.4.6 Guest presentation – Nigel McKinnon, Deputy Director Regional NSW, DPIE

Nigel McKinnon discussed the Australian Government’s National Hydrogen Strategy which was released in November 2019. There is an opportunity for the region to support this emerging renewable energy source given Port Kembla has been identified as one of the potential locations for this to be explored. Further work needs to be undertaken to better understand the opportunities this presents to the region.

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## 5.5 Management report of Chief Executive

Referred by: Leanne Taylor, Chief Executive

Attachments: Nil

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### Recommendation

That the Board note the Report.

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The period since our September Board meeting has seen the following outcomes achieved:

#### 1.1.1 ISJO Staff Changes

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED] has been seconded for 3 days/week from Wollongong City Council (for a period of up to 5 months) to support the Chief Executive in the work previously undertaken by [REDACTED] as well as other strategic projects. [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

#### 1.1.2 ISJO's Regional Waste Program

[REDACTED], a PhD Intern from the University of Wollongong, has been engaged to undertake a regional research project with ISJO for the next 6 months. The research is focused on the Illawarra Shoalhaven's circular economy to better understand regional demand for recycled waste streams. This research will deliver the evidence required to develop future regional strategies to divert identified waste streams from landfill; develop strategies for regional recycling; and strengthen our manufacturers' supply chains to include recycled material. One of the waste streams being explored is plastic film that is commonly used to wrap components used in manufacturing.

#### 1.1.3 Illawarra District Weeds Authority (IDWA)

A draft report on the external review of the aerial spraying of bitou bush using glyphosate has been received and is currently under review by members of the IDWA Management Committee. A final version of the Report is scheduled to be finalised at a Management Committee meeting in late January. The findings and recommendations will be presented by consultants Wild Matters at the February ISJO Board meeting.

#### 1.1.4 Regional Procurement

A meeting was held with Member Council General Managers and their Chief Financial Officers on 23 September to review the outcomes of the regional procurement program and determine the future direction for the program. As a result the following strategies will be the future focus:

- A Regional Procurement Manager position be created and funded by the annual LG Procurement Rebate.

- High value contracts to be procured using existing member council resources, coordinated by ISJO.
- ISJO to audit member council contracts and communicate opportunities for savings to all procurement teams. A percentage of the savings from this approach would be paid to ISJO.
- ISJO to develop strategies for member councils to implement a regional contractor management and induction strategy.
- ISJO to develop regional strategies for a GM/Industry round table and Buy Local Program (leveraging off the work commenced at Wollongong City Council).

#### 1.1.5 New Grant Funding – Increasing Resilience to Climate Change Round 2 Grants

ISJO has been granted \$224,800 from LGNSW/DPIE for a 2 year Project titled 'Enabling Water Sensitive Urban Communities'. This project will leverage the potential of Water Sensitive Urban Design (WSUD) to improve the climate resilience of catchments, waterways and people across the Illawarra Shoalhaven. The project will develop a WSUD Policy, model DCP chapter, and build the necessary capacity among council staff to embed policy in practice across ISJO's four member Councils.

A part time Program Manager will be recruited in January 2020. Representatives drawn from each member council will form a Management Committee to provide oversight of project delivery.

#### 1.1.6 City Deals Regional Committee

RDAL have progressed the scoping out of the Wollongong City Deal project where a number of regional stakeholder meetings have been held and attended by both myself and Wollongong City Council's General Manager and Director Community Services. The project is now exploring key messaging for advocacy.

#### 1.1.7 JO Chairs Meeting

The latest meeting was held on 31 October at NSW Parliament House. The Agenda included an update from OLG (Your Council website launched, Intergovernmental Agreement Signed, Ministerial Advisory Group re-established, summary of OLG consultation and policies under development) and LGNSW; elected a Chair and Deputy Chair for the next 12 months (previously the role was rotated from meeting to meeting) with Canberra Region JO Chair Clr Rowena Abbey being elected Chair and Riverina JO Chair Clr Rick Firman being elected Deputy Chair.

#### 1.1.8 JO Advisory Meetings

The latest meeting was held on 31 October with ISJO Chair Clr Gordon Bradbery Chairing. A review of all 13 JO regional priorities has identified four that are common across the state: Transport, Jobs/Infrastructure, Water and Waste. Each priority has now been delegated to the four JOs participating on the Committee (ISJO, CRJO, NamoiJO and NRJO) to provide feedback to the Minister for Local Government on: opportunities that JOs can do that previously hasn't been possible; models for governance; stakeholders; and potential funding streams. ISJO has the responsibility for scoping out the Jobs/Infrastructure priority for the 17

December meeting. A state wide JO communications strategy has now been developed where case studies from the 13 JOs will be compiled and distributed to Ministers and State Government Department Heads. A review of the JO funding model has also commenced where existing revenue streams for all 13 JOs is being documented for future review.

### 1.1.9 Illawarra Investment Showcase

ISJO joined with other regional stakeholders in partnering with DPIE's Regional NSW (Illawarra Shoalhaven team) to run an event on 12 November 2019 showcasing 10 key employment precincts across the Illawarra Shoalhaven to key NSW Government decision makers. These 10 employment precincts included: UOW's Innovation Campus; Port Kembla Trade Hub (Bluescope Steelworks and Coregas Hydrogen facility); Tallawarra Business Park Precinct; Shellharbour Airport Technology Park Precinct; Bombo Quarry Redevelopment Precinct; Flinders Industrial Estate Precinct; and Albatross Aviation Technology Park Precinct. Events such as this showcase are important in raising awareness of the region's opportunities so that key government decision makers see first-hand what the opportunities to the state and the funding requirements are.

## 6. Matters for Strategic Decision Making

### 6.1 Operational Restructure (Confidential)

Referred by: Leanne Taylor, Chief Executive

Attachments: Nil.

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**Confidential paper**

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## 7. Matters for Board Endorsement

### 7.1 ISJO Audited Financial Statements

Referred by: Leanne Taylor, Chief Executive

Attachments: A – ISJO Financial Statements FY 2018-19

B – Audit Office Report on Conduct of the Audit

C – Audit Office Report on Engagement Closing Report

D – Audit Office Report on Independent Auditor's Report

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#### Recommendation

That the Board:

1. Endorse the Reports on the External Audited Financial Statements
  2. Request the Chief Executive to report to the February Board meeting on how ISJO's accounting systems will meet the new accounting standards coming into effect this financial year
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#### Background

The NSW Government requires all Joint Organisation Boards in their capacity as governing a local government entity to have all financial statements prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements; and the Local Government Act 1993. Joint Organisation Boards are also required to ensure internal control systems to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or not.

ISJO's financial services are managed by Kiama Municipal Council's Finance Division in conjunction with ISJO Executive.

In an out of session board resolution on 26 September 2019, the Board gave approval for ISJO's Financial Statements to be available for external audit. The NSW Audit Office engaged Deloitte to undertake the FY 18/19 external audit for a fee of \$6,000.

The timeframe for the external audit has taken much longer than initially expected which has resulted in ISJO not meeting the compliance deadline of 31 October. After liaison with the Office of Local Government, the date for lodgement was moved to December – and I can confirm that all lodgement and compliance requirements have now been met.

#### Current Situation

Attachment A sets out ISJO's Financial Statements for 2018/19; and Attachments B, C and D show the Audit Office Reports on: The Conduct of the Audit; Engagement Closing Report; and the Independent Auditor's Report. The Reports have not found any material issues other than one minor issue in how one payment of grant funds had been costed, but this has now been rectified.

The Audit Office have also raised the fact that new Accounting Standards are coming into effect this current financial year. An allowance from the Office of Local Government's \$150K grant fund has been

allocated to develop internal systems to meet the requirements of these new standards.

ISJO's net operating result for the year ended 30 June 2019 was a small profit of \$6,818. The primary income source during the year was from operating grants of \$1.4m, which contributed 74% of ISJO's income from continuing operations of \$1.9m. ISJO also received \$214,960 of income from member council contributions.

ISJO's total operating expenses from continuing operations for the year totalled \$1.9m comprising employee benefits and on-costs of \$769,695, materials and contracts of \$934,193 and other expenses of \$209,308.

The Auditor General's opinion is that:

- The Joint Organisation's accounting records have been kept in accordance with the requirements of the Local Government Act 1993, Chapter 13, Part 3, Division 2
- The financial statements:
  - Have been presented, in all material respects, in accordance with the requirements of this Division
  - Are consistent with the Joint Organisation's accounting records
  - Present fairly, in all material respects the financial position of the Joint Organisation as at 30 June 2019, and of its financial performance and its cash flows for the period 1 July 2018 to 30 June 2019 in accordance with Australian Accounting Standards – Reduced Disclosure Requirements
- All information relevant to the conduct of the audit has been obtained
- No material deficiencies in the accounting records or financial statements have come to light during the audit.

## 7.2 ISJO 2018-19 Annual Report

Referred by: Leanne Taylor, Chief Executive

Attachments: E – ISJO Annual Report 2018-19

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### Recommendation

That the Board endorse the ISJO Annual Report for 2018-19.

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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

Attachment E is an electronic copy of the ISJO Annual Report for 2018-19. The Office of Local Government has provided feedback that the content of this Reports meets their reporting requirements.

An electronic copy was lodged with the Office of Local Government on 29 November 2019 and was also uploaded to the ISJO website on the same date.

## 1.3 ISJO Associate Members and Affiliates

Referred by: Leanne Taylor, Chief Executive

Attachments: Nil.

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### Recommendation

That the Board:

1. Endorse the proposed ISJO Membership Package as outlined
  2. Authorise the Chief Executive to coordinate discussions with potential members in consultation with the Chair
  3. Receive a progress report at future Board Meeting on Associate and Affiliate Memberships
- 

### Background

The purpose of this paper is to propose a package of ISJO membership offerings for associate and affiliate members.

### Current Situation

The adopted ISJO Charter allows for a change in non-voting members of the board following a resolution and subsequent amendment of the Charter. Non-voting members may be required to contribute under the same outcomes-focused membership funding ratio agreed for voting members.

The Western Sydney Illawarra Shoalhaven Roadmap to Collaboration is governed by the ISJO Board – in undertaking this cross-regional collaboration there is the opportunity to offer Associate Membership to neighbouring councils in Western and South West Sydney.

One of these Councils is Wollondilly Shire Council. After preliminary discussions with the Acting General Manager, a formal meeting was held with the newly appointed General Manager and Mayor on 4 November, with the Chair and Chief Executive representing ISJO. While there is interest in becoming an Associate Member of ISJO, there was some debate about the level of fees (ie 50% of existing member fees). The General Manager will be taking this matter to their Council meeting and advising the outcome by the end of the year.

Previously ISJO's Chief Executive has met with the General Managers of Eurobodalla and Bega Valley Shire Councils and raised the opportunity of Associate Membership – both indicated they would be pleased to partner with ISJO's member councils but not in the Associate Membership format. This is how the South Coast Councils Forum came about.

Additionally, ISJO's Chief Executive has met with the General Manager of Wingecarribee Shire Council who has also said she was not interested in becoming an Associate Member but would be keen to participate on projects/forums where there was mutual benefit (ie transport).

ISJO has also been approached by the Illawarra Aboriginal Land Council to become an Affiliate Member of ISJO. Both the Chair and Chief Executive have discussed this with the CEO of the Land Council, explaining that an Affiliate can attend Board meetings but not vote. There is the opportunity to include

Affiliates such as the Illawarra Aboriginal Land Council as advisors to ISJO regional working groups when appropriate. The region has a number of other Aboriginal Land Councils who could also consider becoming an Affiliate Member but that would be their choice. At the General Managers' Think Tank held on 27 September, this matter was discussed and supported as the input of grass root advice could make a difference to project delivery.

Endorsement of an ISJO membership package will assist these ongoing conversations.

## Proposed Membership Package

### Associate Membership

A tiered model of Associate Membership is proposed for neighbouring Councils to the Illawarra Shoalhaven region as follows:

#### Full Associate Membership

- Councillor delegate to attend Board Meetings as non-voting member
- General Managers attend meetings, including networking breakfasts
- Partner with ISJO on all cross regional strategies
- Staff offered participation in all capacity building Working Groups
- Logo recognition in all appropriate marketing collateral, submissions and website
- 50% annual membership fee of ISJO councils (e.g. 2019/20 = \$27,595 ex GST)

#### Program Associate Membership

- Partner with ISJO on some cross regional strategies, such as Western Sydney Illawarra Shoalhaven Roadmap to Collaboration
- Logo recognition on relevant submissions and strategy collateral
- 25% or less annual membership fee of ISJO councils (e.g. 2019/20 = \$13,798 ex GST)

The following table summarises the current involvement of neighbouring councils in existing ISJO programs and opportunities for potential collaboration in cross regional strategies for mutual benefit. Membership benefits will be outlined in an agreement with each Council and renewed annually.

Council	Southern Region Waste Strategy	Illegal Dumping Prevention Program	Regional Litter Initiatives	Western Sydney Roadmap to Collaboration	South Coast Marine Tourism/ Cruise
Bega Valley Shire	P	C	P		C
Eurobodalla Shire	P	C	P		C
Wingecarribee Shire	C	C	C	P	
Wollondilly Shire	P	C	P	C	
Camden Valley		P		C	

Campbelltown City		P		C	
Liverpool City		P		C	

C: Current collaborator

P: Potential collaborator

## Affiliate Membership

Affiliate membership is to be offered to a range of regional stakeholders including not-for-profit organisations, business and industry as follows:

### Not-for-profit Organisations

- Agreed in-kind contribution such as advisory services to the Board on relevant matters or participation in relevant working groups
- Logo recognition on relevant initiative collateral
- Nil membership fee

### For-profit Organisations

- Attend Board meetings in a non-voting capacity
- Attendance at General Manager/Industry Round tables (biannually)
- Annual membership fee of \$5-10K (dependant on level of contribution)
- Logo recognition on relevant initiative collateral

## Memorandum of Understanding

ISJO has a formal MoU in place until December 2021 with Healthy Cities - Healthy People Illawarra in order to foster collaboration on mutual objectives of promoting good health and wellbeing for the citizens of the Illawarra Shoalhaven region.

Further MoUs may be developed with collaboration partners such as WSROC or the Western Sydney City Deal to support delivery of ISJO strategic projects such as the Roadmap to Collaboration or Transport Advocacy projects.

## 7.3 Illawarra Shoalhaven Regional Plan Review

Referred by: Leanne Taylor, Chief Executive

Attachments: Nil.

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### Recommendation

That the Board endorse ISJO's ongoing partnership with DPIE to review the Illawarra Shoalhaven Regional Plan.

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### Background

Regional Plans provide a framework for sustainable growth and change within regions across NSW. They are critical in helping regions plan for future growth and include planning for a range of housing and jobs for our changing population; and the infrastructure needed to support this.

ISJO Member Councils were central in the development of the existing Regional Plan which was launched in November 2015, playing a key role in collaborating with the NSW Government to monitor its implementation progress, while Member Councils have key roles in its delivery. A copy of the current Regional Plan can be found [here](#).

ISJO's Chair chairs the Regional Coordination and Monitoring Committee which meets regularly to track implementation of the existing Plan.

The Illawarra Shoalhaven community has also played an important role in forming the development of the Illawarra Shoalhaven Regional Plan and was closely consulted throughout the process.

The current Plan has now reached the end of its usable life and is due for renewal.

### Current Situation

In November 2019 the Minister for Planning and Public Spaces, The Hon Rob Stokes MP, announced during his visit to the Illawarra that the first Regional Plan to be reviewed for NSW would be the Illawarra Shoalhaven Regional Plan. The process and outcomes will set the benchmark for the rest of the state to follow.

Since that time ISJO's Chief Executive has met with DPIE's Local and Regional Planning Director South and her team to develop the strategy framework for the review. The review strategy implementation commenced in early December with a range of stakeholder meetings being held with Local/State Government representatives; and regional stakeholders/businesses to seek their advice on the proposed review and consultation processes. There will also be a range of community engagement strategies where social media platforms and the media will be utilised from late 2019 and ongoing into 2020 – to find out from the community what they see as issues and how they would like to be consulted. This will involve support from ISJO's Member Council's communications teams as well as ISJO and DPIE. ISJO's Chair has agreed to be the regional champion and spokesperson in communications. The aim is to have regional alignment in community communications so that messaging regarding LSPs, Community Strategic Plans and Regional Plan reviews are understood; don't contradict or confuse people; and that exhibition timeframes are also aligned.

## Governance:

There will be a Steering Committee to oversee this review process. DPIE's Local and Regional Planning Director South has asked if an ISJO General Manager would like to Chair the Committee or share the Chairing of the Committee with ISJO's Chair. At the General Managers' Committee Meeting on 28 November Carey McIntyre, General Manager Shellharbour City Council was voted in to Chair the Steering Committee. The Steering Committee will provide oversight of key milestones and an escalation point for any issues and will comprise: DPIE (Planning, EES, Regional NSW), ISJO (Chair, GM and CE), and Transport for NSW.

There will also be a working group reporting to the Steering Committee - ISJO is partnering with the Local and Regional Planning team to facilitate this. The Working Group will comprise a mix of multidisciplinary staff drawn from across member councils and state agencies so that there is alignment between land use planning and activities across the region. The Working Group will identify focus areas for the regional plan and ensure alignment between LSPSs, REDs and Transport Plans.

The existing ISJO Planning Directors Working Group will form the Project Team that will be responsible for drafting, project management and delivery of stakeholder engagement through the review process.

The timeline for the review will comprise all of 2020, with a draft due by the end of 2020.

## 8. Matters for Noting

### 8.1 South Coast Councils Forum 2020

Referred by: Leanne Taylor, Chief Executive

Attachments: Nil

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#### Recommendation

That the Board:

- 1 Approve for the Forum to be planned for Thursday 12 and Friday 13 March 2020
- 2 Agree on a revised Agenda that can be forwarded to Eurobodalla and Bega Valley Shire Councils

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#### Background

On 1 August the ISJO Board and General Managers met with the General Manager from Eurobodalla shire Council and the Mayor and General Manager from Bega Valley Shire Council in Nowra.

At the end of the meeting, it was agreed by all present that taking a whole of south coast approach to key issues was important and that the next meeting would be hosted by Bega Valley Shire Council in late 2019. Items were suggested for the agenda and included: coastal management and resilience; delivery of infrastructure; transport; native title; and crown lands management. Unfortunately the 12 and 13 December dates did not suit a number of people and the meeting was postponed until early 2020.

The schedule for the 2 day visit had been scoped to include the following:

#### Day 1

Morning – drive to Merimbula

Afternoon – bus tour of key sites in BVSC: Port of Eden and Snug Cove, and a guided walk on the Bundian Way.

Evening – informal networking over dinner

Overnight stay in Merimbula

#### Day 2

8.30 – 9.30 Coastal Councils Forum meeting

9.30 – 12.30 ISJO Board meeting

#### Current Situation

In early 2020, planning will need to recommence for a new date to hold the Forum and agreed agenda items. In order to give adequate time to the South Coast issues, it is recommended that the ISJO Board not occur on the same dates.

Board members are asked to consider dates in March for the visit to occur, with one suggestion being Thursday 12 and Friday 13 March. A review of the agenda items for currency will also need to be undertaken and agreed on prior to consulting with the Mayors and General Managers of Eurobodalla Shire and Bega Valley Shire Councils.

## 9. Late Business item

Referred by

Attachments:

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Recommendation

Background

Current Situation

Financial/Resource Implications

## 10. Next Meeting

The next scheduled meeting for 2020 will be held on Friday 21 February 2020 at Shoalhaven City Council.

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