

BUSINESS PAPER



Sir Ian Turbott AO CVO CMG, the Mayor of Penrith City, Councillor Jackie Greenow, UWS Chancellor John Philips AO, and Professor Greg Clark, the guest speaker at this year's Sir Ian Turbott lecture, held on Monday 11 July. Professor Clark is the City and Regional Advisor to the UK Deputy Prime Minister, John Prescott and gave his address on urban regeneration.

Policy Review Committee Meeting

25 July 2005



20 July 2005

Dear Councillor,

In pursuance of the provisions of the Local Government Act, 1993 and Regulations thereunder, notice is hereby given that a **POLICY REVIEW COMMITTEE MEETING** of Penrith City Council is to be held in the Council Chambers, Civic Centre, 601 High Street, Penrith on Monday 25 July 2005 at 7.00pm.

Attention is directed to the statement accompanying this notice of the business proposed to be transacted at the meeting.

Yours faithfully

Alan Travers
General Manager

B U S I N E S S

1. **APOLOGIES**
2. **LEAVE OF ABSENCE**
3. **CONFIRMATION OF MINUTES**
Policy Review Committee Meeting – 27 June 2005
4. **DECLARATIONS OF INTEREST**
Pecuniary Interest (The Act requires Councillors who declare a pecuniary interest in an item to leave the meeting during discussion of that item)
Non-Pecuniary Interest
5. **ADDRESSING THE MEETING**
6. **MAYORAL MINUTES**
7. **NOTICE OF MOTION**
8. **ADOPTION OF REPORTS AND RECOMMENDATIONS OF COMMITTEES**
9. **MASTER PROGRAM REPORTS**
10. **URGENT REPORTS (to be dealt with in the master program to which the item relates)**
11. **QUESTIONS WITHOUT NOTICE**
12. **COMMITTEE OF THE WHOLE**

**Enquiries regarding this Business Paper should be directed to the
Executive Officer, Mr Glenn McCarthy on (02) 4732 7649**

POLICY REVIEW COMMITTEE MEETING

MONDAY 25 JULY 2005

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MEETING CALENDAR

CONFIRMATION OF MINUTES

MASTER PROGRAM REPORTS

June 2005 - December 2005

	TIME	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
		Mon	Mon	Mon	Mon	Mon	Mon	Mon
Ordinary Meetings	7.00 pm		4	1	5✓		7	5
			18	15 #+	19 26^	10	21 #	19
Policy Committee Review	7.00 pm	27	25	22@	12	17	14	12

Meetings at which the Management Plan quarterly reviews are presented.

@ Strategic Program progress reports

* Meeting at which the Management Plan for 2005/2006 is adopted

^ Election of Mayor/Deputy Mayor (only business)

#+ General Manager's presentation – half year and end of year review

❖ Meeting at which the Draft Management Plan is adopted for exhibition

✓ Meeting at which the 2004/2005 Annual Statements are presented

Council has two Ordinary Meetings per month where practicable.

Extraordinary Meetings are held as required.

Policy Review Meetings are held monthly where practicable.

Members of the public are invited to observe meetings of the Council. Should you wish to address Council, please contact the Executive Officer, Glenn McCarthy on 4732 7649.

UNCONFIRMED MINUTES
OF THE POLICY REVIEW COMMITTEE MEETING OF PENRITH CITY
COUNCIL HELD IN THE PASSADENA ROOM, PENRITH CIVIC CENTRE
ON MONDAY 27 JUNE 2005 AT 7.05 PM

PRESENT

Her Worship the Mayor Councillor Jackie Greenow, Councillors Jim Aitken OAM, David Bradbury (arrived 7:40PM), Lexie Cettolin, Kevin Crameri OAM, Greg Davies, Mark Davies, Ross Fowler, Karen McKeown, Susan Page, Garry Rumble, Pat Sheehy AM, Steve Simat, and John Thain.

APOLOGIES

PRC 29 RESOLVED on the MOTION of Councillor Greg Davies seconded Councillor Pat Sheehy that apologies be received and accepted from Councillor David Bradbury.

LEAVE OF ABSENCE

Leave of absence was previously granted to Councillor Kaylene Allison for the period 26 May to 3 July 2005 inclusive.

CONFIRMATION OF MINUTES

Policy Review Committee Meeting - 23 May 2005

PRC 30 RESOLVED on the MOTION of Councillor Garry Rumble seconded Councillor Ross Fowler that the minutes of the Policy Review Committee Meeting of 23 May 2005 be confirmed.

DECLARATIONS OF INTEREST

Councillor Kevin Crameri declared a non-pecuniary interest in Item 1, ADI Site St Marys - Submission of Draft Dunheved Precinct Plan, as he is a resident in the vicinity but lives more than a kilometre from the area discussed in the report and he reserved the right to speak and vote on the item.

Subsequently, Councillor Greg Davies declared a pecuniary interest in Item 1, ADI Site St Marys - Submission of Draft Dunheved Precinct Plan, as he is employed by the office of the Minister for Juvenile Justice, Minister for Western Sydney, and Minister Assisting the Minister for Infrastructure and Planning (Planning Administration), the Hon Diane Beamer MP. Councillor Davies left the meeting for the duration of the debate and voting on Item 1.

SUSPENSION OF STANDING ORDERS

PRC 31 RESOLVED on the MOTION of Councillor Ross Fowler seconded Councillor Garry Rumble that Standing Orders be suspended to allow members of the public to address the meeting, the time being 7:07PM.

Unconfirmed Minutes of the Policy Review Committee Meeting of Penrith City Council held in the Pasadena Room, Penrith Civic Centre on Monday 27 June 2005

Mr Bernard Laughlan of St Marys addressed the meeting on Item 1, ADI Site St Marys - Submission of Draft Dunheved Precinct Plan and spoke against the recommendation. Mr Laughlan said that he remembered serious flooding of South Creek in the 1950's and 1960's that caused considerable damage. He said that in 1963 one thousand sheep on the ADI site were drowned in a flood and that the water level was higher than the top of the current entrance gate to the ADI site. He said that brick cottages build on the site in 1957 were inundated up to the level of their windowsills.

Mr Laughlan expressed concern that the placing of large amounts of fill into the ADI site will have the potential to make future flood events more damaging than they otherwise would be as the water may not be able to flow away so quickly and will bank up further upstream. He also said that people were concerned that their insurance premiums would be affected as a result of the changes to the land levels on the ADI site.

Mr Geoff Brown of Cranebrook representing the ADI Residents Action Group addressed the meeting and spoke against the recommendation. Mr Brown said that the report did not provide enough detail about the impact of placing large amounts of fill on the floodplain. He said that the floodplain modelling referred to in the report had been done by consultants employed by the developers and was therefore not independent. He said the developers should pay for a study to be done by consultants chosen by Council. Mr Brown said that there were large developments also planned for areas upstream of the ADI site and that the filling of areas in the ADI site represented poor planning as insufficient evidence had been provided to demonstrate the effect of this fill on floodwaters.

RESUMPTION OF STANDING ORDERS

PRC 32 RESOLVED on the MOTION of Councillor Greg Davies seconded Councillor Karen McKeown that Standing Orders be resumed the time being 7:25PM.

MASTER PROGRAM REPORTS

PRC 33 RESOLVED on the MOTION of Councillor Greg Davies seconded Garry Rumble that Item 5, Television Sydney - Sydney's New Community Television Channel be dealt with as the first item.

COUNCIL'S OPERATING ENVIRONMENT

5 Television Sydney - Sydney's New Community Television Channel

1026/2

Council's Services Marketing Coordinator, Mr. Colin Dickson introduced Associate Professor, Kaye Shumack, Director, UWS Education and Community Television College of Arts, Education and Social Sciences who made a presentation to Council about Television Sydney Limited (TVS) which has been granted a community television broadcasting licence for Sydney.

Councillor David Bradbury arrived at the meeting the time being 7:40PM.

PRC 34 RESOLVED on the MOTION of Councillor Pat Sheehy seconded Councillor Ross Fowler

That

This is Page No 2 of the Unconfirmed Minutes of the Policy Review Committee Meeting of Penrith City Council on Monday 27 June 2005

Unconfirmed Minutes of the Policy Review Committee Meeting of Penrith City Council held in the Pasadena Room, Penrith Civic Centre on Monday 27 June 2005

1. The information contained in the report on Television Sydney - Sydney's New Community Television Channel be received.
2. Further consultation occur between Council officers and the University of Western Sydney in regard to potential benefits to Council and the community of Television Sydney Limited.

DECLARATION OF INTEREST

Councillor Greg Davies declared a pecuniary interest in Item 1, ADI Site St Marys - Submission of Draft Dunheved Precinct Plan, as he is employed by the office of the Minister for Juvenile Justice, Minister for Western Sydney, and Minister Assisting the Minister for Infrastructure and Planning (Planning Administration), the Hon Diane Beamer MP.

Councillor Davies left the meeting the time being 8:00PM.

THE CITY IN ITS REGION

1 ADI Site St Marys - Submission of Draft Dunheved Precinct Plan

4130/26

Council's Environmental Planning Manager Mr. Roger Nethercote introduced Mr Arthur Illias from Delfin Lend Lease who gave a presentation on the draft Dunheved precinct plan.

Councillor Susan Page left the meeting the time being 8:47PM

Councillor Karen McKeown left the meeting the time being 8:47PM

Councillor Susan Page returned to the meeting the time being 8:50PM

Councillor Karen McKeown returned to the meeting the time being 8:52PM.

PRC 35 RESOLVED on the MOTION of Councillor Ross Fowler seconded Councillor Jim Aitken

That:

1. The information contained in this report on the submission of the draft Dunheved Precinct Plan be received
2. Council publicly exhibit the draft Dunheved Precinct Plan, in accordance with the provisions of Sydney Regional Environmental Plan No. 30 – St Marys, and concurrently with Blacktown City Council
3. Landowners in the vicinity of the Dunheved Precinct be advised of the exhibition details and Council's resolution
4. Penrith City Council continue discussions with Blacktown City Council to ensure economic and efficient long term management of the precinct
5. A funding report be prepared on the funding of the ongoing maintenance of the issues detailed in the submission attached to the report
6. Council pursue the development of the Christie Street linkage in conjunction with Delfin Lend Lease (DLL) and the Roads and Traffic Authority (RTA), funding contributions from realisation of surplus Council/DLL/RTA land.

This is Page No 3 of the Unconfirmed Minutes of the Policy Review Committee Meeting of Penrith City Council on Monday 27 June 2005

THE CITY IN ITS ENVIRONMENT

Councillor Greg Davies returned to the meeting the time being 8:58PM.

2 Sustainability Blueprint for New Urban Release Areas 4105/3

Councillor Kevin Crameri left the meeting the time being 8:59PM

Councillor Mark Davies left the meeting the time being 9:03PM.

PRC 36 RESOLVED on the MOTION of Councillor Karen McKeown seconded Councillor Susan Page

That:

1. The information contained in the report on the Sustainability Blueprint for New Urban Release Areas be received
2. Council adopt the Sustainability Blueprint for New Urban Release Areas as a policy
3. A copy of the Blueprint is sent to developers involved in the planning and delivery of new urban release areas in the City.

THE CITY AS AN ECONOMY

Councillor Steve Simat left the meeting the time being 9:04PM.

Councillor Mark Davies returned to the meeting the time being 9:05PM.

Councillor Kevin Crameri returned to the meeting the time being 9:07PM.

Councillor Steve Simat returned to the meeting the time being 9:10PM.

3 City Centres' Vitality and Viability Review 4200/6

Council's Local Planning Manager, Ms Ruth Goldsmith, introduced the report, and said that the next briefing session on this issue had been arranged for Thursday 7 July. Ms Goldsmith also referred to the proposed amendment to the car-parking requirement for commercial developments in St Marys. She said that if the recommendations were endorsed at the meeting, and adopted at the Ordinary Meeting on 4 July 2005, Development Applications that were already 'in the system' (including one current application on a Council property) would be assessed against the amended requirements.

PRC 37 RESOLVED on the MOTION of Councillor Pat Sheehy seconded Councillor Ross Fowler

That:

Unconfirmed Minutes of the Policy Review Committee Meeting of Penrith City Council held in the Pasadena Room, Penrith Civic Centre on Monday 27 June 2005

1. The information contained in the report City Centres' Vitality and Viability Review be received
2. Council's Parking Code for commercial development in St Marys Town Centre be amended to require 1 parking space per 40 square metres Gross Floor Area.

COUNCIL'S OPERATING ENVIRONMENT

4 Model Litigant Policy

PRC 38 RESOLVED on the MOTION of Councillor David Bradbury seconded Councillor Garry Rumble

That

1. The information contained in the report on the Model Litigant policy be received
2. The draft Model Litigant policy, as shown in Appendix 1 to this report, be adopted.

There being no further business the Chairperson declared the meeting closed the time being 9:27PM.

MASTER PROGRAM REPORTS

Item		Page
LEADERSHIP AND ORGANISATION		
1	Service Specification Program - Service Reviews 36/35 Part 4	1
2	International Financial Reporting Standards 750/37	9



Leadership and Organisation

1 Service Specification Program - Service Reviews

36/35 Part 4

Compiled by: Eric Shen, Service Specification Officer

Authorised by: Ken Lim, Acting Corporate Development Manager

Strategic Program Term Achievement : *Services and programs that Council provides are determined based upon equity, customer requirements, community benefits and best value.*
Critical Action : *All services are provided to adopted service levels.*

Purpose

To provide Council with the opportunity to consider the draft Service Specifications for the Parks Management and Maintenance and Bushland Management Services. The report recommends that these service specifications be adopted.

Background

Council's Service Specification program is a review tool by which all of Council's 80 external and internal services are documented at their existing levels of service and are then compared against needs identified through customer research and benchmarking. Based on this work recommendations for service adjustments are made (where necessary) to meet the gap between existing levels of services and customer needs and expectations.

As adopted at the Policy Review Committee meeting on 24 February 2003, as part the Service Specification Program assessment and review process, all completed draft service specifications are reported directly to the Policy Review Committee for consideration and adoption.

The aim of the assessment process is to ensure that each draft specification accurately communicates the existing levels of service and activities that the service is meant to provide in terms of quantity, quality and cost to Council. Once approved by Council the draft would become a fully adopted specification to be used as a basis for considering future changes to services levels, calls for additional resourcing or for changes in priority setting within an existing service.

As at July 2005, Council has approved 24 service specifications. This report covers two more: the Parks Management and Maintenance and Bushland Management service specifications. Given the size of these documents, hardcopies have been provided separately to Councillors. Anyone else requiring a copy of any of these documents can obtain this on request.

These two specifications will be briefly introduced by the Parks Construction and Maintenance Manager at tonight's meeting.

The Parks Management and Maintenance Service Specification

This service specification follows on from the comprehensive Parks Management and Maintenance Practices review which began in July 2004 and was presented to Council's Policy Review Committee meeting on 28 February 2005. The report in February stated that "*the service specification report would accurately define the level of service [which] we can achieve within our existing resources*" and that "*initial indications from the trials carried out thus far indicate that additional resources will be needed in 2005-2006 onwards to meet desired maintenance standards*".

The development of the specification was useful in the identification by Council of additional resources required by the Parks services to meet Council's growing open space maintenance obligations. Council has allocated these resources in 2005-06 Management Plan (phased in over two years). The completed specification therefore marks the final step in this review process.

The Bushland Management Service Specification

It is logical that both the Parks Management and Maintenance and the Bushland Management service specifications are considered at the same time given the synergy and links between these two services. While the Parks Management and Maintenance service focuses on the maintenance of active recreation areas and passive open space areas within the City, the Bushland Management service focuses on the management of those natural areas which are under Council's care.

Summary of Key Information

Executive summaries of the two service specifications are provided in the appendixes to this report. These executive summaries contain :-

- Service Description
- Service Objectives
- Scope of Service
- Key Statistics
- Key Performance Indicators
- Service Funding

(Note : Existing levels of service are documented at a point in time and are based upon 2004-2005 budget allocations. Once adopted, service specifications are to be regularly updated in line with future management plans).

- Service Summary Chart
- Standard of Service or Service Level (for Mowing Frequency by Park or Open Space Classification).

RECOMMENDATION

That :

1. The information contained in the report on the Service Specification Program - Service Reviews be received
2. The specification for the Parks Management and Maintenance service be adopted
3. The specification for the Bushland Management service be adopted.



Appendix 1

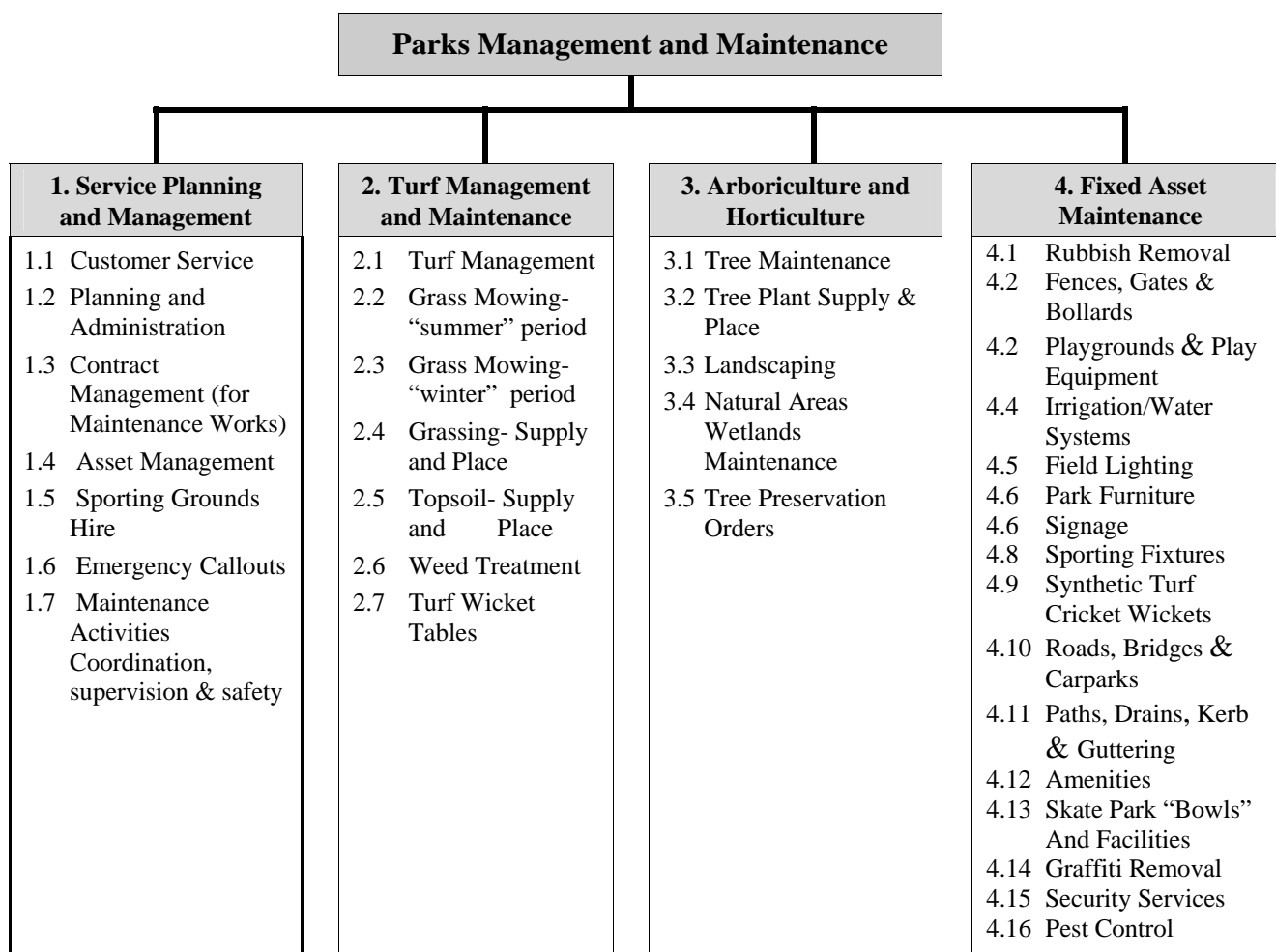
Summary of the Parks Management and Maintenance Service Specification	
1. Service Description	The Parks Management and Maintenance Service manages and maintains all active recreational areas and passive open space areas within the Penrith LGA.
2. Service Objectives	<ul style="list-style-type: none"> • Maintain recreation facilities and services in new and established areas to meet current contemporary needs • Ensure the standard of the sporting field surfaces meets the requirements and satisfaction of the user groups • Maintain services in scope and quality to the satisfaction of Council • Plan and implement asset management strategies for all “fixed” open space assets, which includes preventive and scheduled maintenance to reduce any potential risks to the public.
3. Scope of Service	<p>This service includes service planning and maintenance of :</p> <ul style="list-style-type: none"> • grassed areas, landscaping and garden beds • playground equipment and associated softfall areas • irrigation systems • floodlighting installations, sporting fixtures/structures, park signage • rubbish removal and disposal from litter bins within open space areas • Other infrastructure within the “open space” areas, such as fencing, paths, cycleways, carparks, overland drainage flowpaths, kerb and gutter, BBQ facilities, taps and monuments. <p>In addition – the management of:</p> <ul style="list-style-type: none"> • the hire of sporting fields and selected open space areas. • administering Councils Tree Preservation Orders (TPO) • monitoring and control of wetlands noxious weeds.
4. Key Statistics	<ul style="list-style-type: none"> • Over 1,242 hectares of open space to maintain (equivalent to 3% of Penrith LGA) • Covers 48 sporting venues and 405 classified parks (ie 14 district parks, 32 neighbourhood parks, 67 local parks and 286 pocket parks) • Covers 1,070 individual sites requiring mowing and other maintenance by the Parks Department – which includes: <ul style="list-style-type: none"> ➢ Footpaths around schools and hospitals ➢ Roundabouts and medians ➢ Unsealed road shoulders in rural areas ➢ Garden areas in CBD’s and natural areas ➢ Drainage reserves ➢ Maintenance of areas on behalf of the RTA.
5. Key Performance Indicators (KPIs)	<ul style="list-style-type: none"> • Maintain an agreed customer satisfaction level for users of the park facilities. [Target : 85%+] • Achieving the mowing frequency activity schedule. [Target : 96%+ to schedule]

6. Service Funding

The 2004-05 budgeted costs for the Parks Management and Maintenance Services was \$6,589,790 consisting of \$6,069,672 for Operational Maintenance activities as well as \$520,118 being the portion of Administration and Managements costs for this Service.

Item	Service Components	2004-05 Budget
1.	Salaries	\$4,198,598
2.	Plant	\$1,040,600
3.	Materials	\$572,756
4.	Sub contract	\$53,000
5.	Provisional Items	\$204,718
Subtotal		\$6,069,672
6.	Administration and Management component	\$655,118
7.	Income from Sportsground Hire	(\$135,000)
Net Service Cost		\$6,589,790

7. Service Summary Chart



8. Standard of Service or Service Level

[Schedule 12.3.1 Mowing Frequency by Park or Open Space Classification]

Item No.	Open Space Classifications	"Summer" Period Frequency between "Mows"		"Winter" Period Frequency between "Mows"	
		High Priority Site	Normal Priority Site	High Priority Site	Normal Priority Site
1	SPORTSGROUNDS				
	Sporting Field Playing Surface (eg. South Creek Park, Mark Leece sportsground)	1.0 week	1.0 week	2.0 weeks	2.0 weeks
	Surrounding Area	refer below	refer below	refer below	refer below
2	PARKS ~ (PLANS Study Classifications)				
	Regional Park	no sites	no sites	no sites	no sites
	District Park (eg. Tench Reserve, River Road Reserve)	2.0 weeks	3.5 weeks	4.0 weeks	7.0 weeks
	District Park with Sports Field (eg. The Kingsway Fields, Jamison Park)	2.0 weeks	3.5 weeks	4.0 weeks	7.0 weeks
	Neighbourhood Park (eg. Werrington Creek Park, Rotary Park – Glenmore Parkway)	2.0 weeks	4.0 weeks	4.0 weeks	8.0 weeks
	Neighbourhood Park with Sports Field (eg. Dukes Oval, Parker Street Reserve)	2.0 weeks	4.0 weeks	4.0 weeks	8.0 weeks
	Local Park (eg. Leonay Parade, Woodriff Gardens)	2.0 weeks	4.0 weeks	4.0 weeks	8.0 weeks
	Local Park with Sports Field (eg. Howell Oval, Shepherd Park)	2.0 weeks	3.5 weeks	4.0 weeks	7.0 weeks
	Pocket Park (eg. Dewdney Road, Ford Place)	2.0 weeks	4.0 weeks	4.0 weeks	8.0 weeks
	Pocket Park with Sports Field	no sites	no sites	no sites	no sites
3	COMMUNITY LANDS				
	Council Building (eg. Kindana B&A, 22 Charles Hackett Driver – Scout Hall)	1.0 weeks	3.0 weeks	2.0 weeks	6.0 weeks
	Drainage Land (eg. Arundel Park Drive, Palomino Road)	3.5 weeks	5.0 weeks	7.0 weeks	10.0 weeks
	Drainage Reserve (eg. Koloona Drive, Fragar Road)	3.5 weeks	5.0 weeks	7.0 weeks	10.0 weeks
	Roadway (eg. Hindmarsh / Middleton Roundabout, 3M Park)	3.5 weeks	5.0 weeks	7.0 weeks	10.0 weeks
	Laneway/Pathways (eg. Oxford Lane, Walkers Lane)	4.0 weeks	6.0 weeks	8.0 weeks	12.0 weeks
	Footpath (eg. Wedmore Road – school and crossing)	4.0 weeks	6.0 weeks	8.0 weeks	12.0 weeks
	Carparks (eg. Station St. Car Park, Cox Avenue Car Park)	3.0 weeks	5.0 weeks	6.0 weeks	10.0 weeks
4	NATURAL AREAS				
	Natural "Council" areas (eg. McKellar Street, Bellevue Road)	5.0 weeks	8.0 weeks	10.0 weeks	16.0 weeks
	DIPNR land (under Council's responsibility) (eg. Ainsbury Road)	5.0 weeks	8.0 weeks	10.0 weeks	16.0 weeks
5	OPERATIONAL LAND				
	Vacant Land & F/Planning (eg. Nepean St. – Vacant Land)	Upon request	Upon request	Upon request	Upon request

Note (1) : "Summer" period from 1 September to 31 March & "Winter" period the remainder of the year.

Note (2) : A complete list (32 pages) of every mowed area within the Penrith LGA detailing classification, nomination of high or normal priority, site area (hectares) and mowing frequency can be provided on request.

Appendix 2

Summary of the Bushland Management Service Specification	
1. Service Description	<p>The Bushland Management Service formulates and manages policy for the co-ordination and support of funded projects and development tasks for the City of Penrith.</p> <p>The Service pursues grants and funding opportunities and works with the community, consultants, contractors and Council staff. It also harnesses the community and authorities (such as the Catchment Authority, DEC) for support in the production of specified plans and implementation of best management practice with its projects.</p>
2. Definitions	<ul style="list-style-type: none"> • The Bushland Management Service consists of <i>Bushland Regeneration</i> and <i>Bushcare</i>. • <i>Bushland Regeneration</i> is the process of returning bushland to a “natural” state after some form of disturbance has caused the bushland to degrade from that ”natural” state. • <i>Bushcare</i> is the protection natural areas in public ownership through volunteer or contracted participation. • <i>Landcare</i> is the protection of natural areas in private lands
2. Service Objectives	<ul style="list-style-type: none"> • Protect and conserve the City’s biological diversity through the implementation of a biodiversity conservation and bushland management strategy • Promote community awareness and ownership of bushland • Promote and facilitate Bushcare and Landcare groups in the City • Manage the natural areas in Penrith LGA using bushland conservation principles. • Co-ordinate community and groups with Council to pursue grant funding opportunities and manage the funded projects.
3. Scope of Service	<p>This service includes :-</p> <ul style="list-style-type: none"> • Facilitating, training and providing support to Bushcare and Landcare groups • On site bush regeneration work (2 staff, 4 contractors, 3 Conservation Volunteers Australia and 15 ‘Work for the Dole’ participants) • Revegetation of natural bushland • Weed treatment • Bushland promotions and production of promotional information for open days and shows)

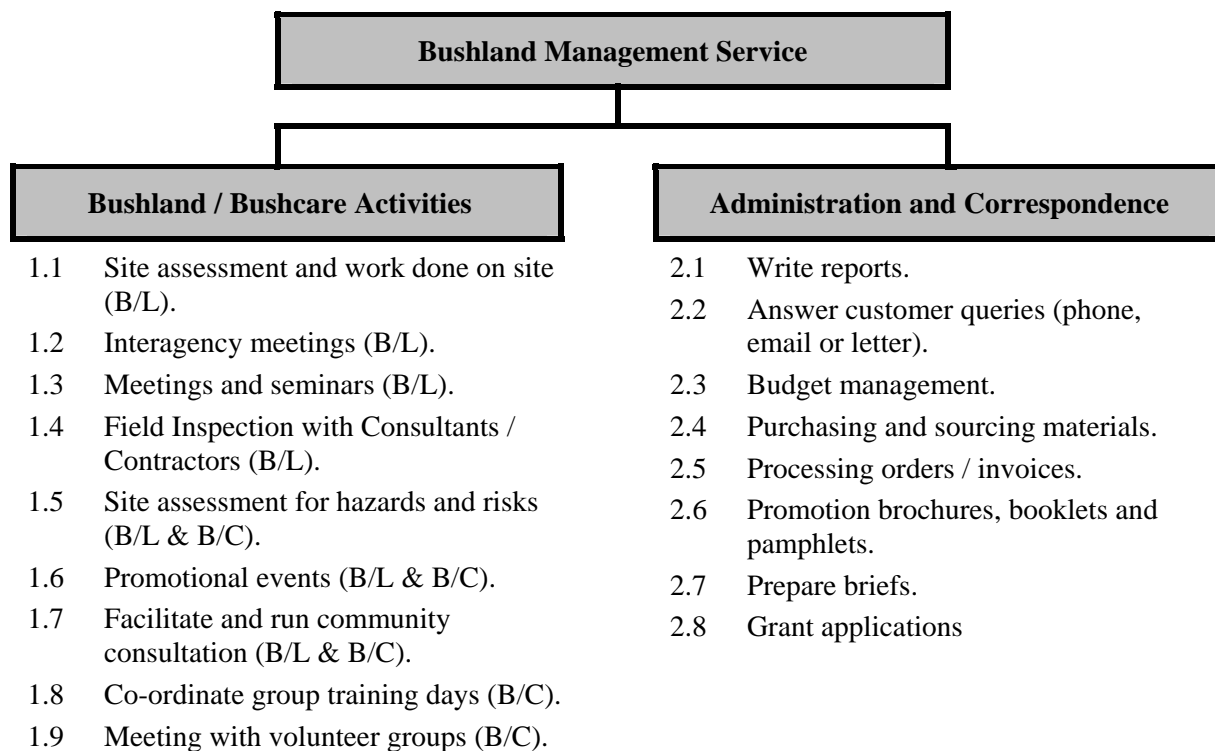
Summary of the Bushland Management Service Specification	
4. Key Statistics	<ul style="list-style-type: none"> • 5 Bushcare/Landcare Volunteer sites (refer to section 12.4 within the Service Specification for maps of these areas) • % of bushland area (hectares) within the Penrith LGA maintained by Council is currently being worked on. • Management and support to 7 Bushcare and Landcare groups (approximately 25 volunteers) • Revegetation of natural areas includes 10,000 plants per annum. • 10 hectares of weeds treated per annum
5. Key Performance Indicators (KPIs)	<ul style="list-style-type: none"> • Maintain an agreed customer satisfaction level for bushland areas. [Target: 70% as per city-wide PCC Customer Survey] • Maintain an agreed customer satisfaction level for users of the park facilities. [Target : 85%+] • Maintain and increase areas actively being worked on by Councils bush regenerators and contractors this financial year. [Target: 20% increase] • Increase number of sites being worked by volunteer groups (Bushcare and Landcare) [currently 7 sites. Target: increase by 1-2 sites]

6. Service Funding

The annual budget for the Bushcare Management Service for 2004-2005 was \$107,134. Additional projects were funded through Council's Enhanced Environmental Program (EEP) funding (\$160,000) and grants (\$82,634).

Cost Breakup	Funding Sources			
	General	Enhanced Environmental Program (EEP)	Grants	Total
Bushland Management Operational Cost	\$77,134	-	-	\$77,134
Support of Bushcare groups	\$30,000	-	-	\$30,000
Specific Projects				
Enhanced Bush and Land Care	-	\$25,000	-	\$25,000
Plans of Management / Tench Reserve	-	\$135,000	-	\$135,000
Werrington Creek Rehabilitation	-	-	\$8,420	\$8,420
Mulgoa Creek Restoration Project	-	-	\$20,836	\$20,836
Olive Tree Project	-	-	\$7,000	\$7,000
Nepean Riverbank	-	-	\$25,781	\$25,781
Werrington Ck Park Riparian Management Improvement	-	-	\$10,623	\$10,623
River Road Reserve (Work for the Dole)	-	-	\$9,974	\$9,974
Total Allocation for 2004-2005	\$107,134	\$160,000	\$82,634	\$349,768

7. Service Summary Chart



[Note : **B/L** = Bushland and **B/C** = Bushcare]

For a more detailed explanation of the above activities, refer to Schedule 12.2 within the Bushland Management Service Specification.

Leadership and Organisation

2 International Financial Reporting Standards

750/37

Compiled by: Andrew Moore, Financial Accountant and Vicki O'Kelly,
Financial Services Manager

Authorised by: Vicki O'Kelly, Financial Services Manger

Strategic Program Term Achievement: *A sound long-term financial position is maintained in balance with the pressures to provide new and expanded services.*

Critical Action: *Ensure the standard of financial, strategic, and sustainability performance reporting matches leading practice.*

Purpose:

To advise Council of the impact of the first time adoption of the new Accounting Standards developed as the Australian response to the implementation of International Financial Reporting Standards. The report recommends that the information be received.

Background

As reported to the Ordinary Council Meeting of 18 April 2005 financial reporting for Local Government in New South Wales has since 1993 been governed by the Australian Generally Accepted Accounting Principles (AGAAP), the Standards issued under these principles, especially Australian Accounting Standard 27 (AAS27), and the Code of Accounting Practice (Code) issued by the New South Wales Department of Local Government.

The Australian Accounting Standards Board (AASB) is adopting International Financial Reporting Standards (IFRS) for application to reporting periods beginning on or after 1 January 2005. The AASB has issued Australian equivalents to IFRS (AEIFRS). The adoption of AEIFRS will be first reflected in the Council's financial statements for the year ending 30 June 2006.

Entities complying with AEIFRS for the first time will be required to restate their comparative financial statements to amounts reflecting the application of AEIFRS to that comparative period. Most adjustments required on transition to AEIFRS will be made, retrospectively, against opening retained earnings as at 1 July 2004.

The Department of Local Government has rewritten the Code of Accounting Practice (Code Update 13) to ensure that it complies with AEIFRS and Council is required to follow the code when producing its 2005/06 financial reports. The main impact in 2004/05 is the inclusion in Note 1 to the Financial Statements of a reconciliation of the Balance Sheet and Income Statement under AEIFRS.

The Local Government Managers Association (LGMA) has developed an AEIFRS training program for finance professionals in local government. This has been attended by key Financial Services staff. The first phase in April 2005 focused on the transitional requirements required for the reporting period ending June 2005 and Code update No.13. The second phase is expected to be delivered in March and April 2006 to cover the requirements of the 2005/06 financial year and Code update No.14.

Council has established a project team to manage its own transition to AEIFRS, including training of staff and system and internal control changes necessary to gather all the required

financial information. The project team has prepared a detailed timetable for managing the transition and is currently on schedule.

Major Changes & Likely Effect

Investment Properties

Council is required to identify and value investment properties at fair value (market value) for the first time and disclose in the Balance Sheet. Subsequent year movements in the cumulative value of these assets will be recognised through the income statement. It is anticipated that this change will have a positive impact on the operating surplus reported unless there is a downturn in the property market. This change under AEIFRS will provide a more informative indicator of Council's property strategy as it measures the movement in these assets and therefore enables a better assessment of the return/loss achieved.

Impairment of Assets

At each reporting date, if certain indicators exist, an estimate of the recoverable amount of an asset or cash generating unit must be completed for assets identified by the new standard. The main indicator considered is the classification of assets as either for profit or not for profit. Given the not for profit nature of a majority of Councils assets impairment testing is likely to be limited and exist predominately within the Controlled Entities.

Superannuation plan obligations

Councils, as sponsors of defined benefit superannuation funds, will need to recognise an asset or a liability in relation to the net position of the fund, based on actuarial valuation of the obligation for employee benefits and the fair value of the plan assets. The performance of the plan will determine the impact on a yearly basis and affect the Operating Surplus/Deficit. The recent contribution holiday was the result of the plan being in surplus, under AEIFRS this surplus would generate an asset on the Balance Sheet.

Revaluation of Plant, Property & Equipment/revaluation reserve

First time adoption exemption permits entities to adopt the fair values (market value) of individual property, plant and equipment at the date of transition as deemed cost (new historical cost). If revaluations are adopted after transition then revaluations must continue at regular intervals. Taking up of this one time exemption to revalue as at 30 June 2005 and adopt as deemed cost would enable Council to 'refresh' the Balance Sheet. This revaluation would significantly increase Net Assets but would also significantly increase the annual depreciation expense and could lead to a net deficit in the income statement and therefore greater scrutiny from the Department of Local Government. As there is no real advantage it is not proposed to take this up at this stage. Further consideration will be given over the transition period to implementing the periodic revaluation of assets.

Financial Instruments

All financial assets and liabilities will have to be recognised in the Balance Sheet. Most financial assets will be measured at fair value (e.g. Investments) with gains and losses included in income, except certain gains and losses that may be deferred. An exemption from complying with this requirement in relation to recalculating prior years comparatives to comply with the new standards is available for first time adopters of AEIFRS and it is recommended that Council take up this exemption as there is no advantage to recalculation.

Non current assets held for resale

For those assets that meet various criteria under AASB5, assets held for resale are to be measured using the lower of their carrying amount and fair value less cost to sell and carried as current assets. The impact of this change is largely limited to identification and reclassification of these assets each reporting date.

Specific Requirements for June 2005

Whilst there are no AEIFRS accounting entries required in preparing the 30 June 2005 Financial Statements quantitative information must be known or reliably estimated to allow the disclosure required in the Annual Financial Statements. Information that is currently being sourced includes valuations of investment properties, assets held for resale, property plant and equipment and superannuation plan obligations.

RECOMMENDATION

That:

1. The information contained in the report on International Financial Reporting Standards be received
2. Council endorse the provisions of AEIFRS proposed to be used in the preparation of the 2004/05 Financial Statements and elect to adopt the Exemption for Financial Instruments comparative data.

