

CONFIDENTIAL ITEMS 2003 – AUGUST 2024

#	Date	Item Title	Confidential Order Details	Item being kept confidential - Agenda/ Attachment/ Minutes	Reason regarding retention or recommend-action to release	Resolution Regarding Action	Last Review Date	Next Review Date	Date Released
174	7 March 2022	Audit and Risk Committee Recommendations – Nairne Township Wastewater Infrastructure Upgrade – Prudential Report	<u>Section 90 (3) (b) Order</u> <u>Pursuant to Section 90(3)(b)</u> 1. Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except the Chief Executive Officer; Deputy Chief Executive Officer General Manager – Governance, Strategic Projects and Wastewater/ Recycled Water; General Manager Corporate Services; General Manager, Infrastructure; General Manager, Planning and Development; Acting General Manager, Community Services; Risk and Governance Officer / Executive Assistant to the Mayor and the Minute Secretary be excluded from attendance at the meeting for Agenda Item 18.1 Nairne Township Wastewater Infrastructure Upgrade – Prudential Report. The Council is satisfied that pursuant to Section 90(3)(b) of the Act, some of the information to be received, discussed or considered in relation to this Agenda item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the position of the Council. In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in continued non-disclosure of this information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information. The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of Council's commercial position may prejudice Council's ability to be able to negotiate a proposal for the benefit of the Council and the community in this matter. <u>Section 91(7) Order</u> <u>Pursuant to Section 91(7)</u> 4. having considered Agenda Item 18.1 Nairne	Agenda item and all minutes	The Council is satisfied that pursuant to Section 90(3)(b) of the Act, some of the information to be received, discussed or considered in relation to this Agenda item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the position of the Council. In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in continued non-disclosure of this information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information. The Council is satisfied that the principle that the meeting be conducted in a place open to the public	Retained in confidence until the council determines that this order should cease to apply.	3 Oct 23	Within 12 months	Attachment released on website 8 March 2022 Report and Minutes released on website 26 August 2024

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#	Date	Item Title	Confidential Order Details	Item being kept confidential - Agenda/ Attachment/ Minutes	Reason regarding retention or recommend-action to release	Resolution Regarding Action	Last Review Date	Next Review Date	Date Released
			Township Wastewater Infrastructure Upgrade – Prudential Report in confidence under 90(2) and 3(b) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the agenda item and all minutes be retained in confidence until the council determines that this order should cease to apply. <u>Order History</u> 5 Sep 22 - 3 Oct 23 3 Oct 23 -		has been outweighed in the circumstances because the disclosure of Council's commercial position may prejudice Council's ability to be able to negotiate a proposal for the benefit of the Council and the community in this matter.				

RELEASED

18. CONFIDENTIAL REPORTS**18.1 CONFIDENTIAL ITEM: AUDIT AND RISK COMMITTEE – 17 FEBRUARY 2022**

REPORT TITLE: CONFIDENTIAL ITEM: NAIRNE TOWNSHIP
WASTEWATER INFRASTRUCTURE UPGRADE –
PRUDENTIAL REPORT

FILE NUMBER: 21/211087

ATTACHMENTS: 1) PRUDENTIAL REPORT 21/155377

ADDITIONAL ATTACHMENT – Point 14 - doc/22/27784

The recommendations of the Audit and Risk Committee are provided below for consideration by Council:

Recommendation:

That Council:

Section 90 (3) (b) Order**Pursuant to Section 90(3)(b)**

1. Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except the Chief Executive Officer; General Manager Corporate Services; General Manager, Infrastructure; General Manager, Planning and Development; Acting General Manager, Community Services; Risk and Governance Officer / Executive Assistant to the Mayor and the Minute Secretary be excluded from attendance at the meeting for Agenda Item 18.1 Nairne Township Wastewater Infrastructure Upgrade – Prudential Report.

The Council is satisfied that pursuant to Section 90(3)(b) of the Act, some of the information to be received, discussed or considered in relation to this Agenda item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the position of the Council.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in continued non-disclosure of this information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information. The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of Council's commercial position may prejudice Council's ability to be able to negotiate a proposal for the benefit of the Council and the community in this matter.

Recommendation:

That Council

2. note and consider the prudential report on the *Nairne Township Wastewater Infrastructure Project \$6.5m* prepared by Dean Newbery Consulting dated 15 September 2021 (attached); and
3. note the actions taken subsequent to the receipt of the prudential report (attached) and in response to the recommendations in the prudential report, as outlined in the Agenda under point 14.(attached).

Recommendation:

That Council

Section 91(7) Order

Pursuant to Section 91(7)

4. having considered Agenda Item 18.1 Nairne Township Wastewater Infrastructure Upgrade – Prudential Report in confidence under 90(2) and 3(b) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the agenda item, attachment and all minutes be retained in confidence until the council determines that this order should cease to apply.

Attachment 1 to Item 18.1

EXTRACT FROM:

12. CONFIDENTIAL REPORTS

12.1 **REPORT TITLE:** **NAIRNE TOWNSHIP WASTEWATER
INFRASTRUCTURE UPGRADE – PRUDENTIAL
REPORT**

DATE OF MEETING: **17 FEBRUARY 2022**

FILE NUMBER: **21/211087**

ATTACHMENTS: **1) PRUDENTIAL REPORT 21/155377**

Key Contact **Brian Clancey, Deputy CEO, General Manager
Governance, Wastewater/Recycled Water**

Sponsor **Andrew Stuart, Chief Executive Officer**

14. The Prudential Report has 6 recommendations. These are reproduced below in full in italics, together with commentary on the status of council actions in relation to each of those recommendations.

Prudential Report Recommendation 1

Given the limited information currently made public and at the appropriate time, Council needs to undertake further community consultation for the Project, including for the Master Plan/Business Case.

Council Response:

To date, council engagement has primarily been with the land owners/developers associated with the four greenfields development sites in Nairne.

Due to the commercial in confidence nature of some of the matters contained in the business case, there is limited information available on the council website at this time.

As recommended, further community engagement will occur at the appropriate time.

Prudential Report Recommendation 2

Council's Administration should now formally approach ESCOSA to seek early confirmation that its Wastewater Services model encompassing the one annual service charge across the entire Council area (applicable where there is access to a wastewater service) is appropriate – rather than separate annual service charges/separate wastewater service models for each township service. In

making this recommendation, I would think it highly unlikely that ESCOSA would not accept Council's existing Wastewater Services model as being consistent with its 'Determination'. Notwithstanding, in my opinion it would be prudent for Council's Administration to now seek such confirmation, given that its wastewater operations are the second largest in South Australia outside of SA Water. I would not underestimate the possibility at some future time of some ratepayers not being supportive of Council for cross subsidisation of wastewater costs across all those townships in the district with access to a wastewater service.

Council Response:

Council wrote to ESCOSA on 12 October 2021 and received a response from ESCOSA on 21 October 2021. These letters can be made available to members of the Audit and Risk Committee on request.

In summary, the ESCOSA response highlighted that the charges should be based on cost.

This gives rise to the need to review the following issues:

- If the current charges for a sewer service v a Community Wastewater Management System (CWMS) are still reflective of the cost differences in these services - an example being that the CWMS service requires the pump out of individual septic tanks every 5 years;
- If vacant land should be charged a lower amount than land with development as vacant land is not placing demand on the council wastewater network; and
- If retention of the current reduction to residents of Brukunga (for a sewer service) can be justified and if not, transitional arrangements to progressively phase that out over a number of years.

A new council policy on wastewater annual services charges is being prepared and will be presented for formal consideration.

Prudential Report Recommendation 3

In addition to 10.2.2, Council's Administration should now also formally approach ESCOSA to seek early confirmation that its commercial basis for charging Land Developers and having the one wastewater infrastructure reserve across all of the townships are both appropriate and as such consistent with its 'Determination'. In making this recommendation, I would think it highly unlikely that ESCOSA would not accept Council's existing Wastewater Services model (pertaining to connection fees payable by land developers and the one wastewater infrastructure reserve for all townships) as being consistent with its

'Determination'. As in 10.2.2, in my opinion it would be prudent for Council's Administration to seek early confirmation.

Council Response:

The Council practice of a single reserve for wastewater infrastructure (new and upgrading to increase capacity) is not being questioned by ESCOSA.

Having a uniform fee per service (i.e. sewer v CWMS) is not preferred by ESCOSA. The approach to charging developers has recently been revised as reflected in item 10.1.

Prudential Report Recommendation 4

Council to periodically monitor the progress of addressing by the Administration all of the 8 recommendations by Frontier Economics (in this regard, I note that such resolutions of Council are already in place).

Council Response:

Implementation of the various recommendations made by Frontier Economics are at different states of progress, some of which remain confidential.

An agenda item to provide an update on progress with the implementation of all of the recommendations in the Frontier Economics Report is scheduled for the next meeting of the Audit and Risk Committee.

Prudential Report Recommendation 5

Council continue to be satisfied that revenues from its Wastewater Services not be applied to any other function/activity.

Council Response:

This is reflected in council policies and procedures/practices/systems and is subject to audit.

It is also reflected in the continued approach of council towards the full separation of wastewater/recycled water financial reporting from the balance of council's functions and activities.

Prudential Report Recommendation 6

Annually, Council formally commit to the NWI principles when adopting Service Charges (annual rates and charges declaration).

Council Response:

This is being implemented via the preparation of a new Council policy on wastewater annual service charges which is progressing well.

- 18.1** **CONFIDENTIAL ITEM: AUDIT AND RISK COMMITTEE – 17 FEBRUARY 2022**
- REPORT TITLE: CONFIDENTIAL ITEM: NAIRNE TOWNSHIP WASTEWATER INFRASTRUCTURE UPGRADE – PRUDENTIAL REPORT**
- FILE NUMBER: DOC/21/211087**
- ATTACHMENTS: 1. DOC/21/155377 - PRUDENTIAL REPORT**

Moved Councillor Westwood that Council:

Section 90 (3) (b) Order

Pursuant to Section 90(3)(b)

1. Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except the Chief Executive Officer; Deputy Chief Executive Officer General Manager – Governance, Strategic Projects and Wastewater/ Recycled Water; General Manager Corporate Services; General Manager, Infrastructure; General Manager, Planning and Development; Acting General Manager, Community Services; Risk and Governance Officer / Executive Assistant to the Mayor and the Minute Secretary be excluded from attendance at the meeting for Agenda Item 18.1 Nairne Township Wastewater Infrastructure Upgrade – Prudential Report.

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Seconded Councillor Bailey

CARRIED
OM20220307.17

Moved Councillor Hardingham that Council:

2. note and consider the prudential report on the *Nairne Township Wastewater Infrastructure Project \$6.5m* prepared by Dean Newbery Consulting dated 15 September 2021 (attached); and
3. note the actions taken subsequent to the receipt of the prudential report (attached) and in response to the recommendations in the prudential report, as outlined in the Agenda under point 14.(attached).

Seconded Councillor Westwood

CARRIED
OM20220307.18

Moved Councillor Westwood that Council:

Section 91(7) Order
Pursuant to Section 91(7)

4. having considered Agenda Item 18.1 Nairne Township Wastewater Infrastructure Upgrade – Prudential Report in confidence under 90(2) and 3(b) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the agenda item and all minutes be retained in confidence until the council determines that this order should cease to apply.

Seconded Councillor Bailey

CARRIED
OM20220307.19

MEETING DECLARED CLOSED AT 8.42 PM

MAYOR

DATE