



Corporate & Works Committee

Agenda: *Corporate & Works Committee*

Date: *Monday 18 May 2009*

Time: *6.00pm*

Outline of Meeting Protocol & Procedure:

- The Chairperson will call the Meeting to order and ask the Committee/Staff to present apologies or late correspondence.
- The Chairperson will commence the Order of Business as shown in the Index to the Agenda.
- At the beginning of each item the Chairperson will ask whether a member(s) of the public wish to address the Committee.
- If person(s) wish to address the Committee, they are allowed four (4) minutes in which to do so. Please direct comments to the issues at hand.
- If there are persons representing both sides of a matter (eg applicant/objector), the person(s) against the recommendation speak first.
- At the conclusion of the allotted four (4) minutes, the speaker resumes his/her seat and takes no further part in the debate unless specifically called to do so by the Chairperson.
- If there is more than one (1) person wishing to address the Committee from the same side of the debate, the Chairperson will request that where possible a spokesperson be nominated to represent the parties.
- The Chairperson has the discretion whether to continue to accept speakers from the floor.
- After considering any submissions the Committee will debate the matter (if necessary), and arrive at a recommendation (R items which proceed to Full Council) or a resolution (D items for which the Committee has delegated authority).

Delegated Authority (“D” Items):

- General financial and corporate management of the Council, except those specifically excluded by statute, by Council direction or delegated specifically to another Committee.
- Note: This not to limit the discretions of nominated staff members exercising Delegated Authorities granted by the Council.
- Quarterly review of Council's Management Plan.
- Finance Regulations, including:-
 - Authorisation of expenditures within budgetary provisions where not delegated;
 - Quarterly review of Budget Review Statements;
 - Quarterly and other reports on Works and Services provision; and
 - Writing off of rates, fees and charges because of non-rateability, bad debts, and impracticality of collection.
- Auditing.
- Property Management.
- Asset Management.
- Traffic Management - Works Implementation.
- Works and Services - Monitoring and Implementations.
- Legal Matters and Legal Register.
- Parks and Reserves Management.
- Infrastructure Management, Design and Investigation.
- To require such investigations, reports or actions as considered necessary in respect of matters contained within the Business Agenda (and as may be limited by specific Council resolution).
- Confirmation of Minutes of its Meeting.
- Any other matter falling within the responsibility of the Corporate and Works Committee and not restricted by the Local Government Act or required to be a Recommendation to Full Council as listed below.

Recommendation only to the Full Council (“R” Items):

- Such matters as are specified in Section 377 and within the ambit of the Committee considerations.
- The voting of money for expenditure on works, services and operations.
- Rates, Fees and Charges.
- Donations
- Matters which involve broad strategic or policy initiatives within responsibilities of the Committee.
- Matters not within the specified functions of the Committee.
- Asset Rationalisation.
- Corporate Operations:-
 - Statutory Reporting; - Delegations.
 - Adoption of Council's Management Plans; - Policies.
 - Quality Service/Communications; - Tenders as per Regulation requirements.
 - Leases.
 - Matters reserved by individual Councillors in accordance with any Council policy on "safeguards" and substantive changes

Committee Membership:

6 Councillors

Quorum:

The quorum for a Committee meeting is 4 Councillors.

WOOLLAHRA MUNICIPAL COUNCIL

Notice of Meeting

14 May 2009

To: His Worship The Mayor, Councillor Andrew Petrie ex-officio
Councillors Greg Medcraft (Chair)
Anthony Boskovitz
Peter Cavanagh (Deputy)
Nicola Grieve
Ian Plater
Isabelle Shapiro

Dear Councillors

Corporate & Works Committee Meeting – 18 May 2009

In accordance with the provisions of the Local Government Act 1993, I request your attendance at a Meeting of the Council's **Corporate and Works Committee** to be held in the **Council Chambers, 536 New South Head Road, Double Bay, on Monday 18 May 2009 at 6.00pm.**

Gary James
General Manager

Additional Information Relating to Committee Matters

Site Inspection

Other Matters

Meeting Agenda

Item	Subject	Pages
1	Leave of Absence and Apologies	
2	Late Correspondence	
3	Declarations of Interest	

Items to be Decided by this Committee using its Delegated Authority

D1	Confirmation of Minutes of Meeting held on 4 May 2009	1
D2	Monthly Financial Report – April 2009 – 349.G * See confidential annexure distributed separately	2
D3	Impact of the 2009 Local Government Filming Protocol on Council's Filming Application Processes – 15.G	11
D4	Hopetoun Avenue, Vaucluse – Encroachments – 240 & 1220	37
D5	SMS/Email Notification 6.G	45

Items to be Submitted to the Council for Decision with Recommendations from this Committee

R1	Dunbar House Lease Tender 09/02 – Tender 09/02	54
R2	EJ Ward Community Centre – Licence Proposal from Sir Roden Cutler Charities – 1152.G	60
R3	Goods and Services Tax Compliance Certification – 329G	93

Item No: D1 Delegated to Committee
Subject: **Confirmation of Minutes of Meeting held on 4 May 2009**
Author: Les Windle, Manager – Governance
File No: See Council Minutes
Reason for Report: The Minutes of the Meeting of Monday 4 May 2009 were previously circulated. In accordance with the guidelines for Committees' operations it is now necessary that those Minutes be formally taken as read and confirmed.

Recommendation:

That the Minutes of the Corporate and Works Committee Meeting of 4 May 2009 be taken as read and confirmed.

Les Windle
Manager – Governance

Item No: D2 Delegated to Committee
Subject: **Monthly Financial Report – April 2009**
Author: Don Johnston, Manager Finance
File No: 349G
Reason for Report: To present the monthly financial report for April 2009

Recommendation:

- A. That the monthly financial report for April 2009 be received and noted.
- B. That the Investments Working Party update be received and noted.
- C. That the Confidential Annexure remain confidential

Background:

The report provides a brief background on the establishment of the Investment Working Party and an update on the Lehman Brothers administration, including the Deed of Company Arrangement offered for the consideration of creditors by the Administrators, PPB.

The usual monthly financial report for April 2009 is also submitted to the Committee for consideration.

The monthly report includes the following:

- Summary of Receipts, Payments and Bank Balance
- Summary of Investments
- Details of Investment Portfolio
- Weighted Average Maturity and Weighted Average Returns Charts
- Maturity Profile Chart

Investment Working Group Update

The Investment Working Group was established by the following resolution of Council made on 12 November 2007.

That Council authorise a Committee made up of not more than 4 Councillors (appointed by and including the Mayor and the Chairman of the Corporate and Works Committee), in consultation with an independent investment advisor, Council's Financial Controller and the General Manager, such Committee to have the following responsibilities and powers:

- 1. To meet as necessary to make decisions on sale of CDO's (including by telephone backup).*
- 2. To make urgent determinations (where appropriate) on sale of CDO's and to instruct staff to implement such determination, on an urgent basis.*
- 3. To report on it's decisions and outcomes to the Corporate and Works Committee and Council.*

As a result of this resolution, the Investment Working Group was convened and the members appointed included (at the time), Mayor Geoff Rundle, Councillor's Andrew Petrie, Isabelle Shapiro and Claudia Cullen, the General Manager and Manager Finance. Regular updates on the considerations by the Investment Working Group were provided to the Corporate & Works Committee throughout 2008, most recently on 24 November 2008. The then Chairperson of the Corporate & Works Committee also gave regular verbal updates on the activities of the Investment Working Group.

A further confidential update is provided as **CONFIDENTIAL ANNEXURE 1**. The annexure is confidential as it contains information provided to Council commercially in confidence and legal advice.

On 20 October 2008, the Corporate & Works Committee was advised of the Lehman Brothers Inc. (US) bankruptcy and that \$1.75m of Council's securities have Lehman Brothers as the "swap counter party". At the time it was advised that, if the securities were unwound, the benefit of the collateral would go to noteholders first which would be a favourable outcome. The securities affected are:

Issuer	ISIN	Stock	Purchase Date	Nominal Amount	Total Holding
Beryl Finance Ltd	AU3FN0002333	AAA Global Bank Note	03/04/2007 04/07/2007	100,000 350,000	450,000
Zircon Finance Ltd	AU3FN0002085	Coolangatta AA	20/03/2007 04/07/2007	500,000 500,000	1,000,000
Zircon Finance Ltd	AU3FN0002325	Miami AA	16/04/2007	50,000	50,000
Zircon Finance Ltd	AU3FN0002937	Merimbula AA	06/06/2007	250,000	250,000

On 24 April 2009 Council received advice that Coolangatta, Merimbula, Global Bank Note and Miami have now had their swaps terminated. Council was also advised that there are still a number of unspecified steps to be taken and barriers to cross before collateral can be returned to investors.

Monthly Financial Report for April.

The usual monthly financial report follows.

Summary of Receipts, Payments and Bank Balance

Cash Book Balance as at 31 March 2009 1,183,890.05

Receipts

Rates 417,876.00
Other 8,599,138.03 9,017,014.03

Total Receipts

Description	Amount
Sundry Debtors Control	-908,934.85
GST Clearing Balance Account	-419,042.34
S/Dr's-Rates	-417,875.77
Parking Fines	-385,545.12
Deposits & Bonds Control Account	-242,617.68
Trade Waste Debtors Control	-127,580.33
Risk Management Bonus	-121,080.00
Disposal (Asset) Clearing A/C	-99,992.76
Non Current Long Service Leave	-92,288.29
Other Developer Contributions	-79,807.88

Payments - Cheque

Cheque Payments -1,102,233.26
Cancelled Cheques 24,415.00

Total Cheque Payments for period

-1,077,818.26

Cheque No	Cheque Date	Payee	Description	Amount
203430	16/04/2009	Energy Australia	Street Lighting - Mar09	-77,970.60
203549	23/04/2009	Legal Force	Legal fees	-69,629.68
203635	30/04/2009	Roads & Traffic Authority	Motor vehicle registration renewals	-63,425.00
203419	14/04/2009	Withheld	Refund of security deposit	-57,756.55
203619	30/04/2009	Civil Constructions Pty Ltd	General works - Old Sth Head Rd, Rose Bay	-56,881.86
203631	30/04/2009	McGrath Sutherland Kirrawee	Fleet Purchases	-55,818.30
203338	09/04/2009	Electoral Commission NSW	Local Government Election costs	-43,120.00
203598	23/04/2009	Withheld	Refund of security deposit	-33,000.00
203450	16/04/2009	Techni-Clean Australia	General works - Oxford St., Paddington	-31,800.18
203533	23/04/2009	City Ford, Mascot	Fleet Purchases	-29,047.30

Payments - EFT

EFT Payments -7,406,643.29
Returned EFT Payments 0.00

Total EFT Payments for period

-7,406,643.29

Reference	EFT Date	Payee	Description	Amount
20735	02/04/2009	WSN Environmental Solutions	Waste tipping charges 12-25/01/09	-222,767.88
20773	09/04/2009	Eco Civil Constructions Pty Ltd	General works - The Cres/Htoun Av, Vaucluse	-150,152.41
20824	09/04/2009	Statewide Civil Pty Ltd	General works - Magney/Icasia/Tindale lanes	-140,599.27
20718	02/04/2009	Sam The Paving Man	General works - Cross St., upgrade	-138,222.76
20925	23/04/2009	Local Govt Super Scheme-Div.A	Employer/employee super contribs Mar'09	-135,778.99
20697	02/04/2009	Local Govt Super Scheme-Div.A	Employer/employee super contribs Feb'09	-135,549.27
20943	23/04/2009	Sam The Paving Man	General works - Cross St., upgrade	-134,873.39
20968	30/04/2009	Collex Waste Management Pty Ltd	Weekly collection of recyclables - Mar'09	-128,158.03
20839	09/04/2009	WSN Environmental Solutions	Waste tipping charges 9-22/2/09	-113,776.26
21015	30/04/2009	WSN Environmental Solutions	Waste tipping charges 23/2-8/3/09	-111,595.69

Payments - Direct Debits From Bank A/c

Payroll -1,646,602.56
Bank Charges -10,942.40
Credit Cards 0.00
Councillors' fees -37,149.90
Council Rates 0.00
Total Direct Debits for period -1,694,694.86

Total Payments

-10,179,156.41

Cash Book Balance as at 30 April 2009

21,747.67

Unpresented Cheques No. of Cheques: 193 536,645.68
Outstanding Deposits & Miscellaneous Items -377,719.53

Reconciled Cash Book Balance as at 30 April 2009

180,673.82

Bank A/c Balance as at 30 April 2009

180,673.82

Unpresented Cheques > \$30,000.00

Cheque No.	Cheque Date	Payee	Amount
203419	14/04/2009	Withheld	57,756.55
203549	23/04/2009	Legal Force	69,629.68
203619	30/04/2009	Civil Constructions	56,881.86
203631	30/04/2009	McGrath Sutherland	55,818.30
203635	30/04/2009	Roads & Traffic Authority	63,425.00

INVESTMENTS AS AT 30 APRIL 2009

CATEGORY	FACE VALUE \$	BOOK VALUE \$
1. LEHMAN BROTHERS (formerly Grange Securities Ltd)		
Funds under management	17,911,989	10,562,615
2. OAKVALE CAPITAL Limited		
Funds under management	6,247,114	3,974,800

RATING	CATEGORY	PURCHASE DATE	MATURITY DATE	TOTAL TERM (DAYS)	REMAINING DAYS TO MATURITY	%	FACE VALUE \$	BOOK VALUE \$	GOV'T GUARANTEE
3. WMC DIRECT INVESTMENTS									
AA	<u>ST GEORGE BANK LIMITED</u> TERM DEPOSIT	22/01/2009	19/06/2009	148	50	3.64	1,000,000	1,000,000	Guaranteed
AAA*	<u>SAVINGS & LOANS CREDIT UNION</u> TERM DEPOSIT	10/12/2008	10/12/2010	730	589	5.15	1,000,000	1,000,000	Guaranteed
AAA*	<u>BANK OF CYPRUS AUSTRALIA</u> TERM DEPOSIT	04/03/2009	02/06/2009	90	33	4.30	1,000,000	1,000,000	Guaranteed
AAA*	<u>AUSTRALIAN CENTRAL CREDIT UNION</u> TERM DEPOSIT	04/03/2009	03/07/2009	121	64	4.01	1,000,000	1,000,000	Guaranteed
AAA*	<u>BANK OF QUEENSLAND</u> TERM DEPOSIT	04/03/2009	04/03/2010	365	308	4.25	1,000,000	1,000,000	Guaranteed
BBB	<u>IMB LTD</u> TERM DEPOSIT	27/11/2008	27/11/2009	365	211	5.00	1,000,000	1,000,000	Guaranteed
	TERM DEPOSIT	02/12/2008	02/12/2009	365	216	5.00	1,000,000	1,000,000	Guaranteed
AAA*	<u>MACQUARIE BANK</u> TERM DEPOSIT	04/11/2008	04/05/2009	181	4	7.00	1,000,000	1,000,000	Guaranteed
	TERM DEPOSIT	02/02/2009	04/05/2009	91	4	5.00	1,500,000	1,500,000	Guaranteed
	TERM DEPOSIT	05/03/2009	11/06/2009	98	42	4.20	1,000,000	1,000,000	Guaranteed
AAA*	<u>ELDERS RURAL BANK</u> TERM DEPOSIT	24/11/2008	24/11/2009	365	208	6.55	1,000,000	1,000,000	Guaranteed
AAA*	<u>BANK WEST</u> TERM DEPOSIT	27/11/2008	27/11/2009	365	211	5.00	1,000,000	1,000,000	Guaranteed
AAA*	<u>AUSTRALIAN DEFENCE CREDIT UNION</u> TERM DEPOSIT	13/03/2009	12/06/2009	91	43	6.63	1,000,000	1,000,000	Guaranteed
AAA*	<u>INVESTEC BANK</u> TERM DEPOSIT	28/11/2008	26/11/2009	363	210	5.65	1,000,000	1,000,000	Guaranteed
AAA*	<u>ARAB BANK</u> TERM DEPOSIT	10/12/2008	10/12/2010	730	589	5.65	1,000,000	1,000,000	Guaranteed
AAA*	<u>CREDIT UNION AUSTRALIA</u> TERM DEPOSIT	28/01/2009	28/07/2009	181	89	4.30	1,000,000	1,000,000	Guaranteed
AAA*	<u>BENDIGO BANK</u> TERM DEPOSIT	21/01/2009	16/10/2009	268	169	4.65	1,000,000	1,000,000	Guaranteed
AAA*	<u>VICTORIA TEACHERS CREDIT UNION</u> TERM DEPOSIT	21/01/2009	21/12/2009	334	235	4.25	1,000,000	1,000,000	Guaranteed
AA	<u>COMMONWEALTH BANK</u> TERM DEPOSIT	16/12/2008	16/12/2011	1095	960	6.03	1,000,000	1,000,000	
	ONLINE SAVER A/C						1,721,473	1,721,473	
	Total WMC Direct Investments						21,221,473	21,221,473	
	Weighted Average Days to Maturity of WMC Direct Investments				217.28				
	Weighted Average Return of WMC Direct Investments (excluding CBA floating rate deposit)					5.06			
	% Government Guarantee of WMC Direct Investments								87%
	PORTFOLIO TOTALS						45,380,576	35,758,888	

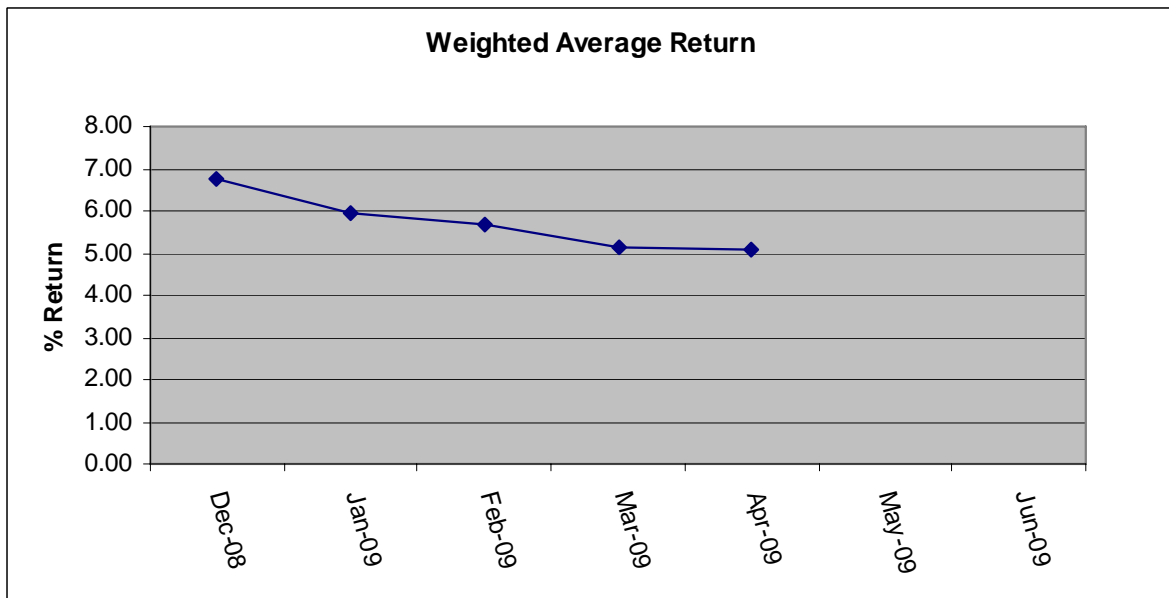
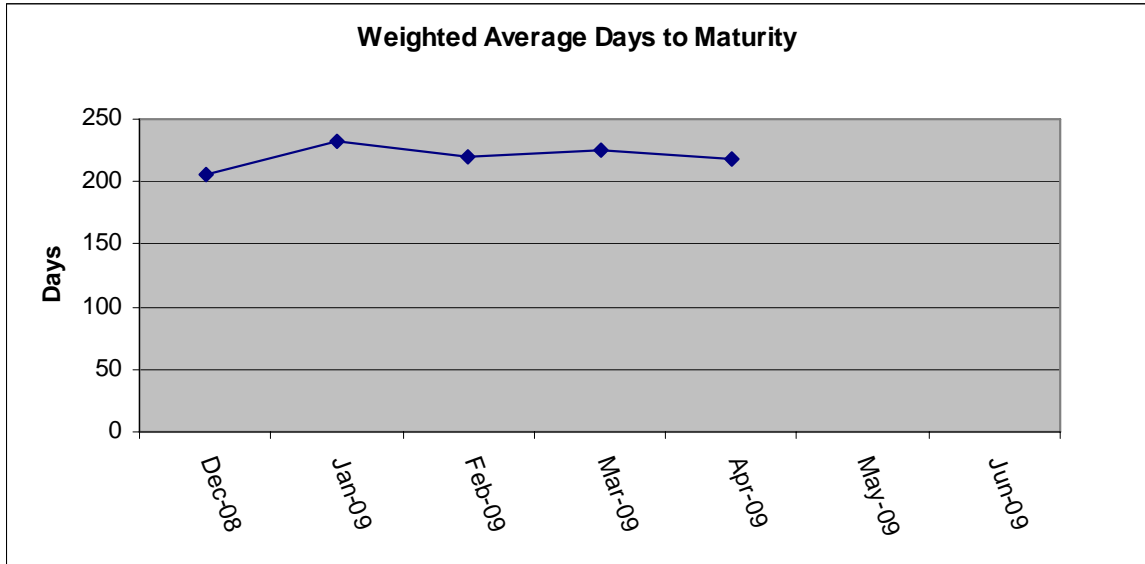
* Government Guaranteed deposits have been rated AAA

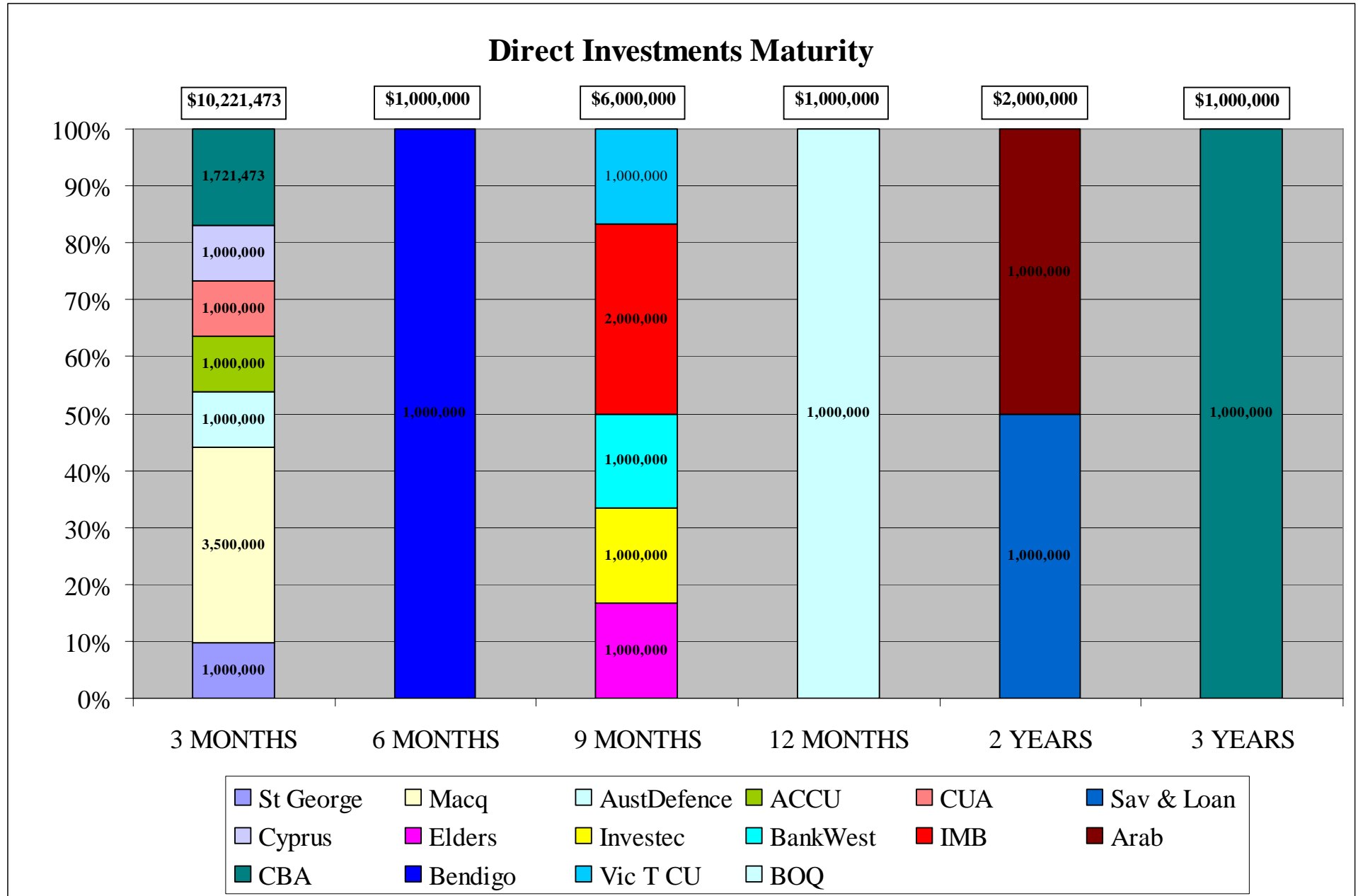
I hereby certify that the above investments have been made in accordance with Section 625 of the Local Government Act 1993, Clause 212 of the Local Government (General) Regulation 2005 and Council's investment policy.

Don Johnston
Manager Finance

INVESTMENTS PORTFOLIO AS AT 30 APRIL 2009							
Security	Classification	Purchase Date	Final Maturity Date	Face Value (FV)	Total Purchase Price	Current Book Value	Notes
1. LEHMAN BROTHERES (formerly GRANGE SECURITIES)							
Issued by non-ADIs							
Lehman Global Property Note	Other	13/06/2007	15/06/2009	60,000	60,000	5,000	1
Herald Limited (Quartz AA)	CDO	04/07/2007	20/12/2010	400,000	403,644	221,624	1
BELO (Kalgoorlie AA+)	Other	27/02/2007	27/02/2012	500,000	500,000	357,830	1
Magnolia (Flinders AA)	CDO	08/06/2007	20/03/2012	500,000	513,670	324,180	1
Omega (Henley AAA)	CDO	20/12/2006	22/06/2012	450,000	450,000	140,018	1
Helium (Esperance AA+)	CDO	04/07/2007	20/03/2013	500,000	501,565	110,825	1
Zircon (Merimbula AA)	CDO	06/06/2007	20/06/2013	250,000	250,000	37,105	1
Corsair (Torquay AA)	CDO	04/07/2007	20/06/2013	500,000	501,860	91,945	1
Start (Blue Gum AA-)	CDO	08/01/2007	22/06/2013	400,000	402,768	118,832	1
Corsair (Kakadu AA)	CDO	22/01/2007	20/03/2014	500,000	503,300	83,725	1
Helium (Scarborough AA)	CDO	17/01/2007	23/06/2014	400,000	402,620	80,456	1
Helium (Scarborough AA)	CDO	04/07/2007	23/06/2014	500,000	502,270	100,570	1
Helium (Scarborough AA)	CDO	23/07/2007	23/06/2014	500,000	503,810	100,570	1
Zircon (Coolangatta AA)	CDO	20/03/2007	20/09/2014	500,000	500,000	61,100	1
Beryl (AAA Global Bank Note)	Other	03/04/2007	20/09/2014	100,000	100,000	57,151	1
Zircon (Coolangatta AA)	CDO	04/07/2007	20/09/2014	500,000	501,430	61,100	1
Beryl (AAA Global Bank Note)	Other	04/07/2007	20/09/2014	350,000	350,917	200,029	1
Aphex (Glenelg AA-)	CDO	10/01/2007	22/12/2014	500,000	501,960	125,745	1
Aphex (Glenelg AA-)	CDO	04/07/2007	22/12/2014	500,000	501,405	125,745	1
MAS6-7 (Parkes IIA 'AA-')	CDO	13/06/2007	20/06/2015	450,000	461,687	32,117	1
MAS6-7 (Parkes IIA 'AA-')	CDO	04/07/2007	20/06/2015	500,000	504,315	35,685	1
Zircon (Miami AA)	CDO	16/04/2007	20/03/2017	50,000	50,137	7,546	1
				8,910,000	8,967,358	2,478,896	
Issued by ADIs							
Home Building Society FRN (BBB+)	FRN	10/01/2007	17/08/2009	500,000	511,820	453,835	1
Home Building Society FRN (BBB+)	FRN	11/01/2007	17/08/2009	500,000	511,920	453,835	1
Royal Bank of Scotland (AA)	FRN	04/07/2007	28/10/2009	500,000	508,290	466,345	1
Elders Rural Bank Sub Debt (BBB-)	FRN	04/07/2007	23/03/2010	500,000	504,780	428,445	1
NM Rothschild FRSD (unrated)	FRN	09/07/2007	10/08/2010	1,000,000	1,013,290	789,560	1
HSBC Sub Debt (AA-)	FRN	04/07/2007	20/05/2011	500,000	503,915	437,220	1
Suncorp Metway Sub Debt (A)	FRN	19/01/2007	22/06/2011	500,000	503,285	451,250	1
St George Bank Sub Debt (A+)	FRN	10/01/2007	26/07/2011	1,000,000	1,014,990	905,830	1
HSBC FRN (AA-)	FRN	07/02/2007	22/09/2011	500,000	505,470	456,615	1
CBA FRN (AA)	FRN	19/01/2007	28/09/2011	500,000	503,640	479,285	1
CBA FRN (AA)	FRN	31/01/2007	28/09/2011	500,000	504,785	479,285	1
CBA FRN (AA)	FRN	04/07/2007	28/09/2011	500,000	502,360	479,285	1
Westpac FR Sub Debt (AA)	FRN	07/02/2007	24/01/2012	500,000	501,590	455,330	1
Royal Bank of Scotland (AA)	FRN	31/01/2007	17/02/2012	1,000,000	1,014,560	865,130	1
Adelaide Bank FRN (BBB+)	FRN	04/07/2007	28/03/2012	500,000	501,445	480,480	1
				9,000,000	9,106,140	8,081,730	
Macquarie Cash Trust (AAA)	Cash			1,989	1,989	1,989	4
				1,989	1,989	1,989	
Total Lehman Brothers				17,911,989	18,075,486	10,562,615	
2. OAKVALE CAPITAL							
Emeral Reverse Mortgage Series 2007-1 Class B	Mortgage Backed	06/07/2007	06/07/2011	1,000,000	1,000,000	945,200	1
Momentum (Calyon Nickel) Credit Linked Note	CDO	15/05/2007	30/06/2012	1,000,000	1,000,000	0	3
Aramis (Merrill Lynch) Clear 40 - ABS	CDO	02/04/2007	20/12/2012	1,000,000	1,000,000	0	3
Blackrock (Merrill Lynch) Diversified Credit Fund	Managed Fund	05/01/2007		3,247,114	3,247,114	3,029,600	1
Total Oakvale Capital				6,247,114	6,247,114	3,974,800	

Security	Classification	Purchase Date	Final Maturity Date	Face Value (FV)	Total Purchase Price	Current Book Value	Notes
3. WMC INVESTMENTS							
Macquarie Bank (5.0% 91 days)	TD	02/02/2009	04/05/2009	1,500,000	1,500,000	1,500,000	4
Macquarie Bank (7.0% 181 days)	TD	04/11/2008	04/05/2009	1,000,000	1,000,000	1,000,000	4
Bank of Cyprus (4.3% 90 days)	TD	04/03/2009	02/06/2009	1,000,000	1,000,000	1,000,000	4
Macquaries Bank (4.2% 98 days)	TD	05/03/2009	11/06/2009	1,000,000	1,000,000	1,000,000	4
Australian Defence Credit Union (4.22% 91 days)	TD	13/03/2009	12/06/2009	1,000,000	1,000,000	1,000,000	4
St George (3.64% 148 days)	TD	22/01/2009	19/06/2009	1,000,000	1,000,000	1,000,000	4
Australian Central Credit Union (4.01% 121 days)	TD	04/03/2009	03/07/2009	1,000,000	1,000,000	1,000,000	4
Credit Union Australia (4.3% 181 days)	TD	28/01/2009	28/07/2009	1,000,000	1,000,000	1,000,000	4
Bendigo Bank (4.65% 268 days)	TD	21/01/2009	16/10/2009	1,000,000	1,000,000	1,000,000	4
Elders Rural Term Deposit (6.55% 365days)	TD	24/11/2008	24/11/2009	1,000,000	1,000,000	1,000,000	4
Investec Aust Ltd (5.65% 363 days)	TD	28/11/2008	26/11/2009	1,000,000	1,000,000	1,000,000	4
Bank West Term Deposit (5.00% 365 days)	TD	27/11/2008	27/11/2009	1,000,000	1,000,000	1,000,000	4
IMB Term Deposit (5.00% 365 days)	TD	27/11/2008	27/11/2009	1,000,000	1,000,000	1,000,000	4
IMB Term Deposit (5.00% 365 days)	TD	02/12/2008	02/12/2009	1,000,000	1,000,000	1,000,000	4
Victoria Teachers CU (4.25% 334 days)	TD	21/01/2009	21/12/2009	1,000,000	1,000,000	1,000,000	4
Bank of Queensland (4.25% 365 days)	TD	04/03/2009	04/03/2010	1,000,000	1,000,000	1,000,000	4
Arab Bank Ltd (5.65% 730 days)	TD	10/12/2008	10/12/2010	1,000,000	1,000,000	1,000,000	4
Savings & Loans CU (5.15% 730 days)	TD	10/12/2008	10/12/2010	1,000,000	1,000,000	1,000,000	4
CBA TCD (90 day BBSW + 1.60% - 3 yrs)	TD	16/12/2008	16/12/2011	1,000,000	1,000,000	1,000,000	4
CBA Online Saver	Cash			1,721,473	1,721,473	1,721,473	4
Total Direct Investments				21,221,473	21,221,473	21,221,473	
Total Portfolio				45,380,576	45,544,074	35,758,888	
PORTFOLIO SUMMARISED BY CLASSIFICATION							
CDO				9,900,000	9,956,441	1,858,887	
FRN				9,000,000	9,106,140	8,081,730	
Mortgage Backed				1,000,000	1,000,000	945,200	
Managed Fund				3,247,114	3,247,114	3,029,600	
TD				19,500,000	19,500,000	19,500,000	
Cash				1,723,462	1,723,462	1,723,462	
Other				1,010,000	1,010,917	620,010	
				45,380,576	45,544,074	35,758,888	
1. Book Value (Fair Value) as at 30 June 2008							
2. Matured 17 October 08 repaying full \$100,000 principal							
3. Defaulted							
4. Face value of deposit / bank bill							
CDO - Collateralised Debt Obligation							
CDOs are constructed from a portfolio of assets. These assets are divided by the issuer into different tranches: senior tranches (rated AAA), mezzanine tranches (AA to BB), and equity tranches (unrated). Losses are applied in reverse order of seniority and so junior tranches offer higher coupons (interest rates) to compensate for the added default risk.							
FRN - Floating Rate Note							
Floating rate notes (FRNs) are bonds that have a variable coupon, equal to a money market reference rate, plus a spread. The spread is a rate that remains constant. Almost all FRNs have quarterly coupons, i.e. they pay out interest every three months.							
Managed Fund							
Managed Funds are a way of investing money with other people to participate in a wider range of investments than those feasible for most individual investors, and to share the costs of doing so.							
Mortgage Backed Security							
A mortgage-backed security is an asset-backed security whose cash flows are backed by the principal and interest payments of a set of mortgage loans. Payments are typically made monthly over the lifetime of the underlying loans.							
Term Deposit							
Term Deposit is a money deposit at an approved deposit taking (ADI) institution for a fixed term at a fixed interest rate. When the term is over it can be withdrawn or it can be held for another term.							





Don Johnston
Manager Finance

ANNEXURES:

1. Confidential Investments Update

Item No: D3 Delegated to Committee

Subject: **Impact of the 2009 Local Government Filming Protocol on Council's Filming Application Processes.**

Author: Paul Fraser, Parks & Recreation Coordinator
Frank Rotta, Traffic Engineer

File No: 15.G

Reason for Report: To report the implications of the 2009 Local Government Filming Protocol on Council's application process, issues relating to the perceived increase of filmmakers and loss of income generated and budgeted for in the 2009/2010 draft budget.

Recommendation:

- A. That Council note the impact of the 2009 Local Government Filming Protocol on Council's Filming Permit procedure and future generated income.
- B. That Council note the current fees and charges adopted in the draft Budget 2008 – 2009 have been amended in accordance with the permitted fees and charges outlined in the revised Local Government Filming Protocol.
- C. That Council note that "Stand Plant Permits" may no longer be issued for oversized or heavy vehicles on Council roads when these vehicles are involved with filming activities.
- D. That a recommendation be made to the Woollahra Traffic Committee that the filming approval issued by Council officers will function as the Road Event Permit when the filming involves sections of roadway controlled by Council.
- E. That Council approval for temporary traffic alterations for Road Events related to filming applications which are referred to the Woollahra Traffic Committee be sub-delegated (as permitted in Council's delegation from the RTA) to the Director of Technical Services to ensure that filming applications can be dealt with in a timely manner.
- F. That a recommendation be made to the Woollahra Traffic Committee that temporary parking signage alterations required by film applicants for the parking of vehicles be approved for all future filming applications.
- G. That a review of the operation of the 2009 Local Government Filming Protocol be undertaken in February 2010.
- H. That Council write to the Department of Premier and Cabinet objecting to the additional workload imposed on Council's resources by the Filming protocol without the expectation of payment to cover the costs incurred.

Background:

The '*Filming Related Legislation Amendment Act 2008*' was introduced into the NSW Parliament in June 2008. The object of this Act was "to amend various Acts and instruments to support the screen industry by reducing or simplifying regulatory impediments to the carrying out of filming projects".

In this Amendment Act, reference was made to a Filming Protocol that would prescribe how Councils should respond to film applications. The 2009 Local Government Filming Protocol (Annexure 1) was launched on 20 March 2009 with an announcement advised in Circular 09-11 *Local Government Filming Protocol* (Annexure 2), advising Council of the release of the revised Protocol and that the commencement date would be 30 March 2009.

Following the passing of the State Government *Filming Related Legislation Amendment Bill 2008*, NSW council's are now required to consider all filming applications favourably. There is a presumption (as outlined in the 2009 Local Government Filming Protocol) that all filming requests be approved and that refusals by councils will be "**rare and unusual**". The expectation is that individual councils will develop and manage their own systems of additional fees, charges and approvals and that this should assist with the negotiation and management of filming applicants.

The recent announcement of the 2009 Local Government Filming Protocol has left NSW councils with a very short timeframe in which to implement their new filming approval structures and fee schedules. Although it was developed to encourage faster processing time and standardisation of fees (to encourage more filmmakers to work in NSW), the main impacts of the Protocol is expected to be a potential increase of disturbance to residents and traffic management issues. Council will now have less control of filming within Woollahra streets and public open space and be expected to make various concessions to filmmaking companies in relations to traffic management and hiring of public open space. There will also be a significant decrease in the overall filming income to council and added pressures for councils to treat filmmakers with special treatment in relation to the use of public open space and traffic management. In accordance with the Filming Protocol, the new fee structure must be cost recovery based with a one-off application fee which will be discussed later in this report. This will replace Council's current filming fee structure which was inclusive of most other charges. The fees which Council have previously charged for filming are no longer permissible, thus, Council has estimated an annual loss of income from filming under the new regulations in order of \$15,000.

The purpose of this report is to:

1. Explain the impact that this Filming Protocol will have on Council's future filming income estimates and to note the necessary fee changes for the remaining 2008/2009 period (in line with this new Filming Protocol from 30 March 2009) and the 2009/2010 Fees and Charges which was presented as a late correspondence for Council on 11 May 2009.
2. Outline the extent of special treatment the film industry will receive from councils as a result of the Filming Protocol and the potential influx of filmmakers to the area and the possible problems associated with these increases.
3. Explain the subsequent changes made to the associated Roads Legislation which are considerably onerous on councils in that they require councils to administer these filming applications with an expectation of approval without the right to charge for the relevant permits. The RTA has authored the "Filming Projects – Guidelines for Parking and Road Closures" and the alterations to the Roads legislation to enable filming projects to proceed without payments for permits required by other stakeholders in the community. The expeditious timing required for these film events will require a streamlined approach in how Council deals with signage changes (where required).

Proposal:

The 2009 Local Government Filming Protocol commenced on the 30 March 2009 in respect to commercial filming carried out within local government areas of NSW. The legislation was intended to make NSW more "Film Friendly" and enable NSW to attract and maintain, domestic and international film, television and TV commercial production.

The *Filming Related Legislation Amendment Act 2008* and the Local Government Filming Protocol are binding on councils. Their aims are essentially twofold:

1. All filming applications now are presumed to be approved by Council unless there are exceptional circumstances or legislation requiring the Council to refuse to grant approval. The legislation requires as a general principle that councils are required to approve screen projects unless there are compelling reasons not to do so. Filming on community land is allowed subject to conditions that ensure environmental protection or express exclusions in the applicable plan of management.
2. The Protocol sets out the maximum fees to be levied by Council for filming activities. The Act compels Councils to apply the Protocol's fee structures when determining filming applications after 30 March 2009. The only fees and charges that apply to filming are for recovery of specific Council costs. The legislation requires that fees for services provided associated with filming projects are set in a transparent manner and on a cost reflective basis.

The Protocol's fee structure for commercial filming applications is as follows:

Application fees

Ultra Low	Low	Medium	High
No more than 10 crew	11-25 crew	26-50 crew	> 50 crew
No disruption is caused to the Council's stakeholders, retailers or motorists or other events in the vicinity of the activities	No more than 4 trucks/vans	No more than 10 trucks	> 10 trucks
Activities are contained to footways or public open space areas only	No construction	Some construction	Significant construction
Public safety is maintained at the locations at all times during the conduct of the activities	Minimal equipment/lighting	Equipment used for example, dolly, trucks, medium-sized cranes, jibs	Extensive equipment
Vehicles associated with the conduct of the activities are legally parked at all times and are not driven onto footways, parks or plaza areas	Small or no unit base required	Unit base required	Large unit base required
Usually 1-2 locations	Usually 1-2 locations	No more than 4 locations	> 4 locations
\$0	\$0-\$150	\$0-\$300	\$0-\$500

Assessment of Traffic Management Plans

The following fees cover the administrative cost of processing traffic management plans:

Low	Medium	High
Stop/go traffic control on a local or council-managed road.	Stop/go traffic control on a multi-laned or state road	Road closures
Police consultation	Police consultation	Police consultation
	RTA consultation	RTA consultation
\$0 - \$100	\$0 - \$300	As per council's adopted road closure fees that apply to other applicants.

The Protocol strongly emphasises the principles that charges are to be based on the recovery of costs for services and that costs have to reflect the direct costs without any margins or administrative overhead charges.

The RTA "Filming Projects – Guidelines for Parking and Road Closures" (Annexure 3) states that "*councils are required to appoint suitably qualified traffic controllers for each filming project on Regional and Local Roads, when it is proposed to use traffic controllers to regulate traffic.*" The administration of such a process would be unnecessarily onerous on councils as they would have to appoint these traffic consultants and controllers and then claim the costs back from the filming applicants.

Advice was sought from the RTA in relation to this matter. The advice states that, "*In this instance appoint means to approve. Therefore Council may approve a suitably qualified organisation nominated by the film company to undertake the traffic control. This approval can be included in the overall filming approval process.*" The RTA has further verbally advised that if the filming company does not present a Traffic Management Plan (where required) from an RTA accredited traffic consultant as part of the filming application, Council should withhold the filming approval until this document is received and assessed by Council officers. The cost recovery for Council staff to review the Traffic Management Plans is shown above as per the Filming Protocol fee structure.

Clarification was sought from the Department of Local Government as to whether or not Council can charge venue/event fees under the new Protocol in allowing the use of public open areas such as parks or reserves exclusively for a filming project, particularly when council may not incur any direct costs. It was advised that, "The Protocol provides a suggested 'form of compensation' by filmmakers where the public use of the area is significantly disrupted. Council may wish to determine what level of use of the park by filmmakers would represent a 'significant disruption' (for example, exclusive use of the entire park or use over a number of days) and a recommended form of compensation by filmmakers." Essentially this suggests that Council has relatively limited scope to impose this charge on filmmakers. This will be monitored as part of the review to be reported on in February 2010 (see conclusion).

While the act of filming is not in itself subject to approvals or fees, Council has a role in relation to parking, traffic regulation and the use of council managed land. Council will also have a role in maintaining a balance between community interests, environmental, cultural and heritage protection and economic development.

Council's current Filming Procedure

Council has actively encouraged filmmakers to Woollahra through advertising the fact that our harbourside location, open space areas and streets are available for filming. Council's Recreational Bookings Coordinator has in the past been very accommodating to hirers with fast response times, knowledge of open space areas, and advice to ensure all information provided to Council is correct. Our current fees form part of Council's Management Plan 2008 – 2011 and are based on a lodgement fee, location fee (per hour), bond (where necessary), late fees (where applicable) and exemptions for the NSW & Australia Tourist Commission, SBS, ABC and Student Filming. The average income to Council generated from charging the current fee for commercial filming activities is approximately \$15,000 per annum.

Council's current procedure and fee structure for filming from 30 March 2009 has changed to reflect changes introduced in the Filming Protocol. Due to this Protocol being implemented a review of the Council's Filming Procedure needs to be reviewed and is currently being undertaken. A new application form and new procedure to streamline Council's process in managing filming applications is being drafted in consultation with other councils. A new schedule of Fees and Charges 2009-2010 was presented to Council on 11 May 2009 and was adopted for exhibition (Annexure 4).

Current Process versus 2009 Filming Protocol

Description	Current Process/Situation.	Changes as per 2009 Filming Protocol.
Application Fee	Fees and Charges 2008/2009.	One off application fee (as per Filming Protocols fee structure).
Filming Income	06/07 - \$33,751 07/08 - \$27,829 08/09 - \$10,305 (as at 21/04/09).	Expected to drop significantly (Below \$2K).
Film Production in Woollahra	Currently manageable due to respective Fees and user charges and traffic controls.	Expected significant increase of filmmakers causing possible traffic problems and resident conflict.
Refusing Filming Applications	Council is able to reject an application on fair grounds. We have not refused an application to date with the exception of filmmakers providing insufficient assessment time to Council staff.	Refusals by councils will be ' rare & unusual '. Grounds for refusal can be exceptional environmental, cultural or historical impacts and public safety. Even if Council does state exceptional issues Council staff must negotiate with Filmmakers to provide alternate sites or imposed appropriate conditions for the shoot.
Other Charges	Fees and Charges 2008/2009 charge relevant fees (late fees, bonds, and location fees).	Cost Recovery Only.
Council Land	Council has refused filming on Council Land on the basis of sensitivity of the local area or anticipation of conflict between the general public.	Under the new Protocol, council's have an obligation to assist filmmakers access to Council Land for the purpose of filming.

The Woollahra Local Government Area contains a diversity of natural and urban settings which makes it an ideal location for filming and photography. We support wherever possible the use of our public places for professional film making, television and commercial stills photography. During 2007/08, Council staff received and processed 38 Filming Applications and 35 Stills Photography shoots.

Sites such as the streets of Paddington, Double Bay Shopping precinct and our harbourside locations are very popular with commercial filming companies which are regularly used in advertising and short film productions. Council's fees and charges associated with filming have generally not proven to be a deterrent to film makers and have over the last few years netted returns to Council in the order of \$30,000. Under the new legislation, such fees will no longer be chargeable. A new schedule of Fees and Charges 2009-2010 was presented to Council on 11 May 2009 to reflect those in the Protocol and was adopted for exhibition.

The implications of this new Protocol are not only a financial impact to Council, however management issues relating to an expected influx of filmmakers to Woollahra which may include traffic and parking management, conflict between residents and filmmakers, private use of public open space, and additional staff responsibility to assess and permit all filmmaking applications favorably.

Council's response to the Local Government Filming Protocol is to review its current 'Filming Procedure' for the following reasons:

1. To ensure the new fee structure is incorporated into Council's proposed 2009/2010 Fees and Charges. Council adopted the new fees and charges for exhibition on 11 May 2009.
2. To ensure that the new fee structure (in line with the Protocol) is in place for remainder of the 2008/2009 period.
3. To develop a new Procedure and Application Form with conditions that are permitted under the Filming Protocol.
4. To continue meeting with other NSW local government council officers to discuss issues arising from the introduction of the Filming Protocol and to work as a group to develop standardised forms and conditions.

Consultation with other Councils regarding the Filming Protocol

In response to the 2009 Local Government Filming Protocol, discussions were initially held with Kya Blondin, Senior Production Attraction Executive from the NSW Film and Television Office who was involved in the development of the protocol to better understand the implications of the Protocol. These discussions led to considering the implications of the Protocol with other affected councils whereby an invitation from the City of Sydney Council, to attend a working party meeting. A group of council officers met on 7 April 2009 to discuss a wide range of issues arising from the Filming Protocol. Participants included representatives from the City of Sydney Council, Canterbury Council, Ku-ring-gai Council, Woollahra Council, Manly Council, Leichhardt Council, Screen Hunter Central Coast, WSROC, Canada Bay Council and Sutherland Shire Council. Further meetings were deemed necessary to follow-up on the actions and a follow up meeting was held on 5 May 2009 which discussed the implication of the new RTA guidelines, minimum processing times for permits, venue hire fees, dispute resolution and setting up a working party to standardise conditions of hire across all NSW councils.

At this initial meeting hosted by the City of Sydney Council, the following issues were raised, with some requiring further clarification from the Department of Local Government, the NSW Film and Television Office and the RTA:

1. To what extent does the Filming Protocol permit councils to prescribe special conditions on specific sites. Following the meeting at the City of Sydney Council, it was agreed amongst participating council officers that each council should have the ability to manage their sites through the implementation of special conditions.
2. According to the Filming Protocol, venue fees cannot be applied "unless the production is greater than 3 days or requires exclusive use of the location". A definition for 'exclusive use' will be included in the new application form which is currently under review.
3. That curfews on filming sites be implemented in accordance to existing laws.
4. That the Department of Local Government consider the development of mechanisms by Councils to manage late applications by filmmakers. As additional fees that are not cost recovery based are not permitted, it was suggested by City of Sydney Council officers that a "risk cost fee" be introduced to reflect the additional time required by staff to handle a late application.
5. It was agreed at the meeting that Councils adopt a similar layout for the application form and that the City of Sydney's current form be used as an initial template for the development of our own form.
6. Consideration will be given to producing a set of standard filming conditions amongst Councils and that an accompanying set of conditions be developed by individual councils that was site specific.
7. The Filming Protocol acknowledges that all filming on private property must be undertaken under SEPP 4 conditions. This includes the need for 5 days notice to stakeholders and Council.

Traffic Implications

The new Local Government Filming Protocol which has been instigated by The Film and Television Office and is backed by the Department of Premier and Cabinet has dealt with the traffic implications of filming in a similar manner to Public Open Space from an assessment and cost perspective. It is a requirement of the Protocol that these applications be approved unless exceptional circumstances exist. Any fees associated with filming activities are limited to a transparent cost-recovery basis.

A filming project is prescribed as a special road event (in traffic management terms) in the Road Transport legislation. The section of the Roads Act, 1993 which deals with road events states inter alia:

Section 144 Permits for road events

(1) A roads authority may grant a permit to any person to conduct a road event on a public road.

The Road Transport legislation exempts heavy and long vehicles stopping on a length of road in a built-up area for longer than 1 hour if the vehicle is stopped for a purpose connected with the carrying out of a film project. These situations have previously been dealt with by Council officers utilising a "Permit to Stand Plant" which is the same permit used to permit concrete trucks and pumps, and cranes to operate at specific locations within the municipality. The following clause has recently been added to the Roads Regulation 2008:

Section 21A Filming Projects

For the purposes of the definition of road event in the Dictionary to the Act, a filming project (within the meaning of the Local Government Act, 1993), and any activity that is ancillary to or connected with such a filming project, is prescribed as a road event.

A number of issues need to be considered in regard to parking of vehicles associated with filming on or close to roads. These include:

- The nature of the road and its role in the local road hierarchy.
- The number of parking spaces required, period and duration of the parking.
- The time of the filming activity.
- The likely impact on the normal traffic flow.
- The impact of parking on residents and businesses.

Filming applicants will be required to inform affected local residents and businesses of the parking rearrangements by way of letter-box drop prior to the filming. It is considered that this should occur 7 days as well as the day before the filming is to take place.

Councils may authorise the installation and removal of temporary permissive parking signage such as “P” with the words “Council Authorised Filming Vehicles only” on local roads which are not closed to traffic. Should such special signage be required to enable this parking to occur, the signs need to be approved by Council following a recommendation by the Woollahra Traffic Committee. Due to the time constraints involved, it is considered that Council should approve any signage alterations required by film applicants for the parking of vehicles for all future filming applications in consultation with the Woollahra Traffic Committee. A number of these signs can be purchased by Council as clip-on signs and lent out to filming applicants once an application is approved. The applicants can be required to install and remove this signage return it to Council’s office following the filming. A refundable bond of \$100 per sign would cover the cost of signs not being returned within a week of the filming works being completed.

Council would then issue a special authorisation in the form of a sticker or letter, authorising the vehicles associated with filming activity to use this temporary zone. It is considered that the process would best be served by the filming approval letter doubling as the authorisation letter which would then stipulate the number of vehicles covered by the approval. Council officers would need to determine the maximum number of vehicles which a street can accommodate based on the location and the effect of loss of parking on residents and businesses.

The “Filming Projects – Guidelines for Parking and Road Closures” indicate that the relevant council must issue a road event permit for filming on all roads (except freeways). A condition of this permit must be compliance with these guidelines. Should the applicant require a road closure under Section 115 of the Roads Act or under the Special Events provisions of the Roads legislation, Council will still require that the closure be advertised for 7 days (Section 5 of the Roads Regulation 2008) in a local newspaper. As such filming applicants should seek advice from Council at an early stage. Again this will require a Traffic Management Plan which would need to be submitted with the application and the temporary road closure would need to be approved by Council following a recommendation by the Woollahra Traffic Committee. As with the signage referred to above, due to the time constraints involved, an extraordinary Traffic Committee meeting could be held electronically. As Council’s C&E Committee only meets twice per month, Council’s Director of Technical Services could be sub-delegated by Council (as allowed for in Council’s delegation from the RTA), to approve temporary road closures and Road Events involved with filming activities.

The RTA officer involved in formulating these guidelines and alterations to the Roads legislation reiterated that the Department of Premier and Cabinet is determined that filming applications will be dealt with quickly and positively on only disapproved in exceptional circumstances. He made it clear that any attempts to frustrate this process by council’s would not be tolerated.

Still Photography

The Local Government Filming Protocol specifically excludes still photography. However it has been suggested that the Protocol can provide guidance to Council in assessing high impact still shots. It is recommended that the current fees and charges for still photography remain.

Conclusion

This report advises Council on the revised Local Government Filming Protocol and the effect of this Protocol on the approval procedures & fees and charges to be levied for filming applications.

The 2009 Local Government Filming Protocol is expected to open Woollahra to an influx of filmmakers for commercial purposes. Problems associated with this increase may include traffic and parking management, conflict between residents and filmmaking companies, private use of public open space and additional staff responsibilities to permit all filmmaking applications favorably. Under the new legislation, fees that have been previously charged will no longer be applicable effecting income received by Council.

Under the Filming Related Legislation Amendment Act 2008 passed by the NSW Parliament in June 2008, Council has an obligation to comply with the 2009 Local Government Filming Protocol from 30 March 2009. Changes to Council's Filming Fees and Charges is a requirement to reflect the new directions as outlined in the Filming Protocol.

It is recommended that a review of the operation of the 2009 Local Government Filming Protocol be undertaken in February 2010. This was discussed at the working party of councils to assess the operations of the Protocol within 12 months of its implementation and will cover environmental, social and financial impacts. The Department of Local Government has stated that a review of the Protocol will occur two years after its implementation. Information gathered from Council's assessment will be submitted to the Department of Local Government as a part of this review.

The recommendation of this report is to adopt the new filming fees and charges as this is a regulatory requirement. If additional changes are necessary as a result of changes to the Filming Protocol or other factors unforeseen at this stage, a further report will be prepared for Council.

Paul Fraser
Parks & Recreation Coordinator

Frank Rotta
Traffic Engineer

Warwick Hatton
Director Technical Services

ANNEXURES:

1. 2009 Local Government Filming Protocol (Pages 1 to 5)
To view the complete document refer to:
http://www.dlg.nsw.gov.au/dlg/dlghome/documents/Information/Local_Government_Filming_Protocol_-_2009.pdf
2. Circular 09-11 *Local Government Filming Protocol*

3. RTA "*Filming Projects – Guidelines for Parking and Road Closures*" (Front Page to Introduction)

To view the complete document refer to:

http://www.rta.nsw.gov.au/doingbusinesswithus/downloads/technicalmanuals/filmparking_i.pdf

4. Fee and Charges 2009-2010 adopted for exhibition.

Item No: D4 Delegated to Committee
Subject: **Hopetoun Avenue, Vacluse - Encroachments**
Author: Zubin Marolia, Manager Property and Projects
File No: 240 & 1220.
Reason for Report: To recommend treatment of encroachments along Hopetoun Avenue.

Recommendation:

- A. That Council write to the owners of numbers 4, 8, 16, 18, 40, 82, 88, 92, 94, 102, 104, 106, and 170 Hopetoun Avenue, and 2 Fitzwilliam Road, Vacluse requiring them to enter into a **Positive Covenant** in favour of Council for the encroachments adjoining their properties.
 - B. That Council write to the owners of numbers 6, 10, and 90 Hopetoun Avenue, and 1 Salisbury Place, Vacluse requiring an application to be made for an **Easement to Permit Existing Structure to Remain**, to continue for the life of the building, or until the redevelopment of the site, or the redevelopment of the structure, whichever occurs first.
 - C. That, subject to further site investigation and survey identifying any encroachment upon the road reserve by the adjoining owner of 182 Hopetoun Avenue, that Council write to the owners requiring an application to be made for an **Easement to Permit Existing Structure to Remain**, to continue for the life of the building, or until the redevelopment of the site, or the redevelopment of the structure, whichever occurs first.
 - D. That no new encroachments on the road reserve in Hopetoun Avenue be approved, and all new development be required to be behind the property boundary.
-

Background:

Following advertisement of the proposal to lease a portion of road reserve to the adjoining owner of 104 Hopetoun Avenue; a report was submitted to the Corporate and Works Committee meeting of 21 July 2008, recommending the further determination of a lease rental. However, this report was subsequently referred to the full Council meeting of 28 July 2008, where it was resolved:

- A. *That Council not proceed to lease a portion of the unmade road reserve adjoining 104 Hopetoun Avenue, Vacluse.*
- B. *That a report be submitted to the appropriate Committee of Council within 4 weeks, on the options available to have the encroachments adjoining 104 Hopetoun Ave, Vacluse removed.*
- C. *That a further report be submitted to the appropriate Committee of Council on the scope and nature of all encroachments along Hopetoun Avenue, Vacluse.*
- D. *That the property owners along the western side of Hopetoun Avenue, Vacluse be consulted during preparation of the report required by part C of the resolution.*

The resolutions A and B in relation to 104 Hopetoun Avenue have been actioned and works on the road reserve have been completed. The purpose of this report is to address parts C and D of the above resolution and provide advice on the scope and nature of all encroachments along Hopetoun Avenue, Vacluse and the encroachment removal options available to Council.

In accordance with part C of the resolution a registered surveyor was commissioned to provide a report on Hopetoun Avenue encroachments. The survey report has now been completed and is attached (Annexure 1). The recommendations in the Table follow on from further staff site inspection and consultation with adjoining owners in accordance with part D of the resolution. Items recommended as “No Action” will continue to be maintained by Council.

As the owner and asset manager of the road reserves in the Municipality, Council has a duty to ensure that the community interest is not compromised by unauthorised occupation of public roads or alienation by private buildings or other structures. The recommendations in the Table apply Council’s Policy Managing Encroachments on Road Reserves, by proposing either no action, where the encroachment is assessed as no impact or minor, or formalisation through a legal agreement that requires the adjoining owner to indemnify Council, maintain the encroaching structure in good condition, and in particular instances compensate Council for use of the road reserve, or removal.

The granting of a Positive Covenant or an Easement imposes a requirement on the adjoining owner to maintain the structures from which he or she benefits. The adjoining owner is required to meet all registration, legal costs in preparing the agreements, including, but not limited to, survey plan and valuation. An easement is also subject to a payment based on valuation of the area being occupied.

To streamline the process and minimise costs, we have established standardised procedures to formalise encroachments. We have developed a standard Council Positive Covenant template. For an Easement to Allow Existing Structures to Remain, we have registered a standard Memorandum at LPI setting out Council’s standard terms and conditions. If, in any instance, Council and the Owner agree to vary the registered Memorandum, the agreed amendments can be incorporated into the Transfer Granting Easement or the Section 88B instrument as applicable.

Legislative powers of encroachment removal:

There has been consultation with the adjoining owners regarding the recommended actions as set out in the Table. In most cases, we understand that the owners are willing to comply with the recommendations. In some cases, further negotiation may be necessary.

Where owners are not willing to cooperate in formalising or removing encroachments, Council has various legislative powers to require removal.

The road reserve of Hopetoun Avenue, Vaucluse is vested in title to the Woollahra Council. Council is the “Road Authority” under the Roads Act, 1993, which governs the use of public roads. This legislation empowers Council to issue directions to members of the public in regards to matters such as encroachment on the road reserve.

Scope exists for Council to issue Notices under Section 125 of the Local Government Act, 1993 in relation to the removal of structures built on public land and the “Abatement of Public Nuisances”.

Summary of recommendations

Because of the steeply sloping topography along parts of Hopetoun Avenue, much of the road reserve is not readily accessible to the general public, and it is considered that there is not sufficient public benefit to warrant removal of the identified encroachments, provided they are formalised in accordance with Council policy. For substantial encroachments, we have recommended that Council require a positive covenant to be entered into or an easement to be applied for, in accordance with the Council’s Encroachment policy. Council should formalise these existing encroachments so as to limit Council’s liability and transfer responsibility of maintaining encroaching structure onto adjoining owner.

In other circumstances, with respect to low rise retaining walls and other garden landscaping, we have recommended that no action be taken.

Accordingly, it is recommended that Council require the owners of numbers 4, 8, 16, 18, 40, 82, 88, 92, 94, 102, 104, 106, and 170 Hopetoun Avenue, and 2 Fitzwilliam Road, Vaucluse to enter into a positive covenant in favour of Council for the encroachments adjoining their properties, and that Council require the owners of numbers 6, 10, and 90 Hopetoun Avenue, and 1 Salisbury Place, Vaucluse to apply for an Easement to Permit Existing Structure to remain, to continue for the life of the building, or until the redevelopment of the site, or the redevelopment of the structure, whichever occurs first.

Further site investigation and survey is required in regards to determining the extent of any encroachment upon the road reserve by the adjoining owner 182 Hopetoun Avenue, Vaucluse.

No new encroachments on the road reserve will be approved. All new construction will be required to be behind the property boundary.

Zubin Marolia
Manager Property and Projects

Warwick Hatton
Director Technical Services

ANNEXURES:

1. Table of encroachments within Hopetoun Avenue road reserve at Vaucluse.

Item No: D5 Delegated to Committee
Subject: SMS \ Email Notification
Author: Nabil Saleh – Manager Information Systems
Stephen Dunshea – Director Corporate Services
File No: 6.G
Reason for Report: Response to adopted Notice of Motion

Recommendation:

- A. That the Committee note the Actions included in the draft Delivery Program 2009 to 2013 and Operational Plan 2009/10 regarding the development of an online community engagement strategy and information technology strategy.
 - B. That detailed investigation of the email (push) technology for notification to subscription users be undertaken as part of the development of the online community engagement strategy.
 - C. That the Committee agree to detailed investigation being undertaken into the BounceBack SMS on demand (pull) technology for the provision of information on a range of Council services and events.
 - D. That a further report be presented on the BounceBack SMS technology detailing the specific services and events that could be supported through the use of this facility along with details of the resources required to maintain the system.
-

Background:

On 9 March, 2009, Council adopted the following Notice of Motion:

“That a report be brought to the Corporate and Works committee detailing the feasibility and practicability of implementing a system which will allow Council to communicate by SMS and/ or email with members of the public who request such a service.

Communication should include as a minimum but not be limited to the following:

- 1) *Notice about Council pick ups*
- 2) *Development applications in the resident’s vicinity*
- 3) *Any public works being undertaken by Council or another authority in their area*
- 4) *Tree removal in residential streets or surrounding areas.*

Please note this should not be at the expense of our ordinary communication tools such as letters and mailbox drops”.

This report is presented in response to the above Notice of Motion and provides an overview of the various e-communications, collaboration and social networking media technologies available and the extent to which Council currently uses those technologies for community engagement and communication.

The report identifies two information delivery methods for SMS and email communication, being “push” and “pull” technology and suggests that given the resource requirements of the push technology, that such a delivery method is best investigated fully through the development of a comprehensive online community engagement strategy.

The report also presents Council with an option to consider for expanding the use of electronic communication through the use of SMS “pull” technology.

It is also important to note that maintaining the accuracy and currency of the information database, as well as ensuring the timeliness of delivery of that information through SMS or email messaging, is integral to the success of any system of this nature. Therefore any decision to implement such a system should be made following consideration on a cost/benefit basis.

Report

There are currently various methods available for communicating with customers using electronic messaging and web technologies such as Short Messaging Services (SMS) and email. To determine the best means of disseminating information and communicating with customers, many organisations develop an organisation wide e-communication strategy as a component of an overarching e-business or information technology strategy. Council is proposing a similar strategic approach to e-communication with the following actions already included in the draft Delivery Program 2009 to 2013 and Operational Plan 2009/10 which is currently on public exhibition:

- Action 1.3.1.2: Develop an online community engagement strategy
- Action 11.5.3.2: Prepare a 5 year Information Technology Strategy

Detailed information will be presented to Council as each of these actions progress during 2009/10.

The e-communication and social networking media technologies currently available can be divided into the following categories:

- Messaging including email, SMS and instant messaging
- Blogging and micro-blogging:
- Social networking and multimedia:
- Events promotion:
- Discussion groups\forums:
- Websites for consultation and feedback

Further details in relation to these technologies are provided for Councillors’ reference in Annexure 1. Given the dynamic and changing nature of the internet, particularly in relation to social networking technologies, it is acknowledged that the information provided in Annexure 1 may not include all available technologies and applications. Rather, it is a shortlist of the commonly used applications by individuals and organisations.

There are multiple pros and cons associated with using the above technologies. Providing detailed analysis of their usage is outside the scope of this report but should be considered in detail as part of the development of Council’s proposed e-communications strategy.

Council’s current e-Communication technologies

Woollahra’s website currently provides a lot of information on various Council events, news, local information and services including community services, library services, waste services, planning services, planning instruments and controls, trees, traffic and transport, application forms and many others.

In addition to the information repositories, the website also has some e-commerce transactional capabilities and provides customers with the following options:

- Make online payments for rates and parking permits
- Apply online for planning and rating certificates
- Track development applications progress
- Check currently advertised development applications
- Check recent development application consents
- View cadastral maps and aerial photos

The website is very well utilised by the public, Councillors and staff.

In addition to the information and ecommerce applications provided on the website, Council also uses the following communication technologies:

- RSS (Really Simple Syndication) feeds to receive updates on events, news and public notices via the Council's website. With this service customers subscribe to events or news and receive updated information in their browser screen without having to access the Council's website.
- Multiple bulk emails to certain target groups to promote regular events and use in emergencies. Email databases exist for events and community services activities such as the Sculpture Prize, the "What's On" newsletter, Volunteer Coordinators and Cultural Network.
- Community Database (LINCS), which contains information on local schools, community groups and various organisations. Email lists are extracted from this database and used for various communications, including community consultation and promotion of events.
- Email addresses are collected from hirers of our venues. These are held in a dedicated database called "EventsPerfect". The Community Services division intends to utilise this database more in the future to promote the hiring of Council venues and to increase usage levels.
- The library is currently piloting a system for notifying library members of overdue items and reservations using SMS and/or email.
- Issuing of electronic rates notices and notification via email for rate payers who subscribe to this service. Rate payers can access their electronic rate notices or register for the service using this URL <https://securdocs.securitymail.com.au/woollahracouncil>. Council has provided this service for past 3 years and it is currently used by approximately 700 subscribers. The service is outsourced to "Security Mailing Services", the Council's current rate notices mailing company. The service was promoted widely through publications and through information distributed with rate notices. Given Council issues approximately 25,000 rate notices the take up rate for this service is less than 3% of potential users.
- Twitter to promote library events and news. The library has used twitter to successfully promote events such as Tea Topics, Writers and Readers, Story Time, Rhyme time and other library news. The library Twitter service is currently utilised by the Sydney Writers Festival, the Wentworth Courier and other library members.

Delivery Methods

In most electronic communication technologies, specifically SMS and email, two types of information delivery methods are generally used. These are referred to as "push" and "pull" delivery methods. Whilst SMS and email messaging is suitable to both delivery methods, it is important to note that SMS technology has a 144 character limit per message, making it suitable for short text messaging such as alerts and warnings, but not for communications that require the provision of detailed information.

Further, due to the lengthy nature of correspondence associated with development application and public works notifications, the number of characters limitation (144) and the uncapped volume based cost of SMS messages, email tends to be a more suited communication technology for the type of notifications identified in the Notice of Motion.

An explanation of the push and pull delivery methods, including advantages and disadvantages of both methods is provided below.

Push Method

With push delivery, the request for communication is initiated by an individual or organisation through a system notification process, i.e., the organisation chooses to “push” the message out to targeted recipients. This can be through either an SMS or email message. Consequently the push method requires the organisation to setup and maintain a comprehensive database that contains contact numbers, email addresses and a selection of topics or services of interest that a customer would like to receive information on through a subscription process. The push method requires the customer to subscribe to a certain topic or service to receive timely and relevant information and to unsubscribe from the service when the information is no longer needed. Generally the subscription service is free to the subscriber.

Advantages

- Customer receives timely and relevant information
- Ability to disseminate information to customers when needed

Disadvantages

- Resources consumed in maintaining mobile numbers, email addresses and topics of interest.
- Requires customers to subscribe to topics or services required and unsubscribe when information is no longer needed
- Higher cost due to subscription systems needed and integration costs with notification processes
- Spam and privacy problems resulting in annoyance when information is not needed
- Longer implementation process and regular maintenance of databases and systems by the Council and subscribers
- For SMS the cost is volume based

As previously discussed, Council currently uses this technology for events such as the Sculpture Prize and the “What’s On” newsletter where the email databases are readily available. Expanding this push facility to the range of services suggested through the above Notice of Motion, i.e., Council pick ups, development applications, public works, or tree removal in residential streets, would require detailed investigation and potentially significant additional resource allocation to ensure the currency and accuracy of the information contained in the database(s) and also to enable the timely delivery of the information to the intended recipient(s).

Whilst Council currently uses the push delivery method for distributing information on selected services and events, this is achieved through what is currently a manual process of collecting email addresses for small target groups. Expanding this facility across a broad range of Council services requires the development of an efficient system to manage what would be a comprehensive database of mobile numbers and email addresses for all residents and ratepayers wishing to register to receive notifications on their selected topics.

It is imperative therefore that such a system is linked to Council’s current name and address register, and property and rating databases to enable integration with the current notification processes for development applications and traffic matters. Ideally such a system would incorporate self service functionality.

One of the specific difficulties to be overcome therefore is to ensure the capture of residents' details against the property record in Council's database, noting that Council's existing property database only contains details of property owners. Further, the existing name and address register contains a combination of resident and owner details through its linkage to the Customer Request Management System. Given the inefficiencies associated with maintaining multiple databases, it is essential that a central database register be established should the push delivery method for SMS and email messaging be implemented. The significance of developing an efficient central register of owners and/or residents, that will enable notifications to be forwarded to intended recipients, is demonstrated by census data.

According to the 2006 census data for Woollahra, the occupancy status or "Housing tenure" of 52% of properties were reported as "Owned" or "Being Purchased", 32.9% as "Renting" and 15.1% as "Not Stated" or "Other". This indicates that there is a large percentage of non-owner residents in the municipality

Due to the notification process integration, a detailed specification will be required for the registration and subscription system if Council wishes to go down the push technology path. Detailed investigation also needs to be undertaken into the cost and benefits of implementing this form of communication.

It is also important to note that improved notification methods for development applications will be considered in conjunction with the implementation of a new electronic document management system (EDMS), proposed as Action 11.5.2.1 in the draft Delivery Program and Operational Plan 2009/10. One of the key deliverables of the EDMS will be improved access to information relating to development application through Council's website.

Whilst there is merit in expanding the use of this push technology to other Council services, it is considered that this should be addressed strategically as part of the development of the online community engagement strategy and information technology strategy previously referred to.

Pull Method

In this delivery method, the request for communication is initiated by the customer. This method is attractive as there is no subscription required and the customer chooses to find the required information when needed through a self service system. Typical examples of this delivery method are the use of websites to access information and conduct e-commerce transactions, and on demand SMS messaging. Advantages and disadvantages of this technology include:

Advantages

- No privacy or spam issues
- Fixed cost through outsourced service provider (for SMS)
- Cost effective
- Simple and fast to implement
- Suitable for SMS notification

Disadvantages

- Customer has to initiate request for information
- For SMS, the message cost is incurred by the customer
- Unsuitable for email notification

The pull delivery method offers an entry option and a “Quick Win” result for Council to provide SMS messages for enquiring on some services. The system capital and operational costs are fixed regardless of the SMS usage volume, it has a much shorter implementation timeframe than the push technology and there is no requirement for customers to register, meaning that there are no mobile and email lists to maintain and no privacy or spam issues. One such pull delivery method currently used by a number of councils is BounceBack SMS. Further information on this service is provided below.

BounceBack SMS

An option Council may wish to consider in the short term is SMS technology that provides a self service on demand SMS using the pull delivery method and one that multiple councils currently use is called BounceBack SMS. The service provider has won many innovation awards for the service due to its ease of use, short implementation timeframe and low cost.

Using the BounceBack SMS service customers can check information by sending a keyword to a phone number and the system will return information that is relevant to the customer’s enquiry. Many councils use this technology to provide information about the condition and status of their sport fields for opening hours and wet weather conditions. The service can also be used to provide general and concise information about road closures, public events, new year’s eve arrangements and other activities.

Councillors may wish to use this example to gain an understanding of how the service operates. If you SMS the word wscbake from your mobile to 19922767 you will receive back an instantaneous SMS to notify you whether the oval is open or closed and the number to call if you needed further information. This example is for one of the ovals in the Wyong Shire Council area.

Under the BounceBack SMS service, the telephone number dialled is unique to the Council and the keywords can vary depending on the activity or service needed. Council publicises the number and keywords using various means such as the website, local newspapers and signage in sportsfields as well as in other publications and correspondence.

The BounceBack SMS system has an initial set up cost of \$2,500 and an operational cost of \$1,000 per annum. Further investigation will be needed however to determine the extent of resources required internally to maintain the currency of the information provided through the service which will be dependent upon the extent of services covered. Obviously the greater the range of services supported by the system the greater the resources required to maintain the currency of the information available.

Conclusion:

There are a range of e-Communication technologies available that could provide significant benefits to Council’s community engagement and communication strategies and that are relevant for Council’s business. It is important however to take a strategic approach to implementing such technology through the development of an e-communication strategy aligned to an organisation wide information technology strategy. The draft Delivery Program 2009 to 2013 and Operational Plan 2009/10 contains actions that support this strategic direction.

There are significant costs and complexities associated with implementing the push form of e-communication and these issues will be explored further through the development of the e-communication strategy.

The BounceBack SMS (pull) technology provides an entry option and a “quick win” result for establishing an on demand SMS service for our customers, potentially within 4 weeks of commencing implementation. As such it is recommended that the Committee agree to detailed investigation being undertaken into the BounceBack SMS technology and to receive a further report detailing the specific services and events that could be included in this facility along with details of the resources required to maintain the system.

Nabil Saleh
Manager Information Systems

Stephen Dunshea
Director Corporate Services

Annexures:

Annexure 1

Glossary of Terms – As Described in Wikipedia

Blogging and micro-blogging:

Blogger: is a blog publishing system. It was created by Pyra Labs, which was bought by Google in 2003. The service itself is located at www.blogger.com, and blogs that do not publish to their own websites are hosted by Google at subdomains of blogspot.com.

Plurk: is a free social networking and micro-blogging service that allows users to send updates (otherwise known as plurks) through short messages or links, which can be up to 140 text characters in length.

Updates are then shown on the user's home page using a timeline which lists all the updates received in chronological order, and delivered to other users who have signed up to receive them. Users can respond to other users' updates from their timeline through the Plurk.com website, by instant messaging, or by text messaging.

Twitter: is a free social networking and micro-blogging service that enables its users to send and read other users' updates known as tweets. Tweets are text-based posts of up to 140 characters in length which are displayed on the user's profile page and delivered to other users who have subscribed to them (known as followers). Senders can restrict delivery to those in their circle of friends or, by default, allow anybody to access them. Users can send and receive tweets via the Twitter website, Short Message Service (SMS) or external applications. The service is free to use over the Internet, but using SMS may incur phone service provider fees.

Messaging including email, SMS and instant messaging

GoogleTalk: is a free Windows and web-based application for instant messaging and voice over internet protocol (VOIP), offered by Google Inc

Skype: is a software application that allows users to make telephone calls over the Internet. Calls to other users of the service and to free-of-charge numbers are free, while calls to other landlines and mobile phones can be made for a fee. Additional features include instant messaging, file transfer and video conferencing.

Windows Live or MSN: is the collective brand name for a set of services and software products from Microsoft. A majority of these services are Web applications, accessible from a browser, but there are applications that need installing as well. There are three ways in which Windows Live services are offered: Windows Live Essentials applications, web services, and mobile services. The services include instant messaging, voice and video communications using an internet connection.

Yahoo! Messenger: is an advertisement supported instant messaging client and associated protocol provided by Yahoo!. It is provided free of charge and can be downloaded and used with a generic "Yahoo! ID" which also allows access to other Yahoo! services, such as Yahoo! Mail, where users can be automatically notified when they receive new email. Yahoo! also offers PC-PC, PC-Phone and Phone-to-PC service, file transfers, webcam hosting, text messaging service, and chat rooms in various categories.

Social networking and multimedia:

Facebook: is a free-access social networking website that is operated and privately owned by Facebook, Inc. Users can join networks organized by city, workplace, school, and region to connect and interact with other people. People can also add friends and send them messages, and update their personal profiles to notify friends about themselves.

LinkedIn: is a business-oriented social networking site founded in December 2002 and launched in May 2003 mainly used for professional networking. As of May 2009, it had more than 39 million registered users, spanning 170 industries.

MySpace: is a social networking website with an interactive, user-submitted network of friends, personal profiles, blogs, groups, photos, music, and videos for teenagers and adults internationally.

Orkut: is a social networking service which is run by Google and named after its creator, an employee of Google - Orkut Büyükkökten. The service states that it was designed to help users meet new friends and maintain existing relationships. Orkut is similar to other networking sites.

Youtube: is a video sharing website where users can upload, view and share video clips. Three former PayPal employees created YouTube in February 2005. In November 2006, YouTube, LLC was bought by Google Inc and is now operated as a subsidiary of Google.

Events promotion:

Eventful: is a web service which aims to help users search for, track, and share information about events. Eventful is a service of Eventful, Inc. (formerly EVDB, Inc.) of San Diego, California. EVDB stands for "Events and Venues Database", and anyone may add information about events, venues, performers.

Meetup.com: Meetup.com is an online social networking portal that facilitates offline group meetings in various localities around the world. Meetup allows members to find and join groups unified by a common interest, such as politics, books, games, movies, health, pets, careers or hobbies. Users enter their ZIP code or their city outside the United States and the topic they want to meet about, and the website helps them arrange a place and time to meet. Topic listings are also available for users who only enter a location.

Upcoming: is a social event calendar website that launched in 2003. Upcoming combines features of an event calendar and a social networking site. Primarily, the site is a searchable, browsable repository of upcoming events, such as music concerts, art exhibits, business conferences, and so on. Event information can be contributed by the user community, although an increasing percentage of event data now comes from commercial sources. Users can indicate their plans by marking that they are "going" to or "interested" in an event. Users may also establish "friend" relationships with each other and receive notifications about what their friends are planning. Upcoming also offers users reminders via email or SMS when a particular event is about to occur.

Websites for consultation and feedback

Bang the table: is an independently moderated space for discussing public policy. The website hosts discussions for organisations that recognise the value of community input to their decisions.

CouncilGripe.com: is a website designed to increase communication between residents and Council and to facilitate feedback, praise or complaints about Council's services.

Item No: R1 Recommendation to Council
Subject: **Dunbar House Lease Tender 09/02**
Author: Zubin Marolia – Manager Property & Projects
File No: Tender 09/02
Reason for Report: To recommend to Council the acceptance of a Tender

Recommendation:

- A. That Council enter into a lease agreement with The Tea Room Unit Trust for a seven (7) year initial term plus year (7) year renewal option, at a commencement rent of \$200,000 per annum plus GST, with annual rent reviews based on CPI, subject to (B).
- B. That the lease agreement include a refurbishment commitment of no less than \$1,000,000 plus GST, by The Tea Room Unit Trust, subject to obtaining necessary approvals.
- C. That successful and unsuccessful tenderers be advised.

Background

Dunbar House is a heritage listed building adjacent to Robertson Park at 9 Marine Parade, Watsons Bay. The current lessee operates a wedding function centre and restaurant from the building and is responsible for maintaining the general appearance, furniture, fittings and services. Council maintains the surrounds and the structural integrity of the building. The library currently occupies two rooms in the lower part of the building, however will be relocated to the Tea Gardens later this year. The current lessee purchased the lease in 1998, and has a good working relationship with Council in terms of rental payments and routine maintenance. The lessee currently pays \$94,514 rent per annum. As the lease has expired and is currently on holdover, the lessee has agreed to accept function bookings up until December 2009. All tenderers were advised of this agreement with the lessee and all bookings will be disclosed to the successful tenderer.

Public tenders were advertised in the Sydney Morning Herald and the Wentworth Courier for a seven (7) year lease with option for extension of a further seven (7) year term. A draft Deed of Lease was included in the tender documents.

The building requires some refurbishment, particularly in the kitchen area and the tender also sought submissions from parties interested in investing capital into upgrading and refurbishing the building.

Tender Assessment

Three complying tenders were received, as listed in table 1 below. One late tender was received, and was not considered. The total rent payments over the initial seven years of the lease are shown as there are annual CPI adjustments applicable to each tender offer. For evaluation purposes, an average CPI adjustment of 4 percent was applied.

Table 1.

TENDERER	Tea Room Unit Trust	Wabnitz Enterprises Pty Ltd	Toast Food & Catering
Year One	\$200,000.00	\$110,400.00	\$60,000.00
Year Two	\$208,000.00	\$114,816.00	\$80,000.00
Year Three	\$216,320.00	\$119,408.64	\$100,000.00
Year Four	\$224,972.80	\$124,184.99	\$104,000.00
Year Five	\$233,971.71	\$129,152.39	\$108,160.00
Year Six	\$243,330.58	\$134,318.48	\$112,486.00
Year Seven	\$253,063.80	\$139,691.22	\$116,985.85
TOTAL RENT	\$1,579,658.89	\$871,971.72	\$681,632.25

In addition to the base rent, two of the tenders offered a percentage of turnover per annum.

Table 2.

TENDERER	Tea Room Unit Trust	Wabnitz Enterprises	Toast Food & Catering
Turnover above:	\$2,500,000.00	N/A	\$1,900,000.00
Percentage of turnover:	8%	N/A	10%

The percentage turnover offers were noted by the evaluation panel, but were not included in the rent calculations due to the uncertainty of the lessee actually attaining the required level of turnover.

The tenders have been assessed in accordance with the selection criteria stated in the tender documents. The tender evaluation panel comprised Zubin Marolia, Manager Property & Projects as the Commissioning Officer, Tony Myers, Consulting Property Officer and Kelley Ambrose, Purchasing Coordinator.

Council has resolved that a probity adviser should be included during the tender assessment stage for high risk, high value or sensitive projects. This lease was deemed to meet this definition and it was agreed that a probity adviser should be included in the tender process. The Director Corporate Services, Stephen Dunshea, acted in this role. The selection criteria were (in order of importance):

- Rental return to Council
- Experience and qualifications in managing/operating a quality licensed restaurant and function centre
- Comprehensive Business Plan for the first two years of the operation, including estimates of income and capital costs
- Occupational Health and Safety plan for the premises

The tenders were given a preliminary score on each item of the above selection criteria, which resulted in a total score out of 100.

Post-tender interviews were then conducted with the three tenderers to explore the submissions in detail and resolve any queries which the panel had regarding aspects of the tenders.

Following the interviews, the panel agree that no changes to the scores were required. The tender scores are:

Table 3:

Tenderer (ranked by total score)	Total rent over initial seven (7) year lease (lease	Demonstrated experience	Business Plan	OH&S	TOTAL SCORE
<i>Maximum possible score (%)</i>	45.00	25.00	20.00	10.00	100.00
Tea Room Unit Trust	45.00	25.00	17.50	10.00	97.50
Wabnitz Enterprises P/L	24.84	20.31	12.50	7.50	65.15
Toast Food Catering & Events	19.44	21.88	10.00	7.50	58.82

Explanation of scoring:

Rental Return: 45% of the weighted attribute score relates to the annual rental return, with the highest rent scored highest. Scores are calculated relative to the highest rental offer.

Demonstrated Experience & Capacity: The panel evaluated each tenderer's track record in managing and/or operating similar venues, taking into account the reference checks and the approximate value of each of the past lease agreements. Financials (Balance sheet, P & L) were also assessed and further financial checks carried out as necessary. The maximum possible score for this criterion was 25%

Business Plan: The panel evaluated the Two Year Business Plan, including estimates of income and expenditure. The maximum score of 20% required the Business Plan to be realistic, clearly researched and to offer a "value adding" innovative approach that included any proposed upgrades to the kitchen and service areas.

Occupational Health and Safety: The OH & S Plan was worth a maximum score of 10% for demonstrated understanding of fire management, staff training and awareness of safe lifting limits, trip and slip hazards and general approach to storage and housekeeping.

Tender Summaries:

A brief summary of each Tender submission follows, ranked from highest to lowest.

Manuel Spinola, trading as Tea Room Unit Trust

This tender was submitted by Mr Manuel Spinola of The Tea Room Unit Trust. Mr Spinola has operated a restaurant, function and high tea establishment in the Grand Ballroom of the Queen Victoria Building since 1997 under the branding The Tea Room. In 2005 he opened a similarly themed venue at the historic Gunners' Barracks in Georges Heights and will shortly be opening another venue under the same branding at the historic Sergeants' Mess in Mosman.

The submission included details of the key staff of The Tea Room Unit Trust, including the general Manager, Marketing Manager, Sommelier and Operations Manager and several head chefs.

A business plan was submitted with the tender to outline Mr Spinola's plans to operate Dunbar House under a similar theme. The financial records provided indicate that The Tea Room Unit Trust has the financial means to begin operating a venue of this size.

The Tea Room Unit Trust has offered the highest rental return, commencing at \$200,000 per annum and adjusted hereafter at CPI. In addition, The Tea Room Unit Trust plans to spend between \$1,000,000 and \$1,500,000 to refurbish Dunbar House under The Tea Room Brand, including significant upgrades to the decor and amenity of the building. The refurbishment plans submitted indicate that the refurbishment will be sympathetic to the heritage fabric of the building and will provide a significant benefit to Council as the building is due for a major upgrade. Most of the works will be subject to a development application (DA). Referees from the QVB and the Federation Trust, who have been spoken to, have highly commended Mr Spinola's tasteful and sympathetic upgrades of historic buildings. The interview panel is satisfied that Mr Spinola has a thorough understanding of refurbishing similar premises of historic significance. As in previous tenders, where significant upgrades have been offered, the offer of minimum expenditure of \$1 million will form part of the lease conditions.

They intend to open at limited times, Wednesday to Friday 11am – 5pm and weekend breakfasts from 8am. Functions will continue to be possible seven days a week within the liquor licence provisions.

The tender includes an offer of eight (8) percent of turnover in excess of \$2,500,000 per annum. This was noted by the evaluation panel but not included in the price scoring due to the uncertainty of achieving this level of turnover.

Occupational Health & Safety management plans are outsourced to specialist consultants. The documentation was comprehensive and appropriate for the venue. Full details of policies and procedures have been provided.

The tender evaluation panel ranked this tenderer highest, with a score of 97.50 reflecting the high rental offer, current and previous experience in operating similar venues.

Ms Christa Schaber, trading as Wabnitz Enterprises Pty Ltd

The principal of Wabnitz Enterprises Pty Ltd, Ms Christa Schaber, is the current lessee of Dunbar House and has operated the business since 1998. The lessee has extensive experience in operating Dunbar House at its current level and has a good record of paying the rent promptly. Dunbar House has generally been run satisfactorily over the past 10 years of the lease tenure, however, the venue is only open at limited times, currently Thursday & Friday 11am – 9.30pm, Saturday 10am – 10pm, Sunday 10am – 6pm and for brunch from 9:30am on weekends. Ms Schaber advised that after the renovation works are complete, they will trial longer hours and more days. Functions will continue to be possible seven days a week within the liquor licence provisions.

The information provided in the Business Plan regarding projected income and operating costs was considered satisfactory although there was limited information about staffing ratios. Ms Schaber does not currently operate any other business. The tender is based on a business plan to operate the venue in similar manner to its current operation, but with more focus on signage and advertising, including engaging a PR agent. It is noted by the panel that the current opportunity to take forward bookings has been limited by the uncertainty of the lease, and Ms Schaber has indicated that future bookings should improve if awarded the new lease.

Occupational Health & Safety management plans are managed internally and whilst they appear adequate they are not considered comprehensive based on the information provided. The tenderer has a satisfactory track record of managing the centre. Documentation provided of the assets held is satisfactory, (subject to checking).

The essential upgrades to the kitchen area are planned to be completed within 7 to 9 weeks to allow the booked weddings and functions to be honoured.

This tenderer has offered Council the second highest rent in Year 1 of \$110,400 plus GST. The tenderer panel ranked this tender 2nd with a score of 65.15 reflecting the low rental offer, key staff and management experience and the lowest estimate for refurbishment, allowing \$40,000 to \$45,000 for kitchen refurbishment/general painting and \$16,000 for a replacement oven.

Paul Lockrey trading as Toast Food Catering and Events

The principle of Toast Food, Catering & Events, Paul Lockrey, has over 30 years experience in the restaurant and events industry. The information promoted in the business plan was limited and identified the operation of Dunbar House as an Events Venue focusing on Weddings, Corporate Business, Private and Special Events. Toast Food, Catering & Events is an experienced operation running MOS café in a 14 year partnership with the Museum of Sydney, Toast Café Foxtel (since December 2008) and Toast Food (Events & Catering) for 8 years. Toast Food, Catering & Events operate a large commercial kitchen at one of their other venues and their plan is to prepare the food off-site and deliver it to Dunbar House where it will be finished off and served to patrons. They could possibly open for breakfast on weekends and if it was a Council requirement, they would trial the venue as a café / espresso bar during the day.

Toast Food, Catering & Events offered the lowest return to Council with a rental submission of \$60,000 in Year 1 and \$80,000 in Year 2 increasing to \$100,000 per annum in Year 3.

The tenderer proposed to spend \$143,000 on kitchen refurbishment and a further \$185,000 on Front of House costs including new furniture. Not all the renovations were planned to be done immediately.

The tender includes an offer of ten (10) percent of turnover in excess of \$1,900,000 per annum, from year four of the lease. This was noted by the evaluation panel but not included in the price scoring due to the uncertainty of achieving this level of turnover.

Occupation Health & Safety management plans are managed internally and whilst adequate, could not be called comprehensive based on the information provided. Documentation was provided to identify financial capacity of the operator and are indicated as satisfactory subject to independent financial checking.

The Tender Panel ranked this tender 3rd with a score of 58.82 reflecting the poor rental offer, limited detail in their estimates of income and basic information on capital expenditure.

Capital Works

Proposals for capital works upgrades were received from each tenderer. Proposed capital works for each tenderer are set out in the table below.

It is recommended that the proposed capital upgrade expenditure be documented in the lease to ensure that all the proposed works are carried out. Also, if the final works are deemed to have cost less than the committed figure then there will be a clause in the lease requiring additional rental return be received by Council, so that Council benefits from the full extent of the committed expenditure.

Table 4.

Tenderer	Kitchen works	Building / Landscaping works	Furniture / fittings	Total Cost
Tea Room Unit Trust	\$150,000 - \$250,000	\$550,000 - \$750,000	\$300,000 - \$500,000	\$1,000,000 - \$1,500,000
Wabnitz Enterprises P/L	\$77,758 - \$82,758			\$77,758 - \$82,758
Toast Food Catering & Events	\$143,000	\$185,000		\$328,000

Conclusion:

None of the three tenderers plan to change the inherent nature of the Dunbar House facility. All proposals intend to use the facility primarily as a function centre. The general view is that this venue does not work as an evening restaurant, but has potential for mid-week afternoon lunch and teas and weekend breakfasts. Toast Food, Catering & Events are offering the lowest rent, \$60,000 in Year 1, \$80,000 in Year 2 and \$100,000 in Year 3 then CPI increases. As a company, their experience in the field of Weddings & Corporate Functions is comprehensive, however most of their events are “off site” to their catering kitchens. This tenderer does not operate any venues comparable to Dunbar House.

The current operator, Ms Christa Schaber of Wabnitz Enterprises Pty Ltd has 10 years experience in this venue. Rental offer in Year 1 \$110,400 plus annual CPI increases. Their business plan states that they intend to embark on an aggressive marketing campaign to encourage people to try Dunbar House.

The Tea Room Unit Trust has strong experience in venues like Dunbar House and has proven to be successful operators, without compromising the historic fabric of the buildings and the amenity of the areas that they operate in. They have grand plans for the refurbishment of Dunbar House to “a new life that is sympathetic to her origins and respectful to her status as a Sydney icon,” quote from Annette Park, Principal, Spangenberg & Park architects.

The tender submitted by Mr Manuel Spinola of a commencing rent of \$200,000 and subject to annual CPI adjustment, is a superior submission. The rent is \$700,000 more than the second best rental offer over the seven year initial term. This offer is further improved by Mr Spinola’s substantial commitment to the capital upgrading of the building. Their business plan is well thought out and based on their past history and references, we are confident that this proposal is most beneficial for Council. Accordingly, the panel therefore recommends that Council grant a Lease to The Tea Room Unit Trust.

Zubin Marolia
Manager – Property & Projects

Warwick Hatton
Director Technical Services

Item No: R2 Recommendation to Council
Subject: **EJ Ward Community Centre - Licence Proposal From Sir Roden Cutler Charities**
Author: Kylie Walshe, Director Community Services
Zubin Marolia, Manager - Property and Projects
File No: 1152.G
Reason for Report: To seek Council approval to publicly advertise the proposed licence agreement for EJ Ward Community Centre with Sir Roden Cutler Charities.

Recommendation:

1. That Council approve the rental of \$104,000 per annum (excl GST) for EJ Ward Community Centre and grant financial assistance, under Section 356 of the Local Government Act, of \$88,000 per annum to Sir Roden Cutler Charities, thus approving a subsidised rental amount of \$16,000 per annum, with an annual rental increase in line with the Consumer Price Index.
2. That Council resolve to advertise the proposed licence agreement with Sir Roden Cutler Charities for the use of EJ Ward Community Centre for a period of 5 years, with a further option for 5 years, in accordance with Section 47 of the Local Government Act 1993.

Background:

EJ Ward Community Centre is located at 189 Underwood St, Paddington. It is located on land classified as Community Land under the Local Government Act 1993, and is zoned Residential.

Council has been directly managing EJ Ward Community Centre (the Centre) since 1970, when an agreement between the City of Sydney Council and Woollahra Council regarding the operation of the E.J. Ward Welfare Centre was executed. The Centre was used as a 'Welfare Centre for the Aged' until recently, with the main activities coordinated by Council included centre based meals and activities for seniors, such as Computer Pals and University of the Third Age. In 2007, Council moved the seniors centre based meals and activities to the Woollahra Seniors and Community Centre (Woollahra Seniors), located at the corner of Edgecliff Rd and Queen St, Woollahra and ceased to employ a Coordinator at the Centre. This was determined to be a more appropriate location for seniors' activities as it is more accessible for seniors and people with mobility impairments. Computer Pals and other groups from the Centre also relocated to other venues as the users were no longer able to physically access the upstairs of the building.

Current Management:

Since the relocation of the seniors' activities, the Centre has been managed by Council's Venue Coordinator. It is a venue for hire and hired by community, recreation and private groups and individuals. The activities that are now conducted at the Centre include Bambino Ballet, children's art classes and a few University of the Third Age classes where students are able to access the stairs. The Centre also has a number of office spaces that are available for hire, with Sir Roden Cutler Charities hiring 3 to 6 of these rooms since 2007. As these offices are staffed the charity has taken on a caretaking role for the Centre, assisting Council in showing the venue to prospective hirers and establishing relationships with regular hirers.

Proposal:

A request has been received from Sir Roden Cutler Charities to increase their caretaking role for the Centre and manage the entire building through a licence agreement with Council. (Annexure 1).

The proposal has many benefits to the Woollahra community, as the core business of the charity is the Pick Me Up Service, providing community and individual transport service for seniors and people with disability for the region. Many Woollahra residents access this service, with the demand anticipated to increase with our ageing population. Sir Roden Cutler Charities is also proposing to use the Centre for a variety of community based activities as they are better positioned to attract a significant number of volunteers to coordinate these activities for the community. The proposal should see the Centre become a vibrant community hub and improve community engagement.

Council will also meet a number of goals and strategies in the adopted Woollahra Social and Cultural Plan 2008-2013 through this proposal, including that of being a community builder and facilitator of services and programs (page 24). It will also demonstrate that Council is encouraging partnerships and collaborations between local non-government organisations, social groups, residents and business (page 24) and meet many goals specified in Objective 4 (pages 41-44) with the increased activities planned for the centre.

The proposed uses are also permissible under the current classification and zoning of the site, and in accordance with any past uses of the venue.

In regards to the licence fee, Corporeal Property Valuers undertook a current market rental assessment of EJ Ward Community Centre in April 2009 (copy attached as Annexure 2). Consideration was given to current market conditions and restrictions on the use of the site, resulting in an estimated current market value of \$104,000 to \$125,000 per annum.

Due to the value of Sir Roden Cutler Charities contribution to community services in the Woollahra area a subsidised rent has been requested by the charity and is supported. Consideration has been given by Corporeal Property Valuers to comparable rentals to community and charitable organisations by other government agencies, where discounts of between 80% and 90% to the market rental range have been used. Applying an 80% discount results in a rental for the EJ Ward Community Centre of between \$20,800 and \$25,000 per annum, with a discount of 90% resulting in a rental of between \$10,400 and \$12,500. Based on this consideration, and the principle that the licence fee will not have a negative impact on the draft budget of Council, it is recommended that a licence fee of \$16,000 per annum be applied.

The rental amount of \$16,000 plus GST per annum is proposed by Sir Roden Cutler, and will not result in any increased cost to Council. It is equivalent to an 85% subsidy to the market rental of \$104,000. It is recommended that a five-year licence period with a five-year option be approved, with an annual rental increase in line with the Consumer Price Index. The Sir Roden Cutler Charities 2007/08 Financial Report has been attached, showing the inability of the charity to pay the full rental amount. (Annexure 3)

The Proposed Licence:

It is proposed that the terms of the licence will require Sir Roden Cutler Charities to:

- Pay \$16,000.00 licence fee per year, exclusive of GST, to rent the entire facility.
- Engage cleaners and security.
- Pay for all electricity, gas and water rates.
- Maintain all fixtures and fittings to the standard at the commencement of the licence term.

- Engage a facility manager to undertake bookings and coordination of activities.
- Ensure that current hirers are provided with continued access to hire the venue.
- Encourage use of the venue to not-for-profit and community groups at a subsidised rental fee, such as the fees currently charged by Council for such use.
- Retain all fees collected for the hire of the facility.

As landlord, Council would continue to cover the cost of pest control, emergency equipment, rates, depreciation and major maintenance required on the venue.

Consultation:

Extensive consultation has been undertaken with Sir Roden Cutler Charities, with agreement reached in relation to the terms proposed for the licence.

Under Section 47 of the Local Government Act 1993 Council is required to give public notice of the proposed licence. The notification of the licence will include an advertisement in the local newspaper, a notice on EJ Ward Community Centre, notification sent to all users of the Centre and notification sent to all residents in close locality to the site. Submissions received will be reported back to the Corporate & Works Committee.

Identification of Income & Expenditure:

The licence agreement has been valued at \$104,000. It is proposed to provide a grant under Section 356 of the Local Government Act of \$88,000. Therefore, this licence agreement will result in \$16,000 in Nett income per annum. The licence will include all outgoings such as telephone, cleaning, security, electricity and gas but excludes major maintenance and emergency equipment.

This proposal and licence fee will have no financial impact on Councils budget, when compared with the current management arrangement.

Conclusion:

The use of EJ Ward Community Centre by Sir Roden Cutler Charities will result in an increased use of the venue and community activities in the area. It is recommended that the proposal by Sir Roden Cutler Charities be supported as it will build community spirit and a sense of neighbourhood in the Paddington area. It also meets Council goals and objectives, as set out in the adopted Social & Cultural Plan and the draft Delivery Program 2009 to 2013 and Operational Plan 2009/10.

Zubin Marolia
Manager, Property and Projects

Kylie Walshe
Director, Community Services

ANNEXURES:

1. Request from Sir Roden Cutler Charities in relation to the licence agreement.
2. Valuation report from the State Valuation Office
3. Sir Roden Cutler Charities Financial Report 2007/08

Item No: R3 Recommendation to Council
Subject: **Goods and Services Tax Compliance Certification**
Author: Don Johnston, Manager Finance
File No: 329G
Reason for Report: To seek a recommendation to Council in regard to Goods and Services Tax compliance certification.

Recommendation:

THAT Council, having noted this report and the statement by the Responsible Accounting Officer, make the following resolution in regard to goods and services tax:

To assist compliance with Section 114 of the Commonwealth Constitution, Council certifies that:

- Voluntary GST has been paid by Woollahra Municipal Council for the period 1 May 2008 to 30 April 2009.
- Adequate management arrangements and internal controls were in place to enable Council to adequately account for its GST liabilities and recoup all GST input tax credits eligible to be claimed.
- No GST non-compliance events by the Council were identified by or raised with the Australian Taxation Office.

Background:

Circular 05/26 issued by the Department of Local Government (DLG), attached as **ANNEXURE 1** changed the requirements in regard to the certification of adequate management systems and internal controls in relation to the goods and services tax (GST) regime. Prior to the issue of this directive, Council's auditor was required to certify that our systems and controls were adequate. As of 2005/2006, this responsibility now rests with Council and the following certification needs to be resolved by Council and signed by the Mayor, a Councillor, the General Manager and the Responsible Accounting Officer (Manager Finance):

To assist compliance with Section 114 of the Commonwealth Constitution, Council certifies that:

- Voluntary GST has been paid by Woollahra Municipal Council for the period 1 May 2008 to 30 April 2009.
- Adequate management arrangements and internal controls were in place to enable Council to adequately account for its GST liabilities and recoup all GST input tax credits eligible to be claimed.
- No GST non-compliance events by the Council were identified by or raised with the Australian Taxation Office.

A question has been raised with regard to the use of the term 'voluntary' in the above certification. The DLG advises this terminology has been used to merely reflect language applied under Section 5 of *A New Tax System (Commonwealth-State Financial Arrangements) Act 1999*. Council only makes GST payments which it is obliged by legislation to make.

The purpose of the GST compliance certificate via separate Council resolution is to allow the DLG to provide more accurate and current information to NSW Treasury. The certification covers the period of 1 May to 30 April. The due date for the certification to the Department of Local Government is 1 June.

Discussion:

Spencer Steer undertakes a continuing transactional based audit throughout the year which includes a check of GST transactions. The latest audit letter of 31 March 2008 reveals no non-compliance in Council's GST management, noting that auditors have only recently been reappointed. Spencer Steer have, since their reappointment, undertaken an interim transactional audit and raised no issues with Council. It should also be noted that the new Audit Specifications require:

"Biennial Independent Review & Audit of GST procedures and management systems to assist Council in declaring compliance with Section 114 of the Commonwealth Constitution."

This review and audit will be undertaken in conjunction with the 2009/2010 audit.

Council incorporates tight controls into its GST management procedures. Preparation of the monthly Business Activity Statement (BAS) includes transactional checks for items over \$5,000 to ensure correct GST treatment is applied. Additionally, all transactions with a GST category other than inclusive of GST are individually checked during BAS preparation. Furthermore, the GST control accounts are reconciled to the Business Activity Statement each month.

Council's GST management procedures and internal controls continue to enable compliance with GST Legislation. Council has not received any correspondence from the Australian Taxation Office with regard to outstanding taxation debts attributable to a Business Activity Statement. All Business Activity Statements have been lodged on time and Council's financial system and records together with Australian Taxation Office records via its electronic client interface confirm Council's Business Activity Statements for the period 1 May 2008 to 30 April 2009 have been lodged.

In addition to the auditor's statement, as Responsible Accounting Officer, I am very comfortable in recommending Council accept the GST compliance certification and I also certify that:

- Voluntary GST has been paid by Council for the period 1 May 2008 to 30 April 2009.
- Adequate management arrangements and internal controls are in place to enable Council to adequately account for its GST liabilities and recoup all GST input tax credits eligible to be claimed.
- No GST non-compliance events have been identified by or raised with the Australian Taxation Office.

Conclusion:

Council's GST compliance certification for the period 1 May 2008 to 30 April 2009 is due to the Department of Local Government by 1 June 2008. Council is required to, by resolution, make the certification set out in the recommendation to this report. To assist in making the required resolution, as Responsible Accounting Officer I confirm that Council's GST management systems and internal controls are tightly managed and this is reflected in its auditor's statement and in the continuing transactional reviews performed which reveal no non-compliance events.

Don Johnston
Manager Finance

Stephen Dunshea
Director Corporate Services

Annexures:

1. Department of Local Government Circular 05/26 – Goods and Services Tax – Council Compliance Requirements from 2004/05

POLITICAL DONATIONS DECISION MAKING FLOWCHART FOR THE INFORMATION OF COUNCILLORS

