

Corporate & Works Committee

Agenda: *Corporate & Works Committee*

Date: *Monday 16 June 2014*

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).

Recommendation only to the Full Council:

- Such matters as are specified in Section 377 of the Local Government Act 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;
 - Adoption of Council's Community Strategic Plan, Delivery Program and Operational Plan;
 - Delegations; and
 - Policies.
- Tenders as per Regulation requirements.
- Leases required to be determined by Full Council by specific legislative requirements
- Matters reserved by individual Councillors in accordance with any Council policy on "safeguards" and substantive changes.

Delegated Authority:

- 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.
- Statutory reviews of Council's Delivery Program and Operational 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.
- 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 the Minutes of its Meetings.
- 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 above.

Committee Membership:

7 Councillors

Quorum:

The quorum for a Committee meeting is 4 Councillors.

WOOLLAHRA MUNICIPAL COUNCIL

Notice of Meeting

12 June 2014

To: Her Worship the Mayor, Councillor Toni Zeltzer ex-officio
Councillors Peter Cavanagh (Chair)
Anthony Boskovitz
Andrew Petrie
Deborah Thomas
Elena Wise
Susan Wynne
Jeff Zulman (Deputy Chair)

Dear Councillors

Corporate & Works Committee Meeting – 16 June 2014

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 16 June 2014 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 Note Council resolution of 27 June 2011 to read late correspondence in conjunction with the relevant Agenda Item	
3	Declarations of Interest	

Items to be Decided by this Committee using its Delegated Authority

D1	Confirmation of Minutes of Meeting held on 19 May 2014	1
D2	Monthly Financial Report – May 2014 – 349.G	2
D3	3 Queens Avenue, Vaucluse – Sale of Portion of Road Reserve – 374.3	13

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

R1	Adoption of Revised Delivery Program 2013 to 2017 & Operational Plan 2014/15 – 1229.G (2013-2017)	20
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Item No: D1 Delegated to Committee

Subject: **Confirmation of minutes of meeting held on 19 May 2014**

Author: Les Windle, Manager – Governance

File No: See Council Minutes

Reason for Report: The Minutes of the Meeting of Monday 19 May 2014 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 19 May 2014 be taken as read and confirmed.

Les Windle
Manager – Governance

Item No: D2 Delegated to Committee
Subject: **Monthly Financial Report - MAY 2014**
Author: Don Johnston, Chief Financial Officer
File No: 349.G
Reason for Report: To present the monthly financial report for May 2014

Recommendation:

That the Committee:

- i. Receive and note the Monthly Financial Report – May 2014.
- ii. Note that Council’s 12 months weighted average return on its direct investment portfolio of 3.72% continues to exceed the May 2014 benchmark 90 day term deposit index of 3.19%.
- iii. Note that total interest earned to May 2014 of \$1,333k is in line with the year-to-date 2013/14 Budget estimate of \$1,308k.

Background:

Clause 212 of the Local Government (General) Regulation 2005 requires the responsible accounting officer (Council’s Chief Financial Officer) to provide the Council with a monthly report setting out details of all money that the Council has invested.

The Monthly Financial Report for May 2014 is submitted to the Committee for consideration and includes the following:

- Investment Transactions for the Month
- Summary of Receipts, Payments and Bank Balance
- Summary of Investments
- Details of Investment Portfolio
- Statement of Investment Policy Compliance
- Charts:
 - ◆ Weighted Average Maturity and Weighted Average Returns
 - ◆ Weighted Average Returns v Australian 90 day Term Deposit Index
 - ◆ Actual Interest Earned v Original Budget & Revised Forecast
 - ◆ Maturity Profile Chart
- Movements in Book Value of Investments

Investment Transactions for the Month

Date	Transaction	Description	Amount (\$)
30 Apr		Book Value of Investments Held	33,625,787.69
16 May	Maturity	National Australia Bank, 270 days @ 3.86%	(2,000,000.00)
26 May	Maturity	ING Direct, 182 days @ 3.81%	(1,000,000.00)
27 May	Maturity	Commonwealth Bank, 365 days @ 4.05%	(1,000,000.00)
Various	Net Movement	Net Movement in Online Savings Cash Account	9,477,042.98
Various	Net Movement	Net Movement in UBS Cash Management Trust Account (Coupon payments + UBS interest + Deposits – UBS Fees)	(60.62)
		Net Change in Portfolio	5,476,982.36
31 May		Book Value of Investments Held	39,102,770.05

Commentary:

The need for funding in early June to facilitate settlement on Stage 1 of Kiaora Place saw all three maturities in May paid out and transferred to Council's Online Savings Account. This liquidity was also provided by the drawdown of Council's \$2.1m Local Infrastructure Renewal Scheme loan approved by Council on 23 September 2013 for streetscape improvement projects in the 2013/14 Budget. Together with the May 31 Rates instalment, this saw our total investment portfolio increase by \$5.5m in May.

Investment Working Party Update

In the last update in relation to the Lehman matter, the Committee was advised that Council is still waiting to receive notice from the liquidator specifying the amount they are prepared to admit Council's claim for. This is still the case. A request was received to provide documentary evidence of payments to Council in relation to the Lehman Global Property Note which indicates that our claim is at least being assessed.

In relation to the Oakvale matter, a further directions hearing was held on 5 June 2014. The group was awarded preferential orders allowing for a partial lift of the stay of proceedings to allow for a Court ordered mediation, without the need or risk of further adjournment. Justice Jacobson made the following orders:

1. The Applicant be granted leave to proceed limited to the proceedings being referred to mediation.
2. The proceedings be referred to mediation, such mediation to occur on or before 26 September 2014.
3. The matter be listed for directions on 10 October 2014.

In terms of mediation preparation, the following timetable has been agreed by Piper Alderman with Oakvale's solicitors:

1. The Councils to provide particulars of their claims to be pursued at mediation and documents relied upon by 14 July 2014.
2. Oakvale provide its responses (draft defences) to the claims and documents it relies upon by 18 August 2014.
3. The Councils to provide their position paper including an outline of evidence and a schedule of damages by 1 September 2014.
4. Oakvale provide its position paper in response by 15 September 2014.
5. The Mediation to occur in the week commencing 22 September 2014.

Further updates in relation to both matters will be provided as they come to hand.

Summary of Receipts, Payments and Bank Balance

Cash Book Balance as at 30 April 2014 945,140.75

Receipts

Rates 6,154,886.23
Investment Maturities 4,000,000.00
Transfers In from At Call Accounts 1,090,000.00
Other 5,680,288.94

Total Receipts 16,925,175.17

Description	Amount
LIRS Loan draw down	2,100,000.00
Sundry Debtors	626,291.64
Parking Fines	508,561.23
Deposits & Bonds	341,559.10
S.94A Contributions	297,873.29
Capital Grants - various	200,767.25
Trade Waste Debtors	197,896.84
Parking Meter Charges	165,428.53
GST Refund	163,690.00
Sale of Plant & Vehicles	161,807.01

Payments - Cheque

Cheque Payments -886,676.42
Cancelled Cheques 4,798.39
Total Cheque Payments for period -881,878.03

Cheque No	Cheque Date	Payee	Description	Amount
219854	29/05/2014	AGL Sydney	Street lighting - April 2014	-43,143.23
219911	30/05/2014	Withheld	Refund of security deposit	-40,374.74
219907	30/05/2014	Withheld	Refund of security deposit	-40,125.09
219666	15/05/2014	Withheld	Refund of security deposit	-39,943.48
219572	1/05/2014	Withheld	Refund of security deposit	-38,575.11
219574	1/05/2014	Withheld	Refund of security deposit	-31,233.98
219690	22/05/2014	City of Sydney Council	Council rates - O'Dea Avenue depot	-27,641.90
219900	29/05/2014	Waverley Municipal Council	Contribution towards the 2013/14 costs of the SES	-24,200.00
219915	30/05/2014	Withheld	Refund of security deposit	-18,034.53
219906	30/05/2014	Withheld	Refund of security deposit	-18,007.02

Payments - EFT

EFT Payments -3,555,954.40
Returned EFTs
Total EFT Payments for period -3,555,954.40

Reference	EFT Date	Payee	Description	Amount
44980	29/05/2014	StateCover Mutual Limited	Workers Comp premium 4th instalment	-340,106.35
44775	15/05/2014	Local Govt Super Scheme-Div.A	Employer/employee super - Apr'14	-229,795.92
44976	29/05/2014	SITA Australia Pty Ltd	Tipping charges - 1 to 16 April	-215,778.06
44612	1/05/2014	Melhemcorp Pty Ltd	Gen w orks - Underwood & Elizabeth Sts, Paddington	-215,622.94
44715	8/05/2014	SITA Australia Pty Ltd	Tipping charges - 18 to 31 March	-181,437.75
44749	15/05/2014	Veolia Environmental Services	Recycling contract - April 2014	-149,559.03
44732	9/05/2014	Local Govt Super Scheme-Div.B	Employer/employee super - April 2014	-113,380.27
44624	1/05/2014	State Debt Recovery Office	Infringement processing fees - March 2014	-88,891.40
44571	1/05/2014	Ausgrid	Street lighting - March 2014	-87,736.95
44823	22/05/2014	Ausgrid	Street lighting - April 2014	-86,479.37

Payments - Direct Debits From Bank A/c

Payroll -1,653,844.10
PAYG Tax -519,812.00
Bank Charges -12,772.58
Transfers to At Call Accounts -10,560,000.00
Credit Cards -3,954.61
Councillors' fees -26,974.18
Council Rates -56,871.00
Total Direct Debits for period -12,834,228.47

Total Payments -17,272,060.90

Cash Book Balance as at 31 May 2014

Unpresented Cheques No of Cheques: 190 Value: 385,669.19
Outstanding Deposits & Miscellaneous Items 136,652.11
Reconciled Cash Book Balance as at 31 May 2014 1,120,576.32
Bank A/c Balance as at 31 May 2014 1,120,576.32

Unpresented Cheques > \$30,000.00

Cheque No.	Cheque Date	Payee	Description	Amount
219854	29/05/2014	AGL	Street lighting - Apr'14	43,143.23
219907	30/05/2014	Withheld	Refund of security deposit	40,125.09

Commentary:

This statement presents Council's bank reconciliation as at 31 May 2014. The top ten receipt and payment items are provided in the report. Excluding investment transactions, receipts exceeded payments for the month by some \$5.1m.

INVESTMENTS AS AT 31 MAY 2014

CATEGORY		FACE VALUE \$	BOOK VALUE \$						
1. LEHMAN BROTHERS (formerly Grange Securities Ltd)									
Funds previously under management		14,438	14,438						
2. OAKVALE CAPITAL Limited									
Funds previously under management		1,000,000	580,500						
RATING	CATEGORY	PURCHASE DATE	MATURITY DATE	TOTAL TERM (DAYS)	REMAINING DAYS TO MATURITY	%	FACE VALUE \$	BOOK VALUE \$	GOV'T GUARANTEE
3. WMC DIRECT INVESTMENTS									
TERM DEPOSITS: (in order of Maturity)									
	<u>NATIONAL AUSTRALIA BANK</u>								
	TERM DEPOSIT	3/09/2013	2/06/2014	272	2	3.88	1,000,000	1,000,000	#
	<u>ING DIRECT</u>								
	TERM DEPOSIT	2/12/2013	4/06/2014	184	4	3.80	2,000,000	2,000,000	#
	<u>AMP BANK</u>								
	TERM DEPOSIT	20/06/2013	20/06/2014	365	20	4.00	1,000,000	1,000,000	#
	<u>RABO DIRECT</u>								
	TERM DEPOSIT	3/09/2013	30/06/2014	300	30	3.90	1,000,000	1,000,000	#
	<u>NATIONAL AUSTRALIA BANK</u>								
	TERM DEPOSIT	9/10/2013	7/07/2014	271	37	3.81	1,000,000	1,000,000	#
	<u>ING DIRECT</u>								
	TERM DEPOSIT	18/11/2013	16/07/2014	240	46	3.73	1,000,000	1,000,000	#
	<u>ST GEORGE</u>								
	TERM DEPOSIT	21/10/2013	18/07/2014	270	48	3.68	1,000,000	1,000,000	#
	<u>BENDIGO/ADELAIDE BANK</u>								
	TERM DEPOSIT	25/11/2013	23/07/2014	240	53	3.75	1,000,000	1,000,000	#
	<u>BENDIGO/ADELAIDE BANK</u>								
	TERM DEPOSIT	2/12/2013	30/07/2014	240	60	3.75	1,000,000	1,000,000	#
	<u>ST GEORGE</u>								
	TERM DEPOSIT	4/10/2013	31/07/2014	300	61	3.76	1,000,000	1,000,000	#
	<u>HUNTER UNITED EMPL CU</u>								
	TERM DEPOSIT	23/09/2013	23/09/2014	365	115	3.70	250,000	250,000	Guaranteed
	<u>ST GEORGE</u>								
	TERM DEPOSIT	11/04/2014	8/10/2014	180	130	3.55	2,000,000	2,000,000	#
	<u>ST GEORGE</u>								
	TERM DEPOSIT	29/04/2014	27/10/2014	181	149	3.50	2,000,000	2,000,000	#
	<u>NATIONAL AUSTRALIA BANK</u>								
	TERM DEPOSIT	29/04/2014	27/10/2014	181	149	3.63	1,000,000	1,000,000	#
	<u>AMP BANK</u>								
	TERM DEPOSIT	14/02/2014	11/11/2014	270	164	3.80	2,000,000	2,000,000	#
	<u>SUNCORP</u>								
	TERM DEPOSIT	28/02/2014	25/11/2014	270	178	3.55	1,000,000	1,000,000	#
	<u>BANKWEST</u>								
	TERM DEPOSIT	28/02/2014	25/11/2014	270	178	3.50	1,000,000	1,000,000	#
	<u>SUNCORP</u>								
	TERM DEPOSIT	4/03/2014	5/01/2015	307	219	3.60	1,000,000	1,000,000	#
	<u>NATIONAL AUSTRALIA BANK</u>								
	TERM DEPOSIT	11/03/2014	5/01/2015	300	219	3.72	2,000,000	2,000,000	#
	<u>NATIONAL AUSTRALIA BANK</u>								
	TERM DEPOSIT	31/03/2014	27/01/2015	302	241	3.67	2,000,000	2,000,000	#
	<u>ING DIRECT</u>								
	TERM DEPOSIT	10/02/2014	10/02/2015	365	255	3.79	1,000,000	1,000,000	#
	<u>BANK OF SYDNEY</u>								
	TERM DEPOSIT	17/02/2014	17/02/2015	365	262	3.95	250,000	250,000	Guaranteed
	<u>CBA</u>								
	FLOATING RATE NOTE**	5/03/2012	24/12/2015	1389	572	4.09	1,000,000	983,100	#
AT CALL:									
	<u>COMMONWEALTH BANK</u>								
	ONLINE SAVER A/C					2.70	10,974,732	10,974,732	#
	<u>ANZ BANK</u>								
	11AM CALL A CCT					2.50	50,000	50,000	#
Total WMC Direct Investments							38,524,732	38,507,832	
Weighted Average Days to Maturity of WMC Direct Investments					138.77				
Weighted Average Return of WMC Direct Investments						3.72			
PORTFOLIO TOTALS							39,539,170	39,102,770	

Covered under Council's Investment Policy

* Government Guaranteed deposits have been rated AAA

** BBSW + 1.05%p.a.

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.

D. Johnston
CHIEF FINANCIAL OFFICER

INVESTMENTS PORTFOLIO AS AT 31 MAY 2014

Security	Policy Ref	Classification	Purchase Date	Final Maturity Date	Face Value (FV)	Total Purchase Price	Current Book Value	Notes
1. LEHMAN BROTHERS (formerly GRANGE SECURITIES)								
UBS Cash Management Trust		Cash			14,438	14,438	14,438	2
Total Lehman Brothers					14,438	14,438	14,438	
2. OAKVALE CAPITAL								
Emeral Reverse Mortgage Series 2007-1 Class B		Mortgage Backed	6/07/2007	6/07/2057	1,000,000	1,000,000	580,500	1
Total Oakvale Capital					1,000,000	1,000,000	580,500	
3. WMC INVESTMENTS								
National Bank (3.88% 272d)	A1	TD	3/09/2013	2/06/2014	1,000,000	1,000,000	1,000,000	2
National Bank (3.81% 271d)	A1	TD	9/10/2013	7/07/2014	1,000,000	1,000,000	1,000,000	2
National Bank (3.63% 181d)	A1	TD	29/04/2014	27/10/2014	1,000,000	1,000,000	1,000,000	2
National Bank (3.72% 300d)	A1	TD	11/03/2014	5/01/2015	2,000,000	2,000,000	2,000,000	2
National Bank (3.67% 302d)	A1	TD	31/03/2014	27/01/2015	2,000,000	2,000,000	2,000,000	2
Bankwest (3.50% 270d)	A1	TD	28/02/2014	25/11/2014	1,000,000	1,000,000	1,000,000	2
St George - div of Westpac (3.68% 270d)	A1	TD	21/10/2013	18/07/2014	1,000,000	1,000,000	1,000,000	2
St George - div of Westpac (3.76% 300d)	A1	TD	4/10/2013	31/07/2014	1,000,000	1,000,000	1,000,000	2
St George - div of Westpac (3.55% 180d)	A1	TD	11/04/2014	8/10/2014	2,000,000	2,000,000	2,000,000	2
St George - div of Westpac (3.50% 181d)	A1	TD	29/04/2014	27/10/2014	2,000,000	2,000,000	2,000,000	2
Commonwealth Bank (BBSW + 1.05% 3 yrs)	A1	FRN	5/03/2012	24/12/2015	1,000,000	976,400	983,100	2
Sub-total Tier 1 Deposits					15,000,000	14,976,400	14,983,100	
ING Direct (3.80% 184d)	A2	TD	2/12/2013	4/06/2014	2,000,000	2,000,000	2,000,000	2
ING Direct (3.73% 240d)	A2	TD	18/11/2013	16/07/2014	1,000,000	1,000,000	1,000,000	2
ING Direct (3.79% 365d)	A2	TD	10/02/2014	10/02/2015	1,000,000	1,000,000	1,000,000	2
AMP (4.00% 365d)	A2	TD	20/06/2013	20/06/2014	1,000,000	1,000,000	1,000,000	2
AMP (3.80% 270d)	A2	TD	14/02/2014	11/11/2014	2,000,000	2,000,000	2,000,000	2
Sub-total Tier 2 Deposits					7,000,000	7,000,000	7,000,000	
Bendigo/Adelaide (3.75% 240d)	A3	TD	25/11/2013	23/07/2014	1,000,000	1,000,000	1,000,000	2
Bendigo/Adelaide (3.75% 240d)	A3	TD	2/12/2013	30/07/2014	1,000,000	1,000,000	1,000,000	2
RaboDirect (3.90% 300d)	A3	TD	3/09/2013	30/06/2014	1,000,000	1,000,000	1,000,000	2
Suncorp (3.55% 270d)	A3	TD	28/02/2014	25/11/2014	1,000,000	1,000,000	1,000,000	2
Suncorp (3.60% 307d)	A3	TD	4/03/2014	5/01/2015	1,000,000	1,000,000	1,000,000	2
Sub-total Tier 3 Deposits					5,000,000	5,000,000	5,000,000	
Bank of Sydney (3.95% 365d)	B	TD	17/02/2014	17/02/2015	250,000	250,000	250,000	2
Hunter United CU (3.70% 365d)	B	TD	23/09/2013	23/09/2014	250,000	250,000	250,000	2
Sub-total Govt Guaranteed Deposits					500,000	500,000	500,000	
ANZ Bank 11am Call Account	A1	Cash			50,000	50,000	50,000	2
CBA Online Saver	A1	Cash			10,974,732	10,974,732	10,974,732	2
Total WMC Investments					38,524,732	38,501,132	38,507,832	
Total Portfolio					39,539,170	39,515,570	39,102,770	
PORTFOLIO SUMMARISED BY CLASSIFICATION								
FRN					1,000,000	976,400	983,100	
Mortgage Backed					1,000,000	1,000,000	580,500	
TD					26,500,000	26,500,000	26,500,000	
Cash					11,039,170	11,039,170	11,039,170	
					39,539,170	39,515,570	39,102,770	
1. Book Value (Fair Value) as at 30 June 2013								
2. Face value of deposit / bank bill								
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.							
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.							

Investment Policy Compliance Report as at 31 May 2014

Acct	Bank	Policy Ref.	Policy Limit	Current Holdings	% of Total	Compliance
AMP	AMP Bank	TIER2	5,000,000	3,000,000	7.7%	Complies - \$ 2,000,000 available
ANZ	ANZ Bank	TIER1	9,775,693	50,000	0.1%	Complies - \$ 9,725,692 available
BAB	Bendigo Adelaide Bank	TIER3	2,000,000	2,000,000	5.1%	Complies - \$ 0 available
CBA	Commonwealth Bank	TIER1	9,775,693	12,957,832	33.1%	Over Policy Limit by \$ 3,182,139
HUN	Hunter United Credit Union	GTEE	250,000	250,000	0.6%	Complies - \$ 0 available
ING	ING Direct	TIER2	5,000,000	4,000,000	10.2%	Complies - \$ 1,000,000 available
LEH	Lehman Brothers	NA	0	14,438	0.0%	Grandfathered - Complies
NAB	National Australia Bank	TIER1	9,775,693	7,000,000	17.9%	Complies - \$ 2,775,692 available
OAK	Oakvale Capital	NA	0	580,500	1.5%	Grandfathered - Complies
RAB	Rabo Direct	TIER3	2,000,000	1,000,000	2.6%	Complies - \$ 1,000,000 available
STG	St George Bank	TIER1	9,775,693	6,000,000	15.3%	Complies - \$ 3,775,692 available
SUN	Suncorp	TIER3	2,000,000	2,000,000	5.1%	Complies - \$ 0 available
SYD	Bank of Sydney	GTEE	250,000	250,000	0.6%	Complies - \$ 0 available
Total Portfolio as at 31 May 2014				39,102,770		

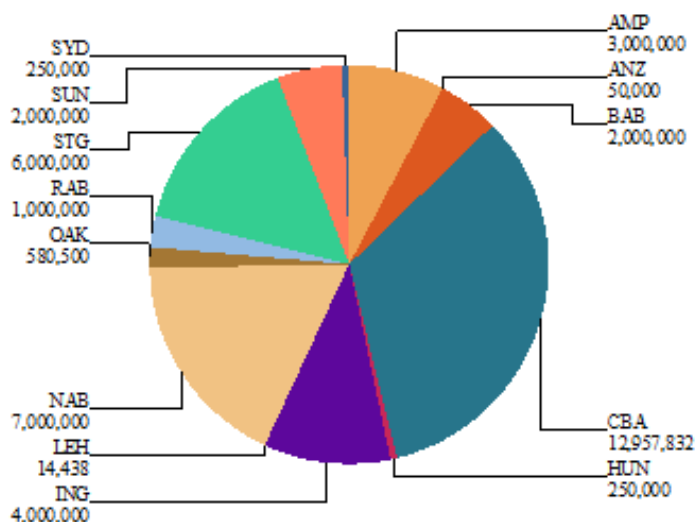
Secondary Compliance for Tier 1 & Tier 2 Investments, maximum term of 12 months

		Maximum Term (Days)	
AMP	AMP Bank	365	Complies
BAB	Bendigo Adelaide Bank	240	Complies
ING	ING Direct	365	Complies
RAB	Rabo Direct	300	Complies
SUN	Suncorp	307	Complies

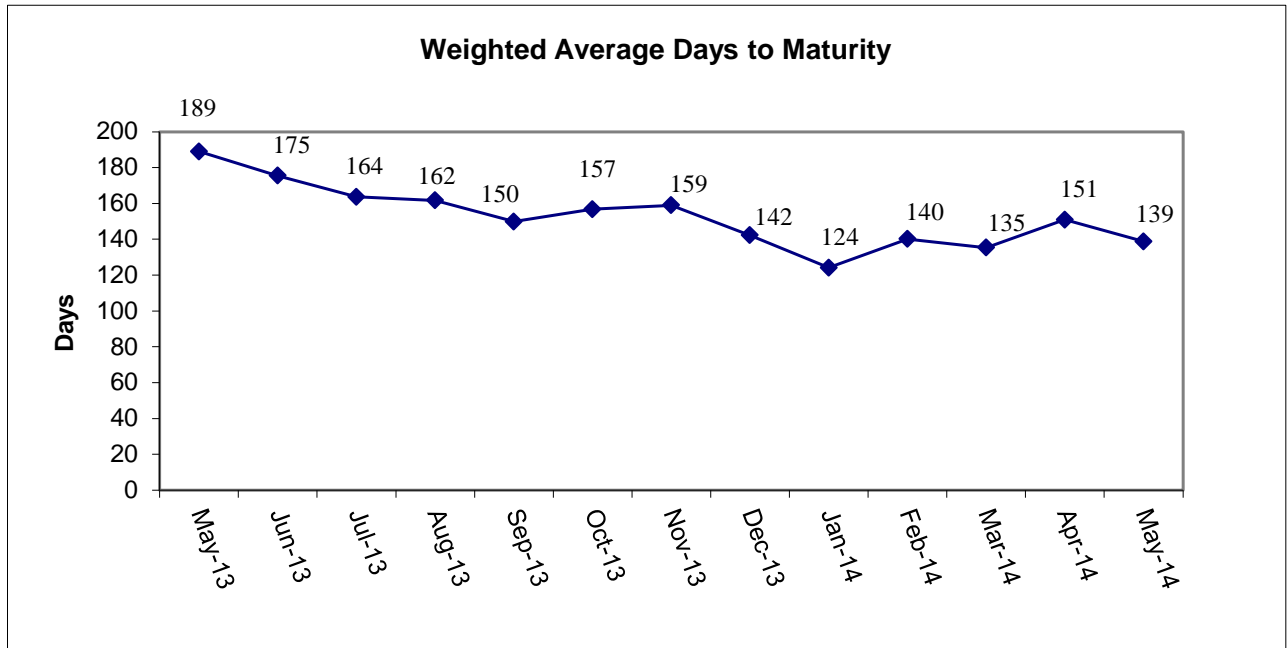
Final Compliance, Tier 2 maximum \$10,000,000 invested and Tier 3 maximum of \$6,000,000 invested

Total Investment in Tier 2 Banks:	7,000,000	Complies - \$3,000,000 available
Total Investment in Tier 3 Banks:	5,000,000	Complies - \$1,000,000 available

Portfolio Breakdown

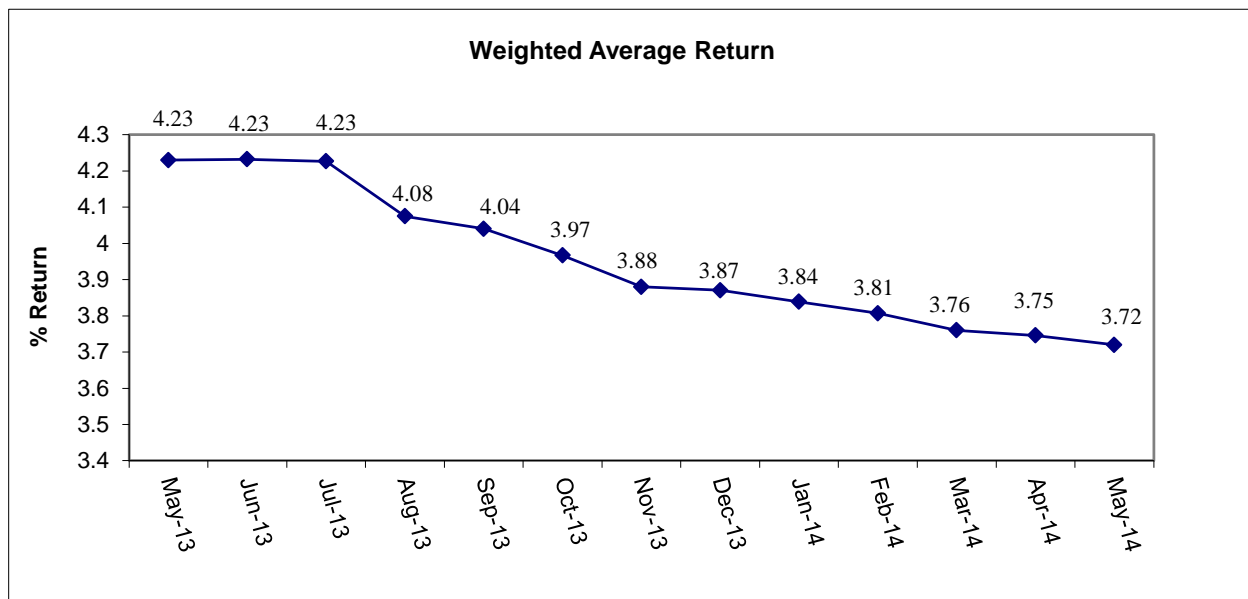


Total investments with the Commonwealth Bank exceeded the Policy limit by \$3.2m due to holding funds required for the Kiaora Place settlement being held at call. This will be resolved in June once disbursements are made from these funds.



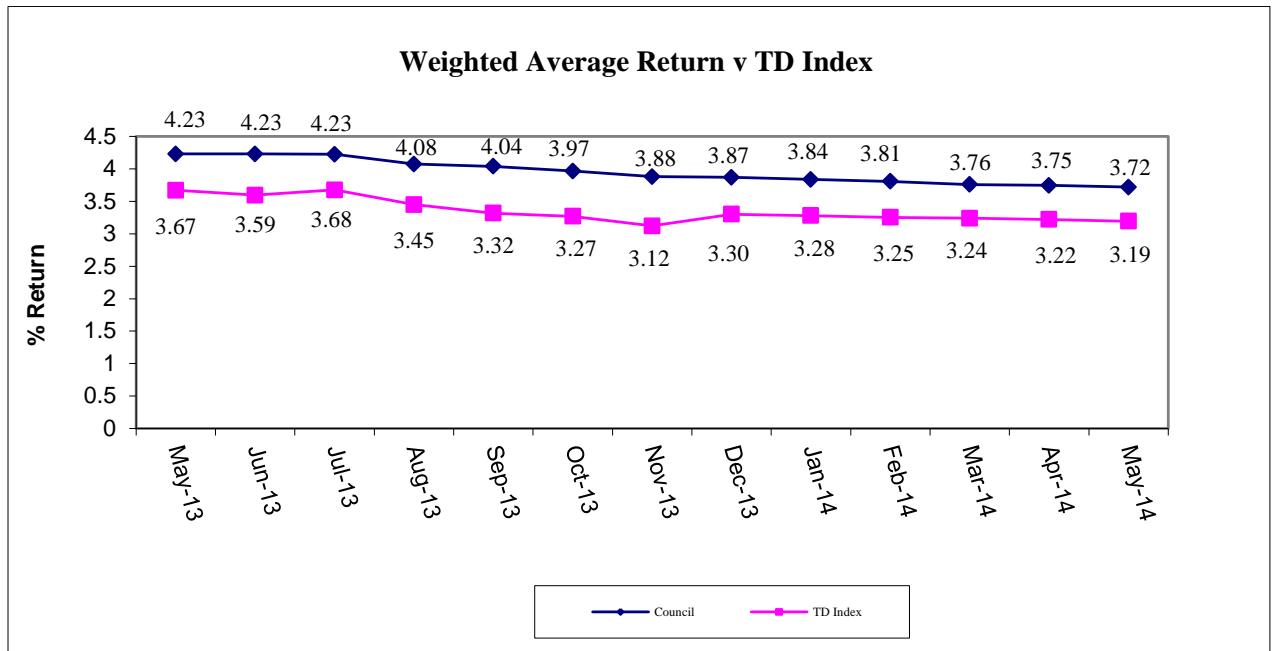
Commentary:

The weighted average fell during the month with no new investments being placed and the existing portfolio moving towards maturity.



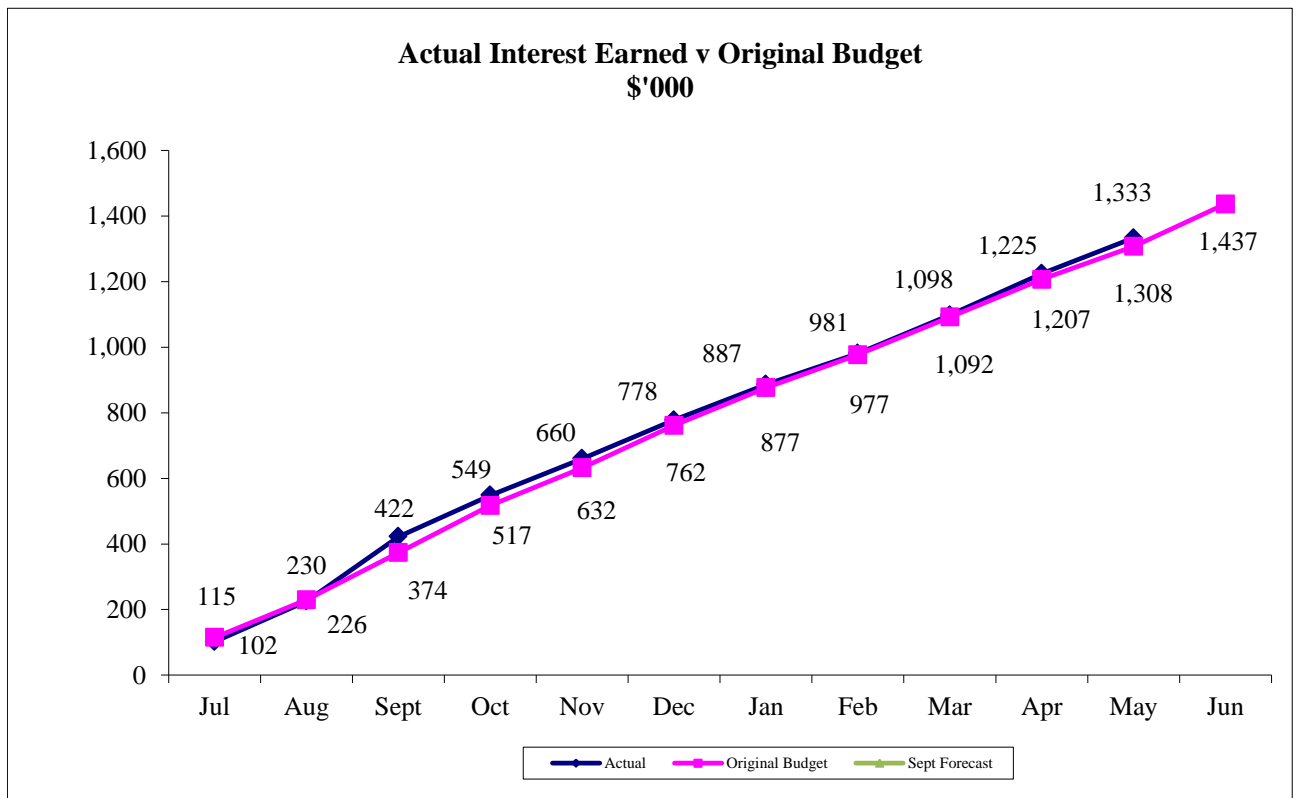
Commentary:

The weighted average return dropped 3 basis points in May with the three maturities paid out during the month ranging in return from 3.81% to 4.05%. There were no new investments placed.



Commentary:

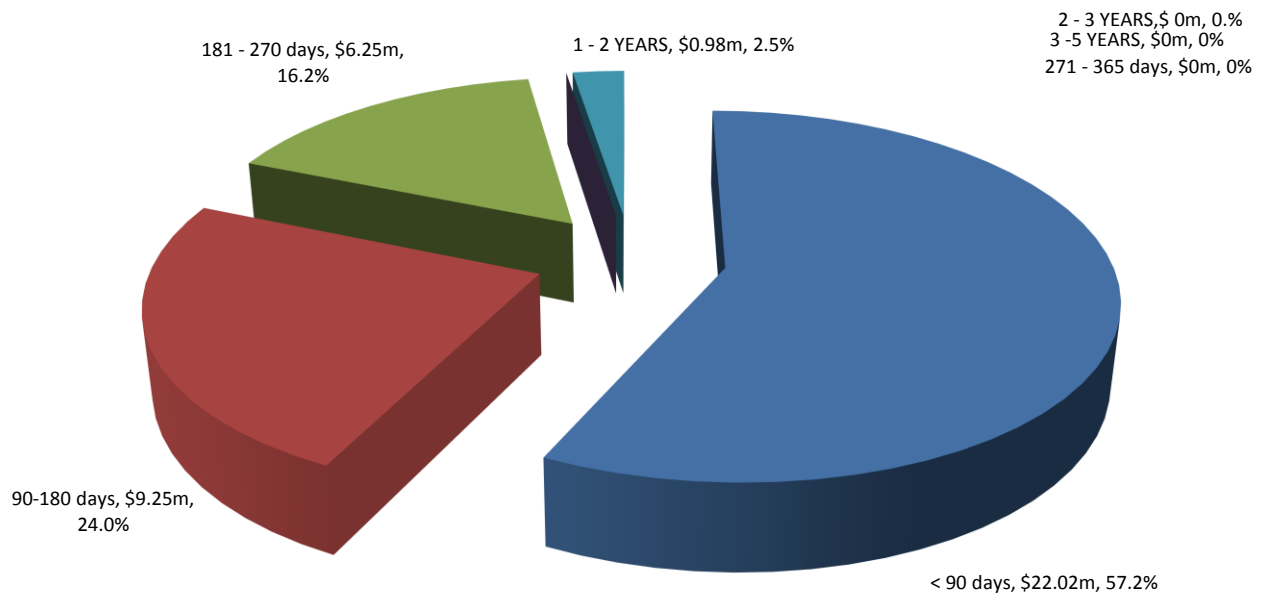
This chart tracks Council’s weighted average return on its direct investment portfolio against a 90 day term deposit index. There was little variation in returns for the month with the Council’s return and the TD Index each dropping three basis points.



Commentary:

The Actual v. Budget chart includes the Original Budget and Actuals. Total interest of \$1,333k is on track with the budget forecast of \$1,308k.

Direct Investment Maturities



Maturity Range	\$M Invested	% of Portfolio
< 90 days	22.02	57.2
90 - 180 days	9.25	24.0
181 - 270 days	6.25	16.2
271 - 365 days	0.00	0.0
1 - 2 years	0.98	2.5
2 - 3 years	0.00	0.0
3 -5 years	0.00	0.0
	38.50	100.0

Commentary:

The chart and table reflect Council’s position of generally rolling short term investments.

Movements in Book Value of Investments

Formerly managed by Lehman Brothers

Date	Description	Securities	UBS Cash	Total
			Management Trust	
30/06/2013	Balance brought forward	1,380,695.00	30,331.63	1,411,026.63
18/07/2013	UBS Fee - Jun '13 management fee		(206.74)	1,410,819.89
19/07/2013	Royal Bank of Scotland FRN sale	(852,500.00)		558,319.89
19/07/2013	FV Adjustment (BV @ \$890,210)	(37,710.00)		520,609.89
19/07/2013	Royal Bank of Scotland FRN sale	(490,000.00)		30,609.89
19/07/2013	FV Adjustment (BV @ \$490,485)	(485.00)		30,124.89
15/07/2013	CBA FRN - quarterly interest		10,200.00	40,324.89
31/07/2013	July coupons		4,724.52	45,049.41
7/08/2013	UBS Fee - Jul '13 management fee		(205.51)	44,843.90
9/09/2013	UBS Fee - Aug '13 management fee		(131.24)	44,712.66
23/09/2013	Blackrock Capital Distribution		915,195.90	959,908.56
23/09/2013	Blackrock Income Distribution		65,330.07	1,025,238.63
24/09/2013	Withdrawal - UBS Cash Management Account		(1,020,000.00)	5,238.63
30/09/2013	September coupons		3,905.39	9,144.02
30/09/2013	Interest - UBS Cash Account		225.58	9,369.60
15/10/2013	CBA FRN - quarterly interest		9,600.00	18,969.60
18/10/2013	Blackrock Capital Distribution		2,543.34	21,512.94
18/10/2013	Blackrock Income Distribution		84.61	21,597.55
22/10/2013	UBS Fee - Sep '13 management fee		(113.86)	21,483.69
31/10/2013	October coupons		932.63	22,416.32
8/11/2013	UBS Fee - Oct '13 management fee		(70.52)	22,345.80
5/12/2013	UBS Fee - Nov '13 management fee		(68.53)	22,277.27
31/12/2013	December coupons		4,502.52	26,779.79
31/12/2013	Interest - UBS Cash Account		82.87	26,862.66
15/01/2014	CBA FRN - quarterly interest		9,100.00	35,962.66
24/01/2014	UBS Fee - Dec '13 management fee		(71.11)	35,891.55
5/02/2014	Grove Online balance recovered from ASIC		1,964.53	37,856.08
7/02/2014	UBS Fee - Jan'14 management fee		(71.34)	37,784.74
7/03/2014	UBS Fee - Feb'14 management fee		(64.82)	37,719.92
20/03/2014	Kakadu CDO maturity		457,007.71	494,727.63
20/03/2014	Kakadu CDO maturity	(457,007.71)		37,719.92
20/03/2014	FV Adjustment - Kakadu (BV @ \$0)	457,007.71		494,727.63
24/03/2014	Withdrawal - UBS Cash Management Account		(494,000.00)	727.63
31/03/2014	March coupons		4,528.10	5,255.73
31/03/2014	Interest - UBS Cash Account		212.93	5,468.66
15/04/2014	CBA FRN - quarterly interest		9,100.00	14,568.66
16/04/2014	UBS Fee - Mar'14 management fee		(70.24)	14,498.42
7/05/2014	UBS Fee - Apr'14 management fee		(60.62)	14,437.80
		0.00	14,437.80	

Formerly managed by Oakvale Capital

	Description	Securities	Blackrock	Total
			Managed Fund	
30/06/2013	Balance brought forward	580,500.00	963,454.16	1,543,954.16
23/09/2013	Capital distribution		(915,195.90)	628,758.26
18/10/2013	Capital distribution		(2,543.34)	626,214.92
18/10/2013	Fair value adjustment at termination of Fund		(45,714.92)	580,500.00
		580,500.00	0.00	

Direct Investments

	Description	Securities	Total
30/06/2013	Balance brought forward	983,100.00	983,100.00
		983,100.00	

Commentary:

The table above details any movements in Council's portfolio formerly managed by Lehman Brothers and Oakvale Capital along with Council's direct investment floating rate note. It typically includes the maturity or sale of securities, quarterly coupon payments and fair value (market) adjustments. It will also include small payments of interest earned on Council's cash management accounts and the deduction of fees associated with Council's safe custody arrangements.

No coupons were due in May.

Don Johnston
Chief Financial Officer

Stephen Dunshea
Director Corporate Services

Annexures:

Nil.

Item No: D3 Delegated to Council
Subject: **3 Queens Avenue, Vacluse-Sale of portion of Road Reserve**
Author: Anthony Sheedy – Senior Property Officer
File No: 374.3
Reason for Report: To consider the part closure of council road reserve and sale to adjoining owner at 3 Queens Avenue, Vacluse.

Recommendation:

- A. That, Council proceeds with a site inspection prior to the next Corporate and Works Meeting of 7 July 2014, to consider the renewed request from the owner of 3 Queens Avenue, Vacluse to purchase a portion of the adjoining road reserve.
- B. That a further report be submitted to the Corporate and Works Committee.

Background:

The owner of 3 Queens Avenue requested that Council sell a portion of the road reserve to formalise the existing encroachment, which comprises low rise sandstone terraces and garden landscaping (Annexure 1).

On the 5th May 2008 a report was submitted to the Corporate & Works Committee identifying a number of properties in Queens Avenue which encroached on Council road reserve. The Committee resolved:

- A. *That the proposed actions, to regularise and manage encroachments on the road reserve in Queens Avenue, Vacluse, as set out in the report, be advertised for public comment.*
- B. *That the proposal to purchase a portion of road reserve adjoining No 3 Queens Avenue be advertised.*
- C. *That further reports be submitted regarding progress with actions taken to implement Resolutions (A) and (B).*

In accordance with Item B, the proposal of the owner of 3 Queens Ave to purchase a section of unmade road adjoining their property was advertised in the Wentworth Courier of 14 May 2008. The proposal advertised was for a reduced area, being an estimated 55 square metres, in order to address Queens Avenue traffic sight line concerns, which are discussed below.

Neighbours within a 50 metre radius of the subject land were also issued a letter and a copy of the plan detailing the proposal to close and sell a road reserve portion to the adjoining owner.

However, at the 3 November 2008 Council meeting it was resolved not to proceed with the sale, but rather formalise the encroachment on the following basis:

- A. *That the sale of the unused road adjacent to No. 3 Queens Avenue not proceed.*
- B. *That the land and retaining wall be subject to an Easement to Permit Encroaching Structures to Remain.*
- C. *That, Council requires the owner of 3 Queens Avenue, Vacluse to enter into a Positive Covenant in favour of Council for the remaining area of the encroachment adjoining their land, in order to maintain the improvements in such a way as to protect traffic sight lines and to accept liability for public risk.*

- D. That if the owner of 3 Queens Avenue, Vauclose chooses not to enter into a Positive Covenant in favour of Council, that staff report back to Council on the options available in relation to the encroachment on Council's land.*

Over the last four years the following actions have been completed to create the easement for the encroachment and the positive covenant as per Council resolution.

1. Valuation report to assess the compensation payable to create the easement for encroachment.
2. An amended valuation to include the driveway.
3. Survey of the encroachment.
4. A redefinition plan of all the encroachments along Queens Avenue.
5. Deed of Agreement (including the plan, Section 88B instrument, Positive Covenant, Deposited Plans and Administration sheet).

On 2 April 2011 the owner agreed in writing to the compensation of \$150,000 based on the valuation report. However, the owner has delayed the completion by not signing the Deed of Agreement for the Easement and subsequently placed the matter into the hands of her solicitor. On 27 March 2012 the solicitor requested a copy of the valuation report. Subsequently his client decided the valuation was too high, despite agreeing to the valuation the previous year.

On 30 January 2013 the owner's solicitor advised that his client:

- Will not agree to the easement
- The asking price for the compensation is too high
- His client is only interested in buying the road reserve.

Frequent requests by Council staff and Council's consultant solicitor have been ignored or deferred. The owner continues to procrastinate on the completion of the easement for the retaining wall encroachment, because they want to purchase and redevelop the subject road reserve portion to improve their off street motor vehicle parking options.

Residential parking in the street outside 3 Queens Ave is very difficult to find, particularly on weekends when Queens Ave and Little Queens Lane are congested by visitors to the adjacent Hermitage Reserve (part of Sydney Harbour National Park). There is some precedent for this type of development in that the owner of 11 Queens Avenue has constructed a car space hardstand on the road reserve adjoining their property (subject of a road lease).

Following the advertisement of the previous proposal to sell a portion of the road reserve to the owner of No 3, Council's traffic Engineers made recommendations to address neighbour concerns about traffic congestion and issues of motor vehicle and pedestrian sightlines being obscured (Annexure 3). This included Council retaining ownership of a strip of road reserve setback 1.5m from the kerb, and requiring the owner of 3 Queens Avenue to enter into a Positive Covenant with Council to formalise the encroaching retaining wall and landscape gardening.

Modification of the boundary of the proposed parcel for sale will result in improved safety for motor vehicles moving along Queens Ave and turning into Little Queens Lane. The owner has accepted this condition.

Options and Proposal:

The following options are available to Council:

1. Council can choose to escalate the matter to the courts to decide the appropriate compensation and recover cost. This will increase Council costs and may be difficult to recover all the costs from the applicant.
2. Allow the encroachment to remain but recover all costs accumulated to date (as at 9 August 2013, \$9,116 is outstanding). This does not resolve the issue of the encroachment and Council's liability.
3. Agree to the owners request to purchase a smaller portion of the unmade road reserve in front of the owner's property at 3 Queens Avenue, Vaucluse (Annexure 2).

Conditional on:

- Payment of all outstanding costs accrued by Council over the last four years.
 - Agreement to a new valuation of the property from an independent valuer.
 - Owner to enter into a Positive Covenant in favour of Council for the remaining strip of road reserve immediately adjoining the roadway, to ensure Queens Ave sightlines are preserved.
4. Council enforce the removal of the encroachment.

A notification is issued for the removal of the encroachment within 28 days. Failure to comply will result in the removal of the encroachment by Council. This will require the removal of the terraced landscaped and to re-establish the pedestrian footpath. All cost to be recovered from the owner.

The encroaching low rise retaining wall subject of the Positive Covenant would remain in Council's control to maintain safe traffic sightlines, and would also be the owner's responsibility to maintain this wall and indemnify Council during the life of the encroachment.

Conclusion:

Council has resolved at its prior meeting of 3 November 2008 to grant an easement in respect of the encroaching retaining wall structures on the road reserve adjoining 3 Queens Avenue. However, the formalisation of the encroachments by process of easement has reached an impasse because the adjoining owner now only wants to purchase the road reserve for purposes of improving their off street parking. Some of the current garden landscaping would also be retained on the subject road reserve to preserve streetscape amenity.

It is recommended that Council reconsiders its early resolution by proceeding with Option 3 of this report as the most effective action to resolve this long outstanding matter.

In accordance with the previous recommendation of Council's Traffic Engineers, Council can maintain control of the traffic sightline concerns of residents by retaining ownership of a strip of road reserve setback 1.5m from the kerb, and requiring the owner of 3 Queens Avenue to enter into a Positive Covenant with Council to formalise the encroaching retaining wall and landscape gardening. Modification of the boundary of the proposed parcel for sale will result in improved traffic sightlines and safety for motor vehicles moving along Queens Ave and turning into Little Queens Lane.

The steeply sloping topography of the road reserve adjoining No 3 Queens Avenue has made it practically unusable for pedestrian access, whilst the landscape gardening acts to stabilise the soil and enhances the local community amenity.

The owner of 3 Queens Avenue has agreed to comply with the conditions of Option 3 as stated in the report. It is considered there would be no adverse impact on the community through the excision of this portion of road reserve and a community benefit would derive from the proceeds of the sale.

As it has been a long time since the last site inspection was made, we recommend that in the first instance that a site inspection be made prior to the next Corporate & Works meeting of 7 July 2014.

Anthony Sheedy
Senior Property Officer

Zubin Marolia
Manager Property & Projects

Tom O'Hanlon
Director, Technical Services

Annexures:

Annexure 1 – Photograph of encroachment.

Annexure 2 – Plan of Site.

Annexure 3 – Vehicle Sight Lines.

Annexure 1:

Photo of encroachment:



Item No: R1 Recommendation to Council

Subject: **Adoption of Revised Delivery Program 2013 to 2017 & Operational Plan 2014/15**

Author: Michelle Phair - Acting Team Leader Corporate Planning
Don Johnston - Chief Financial Officer
Stephen Dunshea - Director Corporate Services
Gary James - General Manager

File No: 1229.G (2013 - 2017)

Reason for Report: For the Committee to review submissions received following public exhibition of the draft Delivery Program 2013 to 2017 and Operational Plan 2014/15 and to recommend adoption of the documents.

Recommendation:

- A. That Council note that five (5) submissions were received in relation to the draft Delivery Program 2013 to 2017 & Operational Plan 2014/15 in response to the public exhibition.
- B. That having considered the submissions received, Council adopt the exhibition copy of the draft Delivery Program 2013 to 2017 & Operational Plan 2014/15, including the draft 2014/15 Budget and with the minor amendments referred to in this report, as its Delivery Program 2013 to 2017 & Operational Plan 2014/15.
- C. That a copy of the Delivery Program 2013 to 2017 & Operational Plan 2014/15 be placed on Council's website within 28 days of their adoption in accordance with Section 402 & Section 405 of the Local Government Act 1993 and a link to the document be provided to the Chief Executive of the Office of Local Government.
- D. That Council make and levy the Rates and Annual Charges set out in the Rating Structure for 2014/15, being:

Category / Sub Category	Rating Structure	Amount to be Levied	Rates in the \$, Base Amounts & Minimums
Ordinary Rates:			
Residential	Base Charge - 50% Ad Valorem - 50%	27,382,596	\$558.50 (Base Amount) 0.05271 cents in \$
Business	Ad Valorem - subject to a minimum	1,319,271	0.27125 cents in \$ \$578.00 (minimum)
<i>Business Sub Categories:</i>			
All Ad Valorem - subject to a minimum			
Double Bay		1,549,796	0.41835 cents in \$ \$578.00 (minimum)
Oxford Street Paddington		811,771	0.37597 cents in \$ \$578.00 (minimum)
Rose Bay (New South Head Road)		267,311	0.35549 cents in \$ \$578.00 (minimum)
Edgecliff		359,096	0.41878 cents in \$ \$578.00 (minimum)
Bellevue Hill		31,923	0.30841 cents in \$ \$578.00 (minimum)
Edgecliff / Grosvenor Streets, Woollahra		81,994	0.30943 cents in \$ \$578.00 (minimum)

Category / Sub Category	Rating Structure	Amount to be Levied	Rates in the \$, Base Amounts & Minimums
Five Ways, Paddington		66,198	0.26610 cents in \$ \$578.00 (minimum)
New South Head Road, Vaucluse		44,310	0.31549 cents in \$ \$578.00 (minimum)
Old South Head Road, Rose Bay		70,218	0.22698 cents in \$ \$578.00 (minimum)
Old South Head Road, Vaucluse		14,824	0.14828 cents in \$ \$578.00 (minimum)
Plumer Road, Rose Bay		11,761	0.28600 cents in \$ \$578.00 (minimum)
Queen Street, Woollahra		206,643	0.18657 cents in \$ \$578.00 (minimum)
Watsons Bay		73,222	0.27374 cents in \$ \$578.00 (minimum)
Special Rate:			
Environmental & Infrastructure Renewal Levy (All Categories and sub-categories)	Base Charge - 50% Ad Valorem - 50%	3,829,946	\$73.85 (Base Amount) 0.006985 cents in \$
Total Rates		36,120,880	
Annual Charges:			
Domestic Waste Management Charge	\$452.00	11,794,940	
Stormwater Management Charges:			
Single residential dwelling	\$25.00	264,700	
Residential strata unit	\$12.50	173,200	
Business property	\$25.00 plus \$25.00 per 350m ² (or part thereof) above 350m ² in land area	43,025	
Business strata unit	\$5.00	2,605	
Total Annual Charges		12,278,470	
Total Rates & Annual Charges		48,399,350	

Background:

In considering Council's Draft Delivery Program 2013 to 2017 and Operational Plan 2014/15 (incorporating Council's draft 2014/15 Budget) at its meeting on 12 May 2014, Council resolved that the draft document be placed on public exhibition for 28 days and that a further report be presented to Council following the public exhibition period advising of any submissions received in relation to the draft plans. The Draft Delivery Program 2013 to 2017 & Operational Plan 2014/15, including the draft 2014/15 Budget, were developed through a series of Council and Committee meetings.

The purpose of this report is to consider submissions received during the public exhibition period and to recommend to Council the adoption of the Delivery Program 2013 to 2017 & Operational Plan 2014/15, including the 2014/15 Budget.

Exhibition details:

Exhibition of *Draft Delivery Program 2013 to 2017 and Draft Operational Plan 2014/15* commenced on Wednesday 14 May 2014 and closed on Wednesday 11 June 2014.

Similar to that of previous years, our communication strategy to seek community feedback and support the public exhibition of the documents included:

- Placement of advertisements in the Wentworth Courier (on 14 May & 28 May 2014)
- Advertising via Council's website (including a link from the homepage and the use of an online feedback form)
- Advertising via the Council's Customer Service Centre (including poster display and feedback forms and inclusion on the Customer Service Power Point Presentation).
- Advertising via Library Service Points and the Woollahra Local History Centre (including posters and feedback forms as in previous years)
- Advice to Councillors and staff members
- Writing to members of the community who have previously had input into the preparation of our strategic document in the past and inviting feedback
- Distribution to a range of community groups inviting feedback, including:

BIKEast
Darling Point Society
Double Bay & Bellevue Hill Neighbourhood Watch
Double Bay Chamber of Commerce
Double Bay Partnership
Double Bay Residents Association
Edgecliff Preservation Society
Harbour View Residents Group
Holdsworth Community Centre & Services
Office of Member for Sydney
Office of State Member for Vaucluse
Office of State Member for Wentworth
Paddington Action Committee
Paddington Business Partnership

Point Piper Residents Association
Queen Street & West Woollahra Association
Rose Bay Chamber of Commerce
Rose Bay Good Neighbourhood Group
Rose Bay Resident's Association Inc.
Rushcutters Bay Foreshore Protection Association
Rushcutters Bay Foreshore Protection Association
Rushcutters Bay Park Enhancement Group
The Paddington Society
The Watsons Bay Association
Vaucluse Progress Association
Watsons Bay Good Neighbour Group
Woollahra on Cooper Park Neighbourhood Watch
Woollahra History & Heritage Society Inc.

Submissions received:

At the conclusion of the public exhibition period, five (5) submissions had been received. Copies of the submissions received are provided as **ANNEXURE 1**.

A summary of the matters raised in the submissions along with suggested Council responses to the matters raised in the submissions, is provided in the table below:

Submission By	Summary of Submission	Suggested Council Response
<p>1 BIKEast</p>	<p>The submission seeks:</p> <ul style="list-style-type: none"> - increases to funding for improvements to existing cycling provisions and to better develop a connected safe network, - more rapid implementation of Woollahra Bike Strategy 2009 (WBS), - promotion of cycling for the community as a form of transport and for recreational and tourism purposes 	<p>Thank you for your comments.</p> <p>The Woollahra Bike Strategy includes 46km of cycling routes. To date, approximately 35km (76%) have been completed. In 2014/2015, it is proposed to engage a consultant to prepare a bike route way-finding strategy, as identified in the Woollahra Bike Strategy. It is also proposed to continue to install bike parking/ racks.</p> <p>It is acknowledged that much of the remaining works required under the Strategy will be more difficult and costly to complete due to challenging terrain and space limitations.</p> <p>Council will continue to devote funds to these works in coming years and is also working with neighbouring councils to secure external funding to implement the Inner Sydney Regional Bicycle Network.</p> <p>With regard to the education of road users, a detailed report regarding road sharing education programs was presented to the Community & Environment Committee on the 13 May 2013. This report identified existing and proposed new road safety education programs for cyclists, motorists and pedestrians on road sharing and safety. Road safety education is the responsibility of a number of organisations including Council, RMS and the NSW Centre for Road Safety.</p>
<p>2 Alex Greenwich MP – Member for Sydney</p>	<p>Seeking additional budget allocation for cycling infrastructure and for Council to work with other councils on coordinated education programs.</p>	<p>Thank you for your comments.</p> <p>Council engages in community consultation to determine what is important to the community. This engagement is used to inform the development of the Delivery Program and Operational Plan. Given the comprehensive range of Priorities and Actions included it would be difficult to provide an argument to support the inclusion or omission</p>
<p>3 Mrs Hylda Rolfe</p>	<p>The submission seeks:</p> <ul style="list-style-type: none"> - inclusion of explanations for Actions Council proposes to include or omit from the Plan, - additional explanation of Council's rating and fees and charges policies, 	<p>Thank you for your comments.</p> <p>Council engages in community consultation to determine what is important to the community. This engagement is used to inform the development of the Delivery Program and Operational Plan. Given the comprehensive range of Priorities and Actions included it would be difficult to provide an argument to support the inclusion or omission</p>

Submission By	Summary of Submission	Suggested Council Response
	<ul style="list-style-type: none"> - to consider a user pays service versus the current State and Council funding of the Library service, - to suggest Double Bay Business Rates service any debt obligations relating to Double Bay - noting that the existing borrowing and future borrowing proposals seem often to be related to Double Bay. 	<p>of proposed Actions without substantially adding to the volume of the document and affecting its readability.</p> <p>The requirement for councils to prepare and publish more rigorous Revenue Policies was a specific recommendation in the final report from the Local Government Review Panel and was supported by Council in its submission to the State Government in response to the Panel's report. The Panel also noted that additional guidance to councils would need to be provided through amendments to the Local Government Act and Regulations, and/or advisory material. The State Government is yet to provide its response to the Panel's recommendations.</p> <p>Council is subject to obligations under the NSW Library Act 1939 to provide free membership and free library services. Woollahra Council receives a per capita subsidy of \$1.85 per capita, totalling \$105,276 in 2014/15 and a Disability and Geographic Adjustment payment of \$39,746. Other than relevant fees and charges providing additional revenue, Council provides the balance of the funding for the Library Service</p> <p>There has been a recent campaign by NSW Public Library Associations, supported by most Local Governments including Woollahra, seeking an increase in State Government funding for public libraries with two petitions being placed before the State Government.</p> <p>Council's loan borrowing program over the past decade, excluding the Kiaora Lands project, has been for a range of streetscape improvement and infrastructure renewal works across the municipality and not limited to Double Bay. Borrowing associated with the Kiaora Lands project are in accordance with the commercial terms of the public private partnership with Woolworths Ltd and include offsetting debt/rental provisions which protect Council's interests. Linking these debt obligations to Double Bay business rates is not appropriate.</p>
4 Jenny	In addition to raising a	Thank you for your comments.

Submission By	Summary of Submission	Suggested Council Response
Tarrant	number of service related issues, the submission provides examples of cost saving opportunities and does not support the potential modest rate increase proposed in Council's long term financial plan.	<p>The service related issues have been referred to the relevant Director for consideration and appropriate action.</p> <p>Earlier reports to Council made clear the accountability of the Double Bay Partnership (Chamber of Commerce) in relation to the funding Council provides which include the provision of a detailed business plan and mid-stream and end of year reports on the achievement of deliverables identified in the business plan.</p> <p>Council is yet to make a decision in respect of a special rate variation application for 2015. Any proposed increase above the rate peg limit will be the subject of community consultation when Council considers the matter later in 2014.</p>
5 Womensport NSW	<p>This submission seeks:</p> <ul style="list-style-type: none"> - collection of data by Council to monitor sportsfield and facilities bookings by gender and also participation rates for local community sport and youth clubs, - provide quality recreation and sport development programs for men and women, - development of additional initiatives to increase and monitor participation for local sports clubs and support their role in building healthy, connected communities, - upgrades of recreational facilities to take into consideration woman's needs, such as appropriate lighting for safety, separate referee rooms and working locks in amenities. 	<p>Thank you for your comments.</p> <p>Council continues to collect gender specific data on booking application forms. In regard to participation rates, a 2011 Sports Users survey indicated greater participation across a number of schools and sporting groups over the last 5 years.</p> <p>Action 2.2.1 noted in the submission relates to a men's chat group for local senior men. The majority of the community projects and programs are not gender specific.</p> <p>While Council aims to provide quality recreational facilities there is currently no sport development program. Council does however provide dedicated fields for women's hockey.</p> <p>Council closely monitors field usage which is at maximum capacity meaning there is limited ability to increase usage. Where possible Council has improved facilities for additional capacity, such as improving the field surface at Trumper Park Oval.</p> <p>Council has a program of capital upgrades for amenities and will work to ensure women's needs are taken into account such as the recent upgrade of Lyne Park changerooms.</p>

Details of any further submissions received will be forwarded to Councillors for consideration via late correspondence.

No amendments to the draft documents are proposed in response to the submissions received. However, a few minor typographical errors identified by staff during the exhibition period have been corrected. These have not altered the intent of the document in any way.

Further Review of the 2014/15 Budget:

The draft Budget for 2014/15 contained in the Council's *Draft Delivery Program 2013 to 2017 & Operational Plan 2013/14* requires no change arising from the submissions received.

However, the Committee's attention is drawn to changes to two assumptions made regarding the compulsory superannuation contribution rate and the Award increase.

- In anticipation of a deferral of the increase from 9.25% to 9.5%, 9.25% was budgeted for 2014/15. It was announced in the Federal Budget that the rate will increase to 9.5% for 2014/15 with the next increase deferred until 1 July 2018 when it will rise to 10%. This will add approximately \$62,000 to budgeted expenditure.
- In anticipation of a decision on the Award increase, a 3% increase was budgeted for 2014/15. While it is subject to ratification by the Industrial Relations Commission on 25 June 2014, agreement has been reached between the parties that the increase for 2014/15 will be 2.6% and the following two years being 2.7% and 2.8% respectively. This will reduce budgeted expenditure by approximately \$110,000.

Given that the Award increase has not yet been finally determined, it is intended that both of these adjustments be considered in conjunction with the first Quarterly Budget Review of the 2014/15 Budget.

Additionally, in relation to the Capital Budget, the September Review of the 2013/14 Budget resulted in the deferral of works at Nelson Lane, Woollahra and Harkness Lane Woollahra. Both of these projects are now recommended for funding as part of to the Roads to Recovery Program for 2014/15 instead of works at Clarendon Street, Vaucluse and Elizabeth Lane, Paddington.

Further, the March Quarterly Budget Review of the 2013/14 Budget resulted in the deferral of Works at John Street, Woollahra. Consequently, the 2014/15 Capital Budget has been reviewed to facilitate the inclusion of the John Street works. The following changes are proposed:

Action	Project	Change to Draft 2014/15 Capital Budget \$
Defer:	Drumalbyn Road, Bellevue Hill, Beresford Road to No. 82 Drumalbyn Road Stage 2	(50,000)
	Rupertswood Avenue, Bellevue Hill, full length	(28,000)
	Holdsworth Street, West Woollahra, Jersey Road to Morrell Street	(60,000)
Revise cost estimates for:	Rivers Street, Bellevue Hill, Bellevue Road to Vivian Street Stage 1 (\$75,000 reduced to \$50,000)	(25,000)
	McKell Park Seawall (\$250,000 reduced to \$200,000)	(50,000)
Include:	John Street, Woollahra, Ocean St to Moncur St	213,000
Net Change to Budget		\$0

It is recommended that these changes be made to the 2014/15 Capital Budget.

2014/15 Fees and Charges

Subsequent to adopting the draft Fees and Charges, the Office of Local Government advised Councils that the interest payable on overdue rates and annual charges for 2014/15 will be 8.5%. This was exhibited as 9%, based on the current percentage, with a note advising that if it was varied the new rate would be applied.

It is recommended that this change be made to the 2014/15 Schedule of Fees and Charges.

Conclusion:

On 12 May 2014 Council resolved to place the *draft Delivery Program 2013 to 2017 and Operational Plan 2014/15* on public exhibition.

Five (5) submissions to date have been received as a result of the public exhibition of the draft Plan. Details of the matters raised in the submissions, along with suggested Council responses to the submissions are provided in the report. There are no amendments to the *Draft Delivery Program 2013 to 2017 and Operational Plan 2014/15* recommended in response to the submissions received.

It is therefore recommended that Council adopt the exhibition copy of *Delivery Program 2013 to 2017 and Operational Plan 2014/15*, including the 2014/15 Budget and Rating Structure.

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Annexures

- 1 Submissions received in response to the public exhibition of Draft Delivery Program 2013 to 2017 and Operational Plan 2014/15

Political Donations – matters to be considered by Councillors at Meetings

