

Corporate & Works Committee

Agenda: *Corporate & Works Committee*

Date: *Monday 15 July 2013*

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

11 July 2013

To: His Worship the Mayor, Councillor Andrew Petrie ex-officio
Councillors Katherine O'Regan (Chair)
Ted Bennett
Peter Cavanagh
Deborah Thomas
Elena Wise
Susan Wynne (Deputy Chair)
Jeff Zulman

Dear Councillors

Corporate & Works Committee Meeting – 15 July 2013

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 15 July 2013 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 17 June 2013	1
D2	Monthly Financial Report – June 2013 -349.G	2
D3	Roads & Maritime Services Reclaimed Land in Woollahra LGA – 228.G Part 5, 282.3, 502.9 m503.103A	18
D4	Disclosure of Interest Returns Submitted by Designated Employees during the period April to June 2013 – 169.G	28

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

R1	52 Mona Road, Darling Point – Proposed Road Closure & Sale – 315.52	31
R2	Plumbing & Emergency Minor Works – Tender No. 13/03	37

Item No: D1 Delegated to Committee
Subject: **Confirmation of minutes of meeting held on 17 June 2013**
Author: Les Windle, Manager – Governance
File No: See Council Minutes
Reason for Report: The Minutes of the Meeting of Monday 17 June 2013 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 17 June 2013 be taken as read and confirmed.

Les Windle
Manager – Governance

Item No: D2 Delegated to Committee
Subject: **Monthly Financial Report - JUNE 2013**
Author: Don Johnston, Manager Finance
File No: 349.G
Reason for Report: To present the monthly financial report for June 2013

Recommendation:

That the Committee:

- i. Receive and note the Monthly Financial Report – June 2013.
- ii. Note that Council’s 12 months weighted average return on its direct investment portfolio of 4.23% continues to exceed the June 2013 benchmark 90 day term deposit index of 3.59%.
- iii. Note that total interest earned for the twelve months to 30 June 2013 of \$1,649k falls short of the September budget forecast of \$1,664k by some \$15k or 0.9%.

Background:

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

The Monthly Financial Report for June 2013 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
- Quarterly update on Arrears of Rents & Fees

Investment Transactions for the Month

Date	Transaction	Description	Amount (\$)
31 May		Book Value of Investments Held	34,585,807.39
4 Jun	Purchase	National Australia Bank TD, 91 days @ 4.05%	1,000,000.00
5 Jun	Purchase	RaboDirect TD, 90 days @ 4.05%	1,000,000.00
7 Jun	Purchase	National Australia Bank TD, 119 days @ 4.04%	1,000,000.00
20 Jun	Maturity	Commonwealth Bank TD, 30 days @ 3.75%	(2,000,000.00)
20 Jun	Purchase	AMP Bank TD, 365 days @ 4.00%	1,000,000.00
28 Jun	Maturity	Suncorp TD, 150 days @ 4.37%	(1,000,000.00)
30 Jun	Adjustment	Annual Fair Value adjustment - Emerald	145,500.00
30 Jun	Adjustment	Annual Fair Value adjustment - Blackrock	143,930.54
30 Jun	Adjustment	Annual Fair Value adjustment - Commonwealth Bank FRN	6,700.00
30 Jun	Adjustment	Quarterly Fair Value adjustment - Lehman FRNs	70,775.00
Various	Net Movement	Net Movement in Online Savings Cash Account	(2,631,413.07)
Various	Net Movement	Net Movement in UBS Cash Management Trust Account (Coupon payments + UBS interest + Deposits- UBS Fees)	5,002.89
		Net Change in Portfolio	(1,259,504.64)
30 Jun		Book Value of Investments Held	33,326,302.75

Commentary:

Two investments matured during June totalling \$3,000,000. These maturities were reinvested plus a further \$1,000,000 from At Call cash (from the May Rates Instalment) into four term deposits with terms ranging from 90 days to 365 days.

Further, quarterly and year end valuation of investment securities resulted in an increase in value of \$366,905.54.

The investment portfolio decreased by \$1,259,505 from the balance carried forward from the previous month which is consistent with a non-rates instalment month.

Investments Working Party Update

In relation to the Lehman Brothers class action, a proposed scheme of arrangement was to be considered by meetings of company creditors to be held on 19 June 2013. The liquidators, PPB Advisory, adjourned the meetings to a future date to allow US Lehman entities (which did not support the scheme of arrangement) more time to acquaint themselves with the benefits of the scheme. PPB Advisory intend to report to creditors on the way forward as soon as possible.

In relation to the Oakvale matter, Council's Statement of Claim was filed with the Federal Court on 21 June 2013, along with Penrith and Tweed Councils. It is listed for a first directions hearing on 8 August 2013.

It appears that the filing has had the desired effect. Oakvale has agreed in principle to the joint mediation. Piper Alderman proposed a timetable for the mediation in their letter serving the new proceedings. Oakvale have provided a revised timetable, which has been agreed to by the participating Councils, as follows:

1. Councils to provide particulars of their claims to be pursued at mediation and documents to be relied upon **by 12 July** (if claims are to be narrowed from the statements of claim, the Councils are to indicate which causes of action will be pursued at mediation);
2. Oakvale to provide its responses and documents **by 2 August**;
3. Councils to provide their position papers by **16 August**;
4. Oakvale to provide its position papers by **30 August**;
5. Mediation to occur on approximately **4 or 5 September**.

At the time of writing the report staff were liaising with Piper Alderman in regard to ensuring all documents supporting the statement of claim have been provided.

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 31 May 2013 -2,317,427.60

Receipts

Rates 4,418,195.94
Investment Maturities 3,000,000.00
Transfers In from At Call Accounts 5,360,000.00
Other 4,182,514.42

16,960,710.36

Total Receipts

Description	Amount
Financial Assistance Grant	802,485.00
Sundry Debtors	723,685.36
Parking Fines	430,090.73
Capital Grants - various	350,315.68
Deposits and Bonds	281,910.05
GST Refund	259,628.00
Sale of Plant & Vehicles	219,294.43
Trade Waste Debtors	153,407.20
Parking Meter Charges	150,205.11
Sect 94A Contributions	62,380.12

Payments - Cheque

Cheque Payments -507,619.47
Cancelled Cheques 2,305.00
Total Cheque Payments for period -505,314.47

Cheque No	Cheque Date	Payee	Description	Amount
217038	6/06/2013	Estate of the late Eric Stephen Day	Employee entitlements paid out for deceased employee	-104,931.03
217231	27/06/2013	Withheld	Refund of security deposit	-31,502.60
217083	13/06/2013	Grafton Place BMC Sydney	BMC Levy payment	-26,471.05
217173	21/06/2013	Withheld	Refund of security deposit	-25,039.23
217230	27/06/2013	Withheld	Refund of security deposit	-17,973.56
217031	6/06/2013	Blue Visions Management Pty Ltd	Training course - 16 staff - Cert IV Project Mgmt	-17,822.00
217061	7/06/2013	Withheld	Refund of security deposit	-17,377.87
217067	13/06/2013	Care Park Pty Ltd	Car Park management fees	-13,251.61
217182	27/06/2013	City of Sydney Council	Transfer of employee benefits for transferring staff	-12,305.08
217233	27/06/2013	Withheld	Refund of security deposit	-10,278.63

Payments - EFT

EFT Payments -5,212,703.05
Returned EFTs 97,829.60
Total EFT Payments for period -5,114,873.45

Reference	EFT Date	Payee	Description	Amount
40871	27/06/2013	Statew ide Mutual	Public Liability/Prof Indemnity insurance renew als	-782,013.60
40842	27/06/2013	Melhemcorp Pty Ltd	Gen w orks - Harjness St,Glenmore Rd,Bus shelters	-306,733.80
40480	6/06/2013	ECS Services Pty Ltd	Gen w orks - Gap Park CCTV	-266,827.72
40525	6/06/2013	SITA Australia Pty Ltd	Waste tipping fees - 2-17/5	-219,001.87
40593	13/06/2013	Local Govt Super Scheme-Div.A	Employer/employee super - May'13	-210,105.56
40873	27/06/2013	Stateline Asphalt	Gen w orks - Yarranabee Park	-182,187.17
2806	28/06/2013	Commonw ealth Bank of Australia	Loan Repayment - principal and interest	-210,165.12
40733	20/06/2013	SITA Australia Pty Ltd	Waste tipping fees - 20 - 31/5	-159,018.67
40793	27/06/2013	Veolia Environmental Services	Weekly collection of recyclables - 29/4 - 31/05	-148,583.13
40642	20/06/2013	Aw ada Civil Pty Ltd	Gen w orks - William St	-148,105.00

Payments - Direct Debits From Bank A/c

Payroll -1,634,103.64
PAYG Tax -512,656.00
Bank Charges -22,551.99
Investment Purchases -4,000,000.00
Transfers to At Call Accounts -2,720,000.00
Credit Cards -3,785.29
Councillors' fees -22,718.73
Total Direct Debits for period -8,915,815.65

Total Payments

-14,536,003.57

Cash Book Balance as at 30 June 2013

107,279.19

Unpresented Cheques No of Cheques: 131 Value: 176,885.13
Outstanding Deposits & Miscellaneous Items 34,445.06

Reconciled Cash Book Balance as at 30 June 2013

318,609.38

Bank A/c Balance as at 30 June 2013

318,609.38

Unpresented Cheques > \$30,000.00

Cheque No.	Cheque Date	Payee	Amount
217231	27/06/2013	Withheld	31,502.60

Commentary:

This statement presents Council's bank reconciliation as at 30 June 2013. The top ten receipt and payment items are provided in the report. Excluding investment transactions, receipts exceeded payments for the month by some \$0.8m, after covering insurance renewals (\$782k) and loan repayment (\$210k).

INVESTMENTS AS AT 30 JUNE 2013

CATEGORY		FACE VALUE \$	BOOK VALUE \$
1. LEHMAN BROTHERS (formerly Grange Securities Ltd)			
Funds previously under management		5,340,332	1,411,027
2. OAKVALE CAPITAL Limited			
Funds previously under management		4,183,088	1,543,954

RATING	CATEGORY	PURCHASE DATE	MATURITY DATE	TOTAL TERM (DAYS)	REMAINING DAYS TO MATURITY	%	FACE VALUE \$	BOOK VALUE \$	GOV'T GUARANTEE
3. WMC DIRECT INVESTMENTS									
<i>TERM DEPOSITS: (in order of Maturity)</i>									
	<u>NATIONAL AUSTRALIA BANK</u>								
	TERM DEPOSIT	13/02/2013	15/07/2013	152	15	4.26	1,000,000	1,000,000	#
	<u>ING DIRECT</u>								
	TERM DEPOSIT	29/01/2013	29/07/2013	181	29	4.47	1,000,000	1,000,000	#
	<u>NATIONAL AUSTRALIA BANK</u>								
	TERM DEPOSIT	28/02/2013	29/07/2013	151	29	4.23	1,000,000	1,000,000	#
	<u>NATIONAL AUSTRALIA BANK</u>								
	TERM DEPOSIT	19/02/2013	19/08/2013	181	50	4.20	1,000,000	1,000,000	#
	<u>BANK OF SYDNEY</u>								
	TERM DEPOSIT	21/05/2013	19/08/2013	90	50	4.60	250,000	250,000	Guaranteed
	<u>NATIONAL AUSTRALIA BANK</u>								
	TERM DEPOSIT	4/06/2013	3/09/2013	91	65	4.05	1,000,000	1,000,000	#
	<u>RABO DIRECT</u>								
	TERM DEPOSIT	5/06/2013	3/09/2013	90	65	4.05	1,000,000	1,000,000	#
	<u>HUNTER UNITED CU</u>								
	TERM DEPOSIT	25/03/2013	23/09/2013	182	85	4.10	250,000	250,000	Guaranteed
	<u>ING DIRECT</u>								
	TERM DEPOSIT	4/02/2013	2/10/2013	240	94	4.47	1,000,000	1,000,000	#
	<u>NATIONAL AUSTRALIA BANK</u>								
	TERM DEPOSIT	7/06/2013	4/10/2013	119	96	4.04	1,000,000	1,000,000	#
	<u>BENDIGO/ADELAIDE BANK</u>								
	TERM DEPOSIT	11/02/2013	9/10/2013	240	101	4.30	1,000,000	1,000,000	#
	<u>ING DIRECT</u>								
	TERM DEPOSIT	22/04/2013	21/10/2013	182	113	4.36	1,000,000	1,000,000	#
	<u>ING DIRECT</u>								
	TERM DEPOSIT	28/02/2013	28/10/2013	242	120	4.28	1,000,000	1,000,000	#
	<u>ING DIRECT</u>								
	TERM DEPOSIT	28/02/2013	28/10/2013	242	120	4.30	1,000,000	1,000,000	#
	<u>BENDIGO/ADELAIDE BANK</u>								
	TERM DEPOSIT	6/05/2013	4/11/2013	182	127	4.30	1,000,000	1,000,000	#
	<u>SUNCORP</u>								
	TERM DEPOSIT	21/05/2013	18/11/2013	181	141	4.10	1,000,000	1,000,000	#
	<u>NATIONAL AUSTRALIA BANK</u>								
	TERM DEPOSIT	19/11/2012	19/11/2013	365	142	4.69	2,000,000	2,000,000	#
	<u>COMMONWEALTH BANK</u>								
	TERM DEPOSIT	27/05/2013	25/11/2013	182	148	4.05	1,000,000	1,000,000	#
	<u>ST GEORGE</u>								
	TERM DEPOSIT	3/12/2012	3/12/2013	365	156	4.28	1,000,000	1,000,000	#
	<u>RABO DIRECT</u>								
	TERM DEPOSIT	29/04/2013	2/01/2014	248	186	4.35	1,000,000	1,000,000	#
	<u>AMP BANK</u>								
	TERM DEPOSIT	14/05/2013	14/02/2014	276	229	4.00	2,000,000	2,000,000	#
	<u>NATIONAL AUSTRALIA BANK</u>								
	TERM DEPOSIT	4/03/2013	4/03/2014	365	247	4.25	1,000,000	1,000,000	#
	<u>AMP</u>								
	TERM DEPOSIT	3/04/2013	3/04/2014	365	277	4.15	1,000,000	1,000,000	#
	<u>ST GEORGE</u>								
	TERM DEPOSIT	3/04/2013	3/04/2014	365	277	4.20	1,000,000	1,000,000	#
	<u>COMMONWEALTH BANK</u>								
	TERM DEPOSIT	27/05/2013	27/05/2014	365	331	4.05	1,000,000	1,000,000	#
	<u>AMP BANK</u>								
	TERM DEPOSIT	20/06/2013	20/06/2014	365	355	4.00	1,000,000	1,000,000	#
	<u>CBA</u>								
	FLOATING RATE NOTE**	5/03/2012	24/12/2015	1389	907	4.09	1,000,000	983,100	#

RATING	CATEGORY	PURCHASE DATE	MATURITY DATE	TOTAL TERM (DAYS)	REMAINING DAYS TO MATURITY	%	FACE VALUE \$	BOOK VALUE \$	GOV'T GUARANTEE
<u>AT CALL:</u>									
<u>COMMONWEALTH BANK</u>									
	ONLINE SAVER A/C					2.75	2,838,222	2,838,222	#
<u>ANZ BANK</u>									
	11AM CALL ACCT					2.75	50,000	50,000	#
	Total WMC Direct Investments						30,388,222	30,371,322	
	Weighted Average Days to Maturity of WMC Direct Investments				175.45				
	Weighted Average Return of WMC Direct Investments					4.23			
PORTFOLIO TOTALS							39,911,642	33,326,303	

Covered under Council's new Investment Policy effective Tue 31/01/12

* 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

MANAGER FINANCE

INVESTMENTS PORTFOLIO AS AT 30 JUNE 2013

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)								
Issued by non-ADIs								
Lehman Global Property Note		Other	13/06/2007	15/06/2009	60,000	60,000	0	3
Corsair (Torquay AA)		CDO	4/07/2007	20/06/2013	500,000	501,860	0	3
Start (Blue Gum AA-)		CDO	8/01/2007	22/06/2013	400,000	402,768	0	3
Corsair (Kakadu AA)		CDO	22/01/2007	20/03/2014	500,000	503,300	0	1
Helium (Scarborough AA)		CDO	17/01/2007	23/06/2014	400,000	402,620	0	3
Helium (Scarborough AA)		CDO	4/07/2007	23/06/2014	500,000	502,270	0	3
Helium (Scarborough AA)		CDO	23/07/2007	23/06/2014	500,000	503,810	0	3
MAS6-7 (Parkes IIA 'AA-')		CDO	13/06/2007	20/06/2015	450,000	461,687	0	3
MAS6-7 (Parkes IIA 'AA-')		CDO	4/07/2007	20/06/2015	500,000	504,315	0	3
					3,810,000	3,842,630	0	
Issued by ADIs								
				Call Date				
Royal Bank of Scotland (AA)		FRN	4/07/2007	27/10/2014	500,000	508,290	490,485	2
Royal Bank of Scotland (AA)		FRN	31/01/2007	17/02/2017	1,000,000	1,014,560	890,210	2
					1,500,000	1,522,850	1,380,695	
Macquarie Cash Trust (AAA)		Cash			0	0	0	5
UBS Cash Management Trust		Cash			30,332	30,332	30,332	5
					30,332	30,332	30,332	
Total Lehman Brothers					5,340,332	5,395,811	1,411,027	
2. OAKVALE CAPITAL								
Emerald Reverse Mortgage Series 2007-1 Class B		Mortgage Backed	6/07/2007	6/07/2057	1,000,000	1,000,000	580,500	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	2/04/2007	20/12/2012	1,000,000	1,000,000	0	3
Blackrock (Merrill Lynch) Diversified Credit Fund		Managed Fund	5/01/2007		1,183,088	1,183,088	963,454	4
Total Oakvale Capital					4,183,088	4,183,088	1,543,954	
3. WMC INVESTMENTS								
National Bank (4.26% 152d)	A1	TD	13/02/2013	15/07/2013	1,000,000	1,000,000	1,000,000	5
National Bank (4.23% 151d)	A1	TD	28/02/2013	29/07/2013	1,000,000	1,000,000	1,000,000	5
National Bank (4.20% 181d)	A1	TD	19/02/2013	19/08/2013	1,000,000	1,000,000	1,000,000	5
National Bank (4.05% 91d)	A1	TD	4/06/2013	3/09/2013	1,000,000	1,000,000	1,000,000	5
National Bank (4.04% 119d)	A1	TD	7/06/2013	4/10/2013	1,000,000	1,000,000	1,000,000	5
National Bank (4.69% 365d)	A1	TD	19/11/2012	19/11/2013	2,000,000	2,000,000	2,000,000	5
National Bank (4.25% 365d)	A1	TD	4/03/2013	4/03/2014	1,000,000	1,000,000	1,000,000	5
St George - div of Westpac (4.28% 365d)	A1	TD	3/12/2012	3/12/2013	1,000,000	1,000,000	1,000,000	5
St George - div of Westpac (4.20% 365d)	A1	TD	3/04/2013	3/04/2014	1,000,000	1,000,000	1,000,000	5
Commonwealth Bank (4.05% 182d)	A1	TD	27/05/2013	25/11/2013	1,000,000	1,000,000	1,000,000	5
Commonwealth Bank (4.05% 182d)	A1	TD	27/05/2013	27/05/2014	1,000,000	1,000,000	1,000,000	5
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					13,000,000	12,976,400	12,983,100	
ING Direct (4.47% 181d)	A2	TD	29/01/2013	29/07/2013	1,000,000	1,000,000	1,000,000	5
ING Direct (4.47% 240d)	A2	TD	4/02/2013	2/10/2013	1,000,000	1,000,000	1,000,000	5
ING Direct (4.36% 182d)	A2	TD	22/04/2013	21/10/2013	1,000,000	1,000,000	1,000,000	5
ING Direct (4.30% 242d)	A2	TD	28/02/2013	28/10/2013	1,000,000	1,000,000	1,000,000	5
ING Direct (4.28% 242d)	A2	TD	28/02/2013	28/10/2013	1,000,000	1,000,000	1,000,000	5
AMP (4.00% 276d)	A2	TD	14/05/2013	14/02/2014	2,000,000	2,000,000	2,000,000	5
AMP (4.15% 365d)	A2	TD	3/04/2013	3/04/2014	1,000,000	1,000,000	1,000,000	5
AMP (4.00% 365d)	A2	TD	20/06/2013	20/06/2014	1,000,000	1,000,000	1,000,000	5
Sub-total Tier 2 Deposits					9,000,000	9,000,000	9,000,000	
Bendigo/Adelaide (4.30% 240d)	A3	TD	11/02/2013	9/10/2013	1,000,000	1,000,000	1,000,000	5
Bendigo/Adelaide (4.30% 182d)	A3	TD	6/05/2013	4/11/2013	1,000,000	1,000,000	1,000,000	5
Suncorp (4.10% 181d)	A3	TD	21/05/2013	18/11/2013	1,000,000	1,000,000	1,000,000	5
RaboDirect (4.05% 90d)	A3	TD	5/06/2013	3/09/2013	1,000,000	1,000,000	1,000,000	5
RaboDirect (4.35% 248d)	A3	TD	29/04/2013	2/01/2014	1,000,000	1,000,000	1,000,000	5
Sub-total Tier 3 Deposits					5,000,000	5,000,000	5,000,000	

Security	Policy Ref	Classification	Purchase Date	Final Maturity Date	Face Value (FV)	Total Purchase Price	Current Book Value	Notes
Hunter United CU (4.10% 182d)	B	TD	25/03/2013	23/09/2013	250,000	250,000	250,000	5
Bank of Sydney (4.60% 90d)	B	TD	21/05/2013	19/08/2013	250,000	250,000	250,000	5
Sub-total Govt Guaranteed Deposits					500,000	500,000	500,000	
ANZ Bank 11am Call Account	A1	Cash			50,000	50,000	50,000	5
CBA Online Saver	A1	Cash			2,838,222	2,838,222	2,838,222	5
Total Direct Investments					30,388,222	30,364,622	30,371,322	
Total Portfolio					39,911,642	39,943,522	33,326,303	
PORTFOLIO SUMMARISED BY CLASSIFICATION								
CDO					5,750,000	5,782,630	0	
FRN					2,500,000	2,499,250	2,363,795	
Mortgage Backed Managed Fund					1,000,000	1,000,000	580,500	
TD					1,183,088	1,183,088	963,454	
Cash					26,500,000	26,500,000	26,500,000	
Other					2,918,554	2,918,554	2,918,554	
					60,000	60,000	0	
					39,911,642	39,943,522	33,326,303	
1. Book Value (Fair Value) as at 30 June 2012 2. Mark-to-Market Valuation 31 December 2012 3. Defaulted 4. Current Value. Fund Closed - Assets being sold and repaid 5. 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.			

Investment Policy Compliance Report as at 30 June 2013

Acct	Bank	Policy Ref.	Policy Limit	Current Holdings	% of Total	Compliance
AMP	AMP Bank	TIER2	5,000,000	4,000,000	12.0%	Complies - \$ 1,000,000 available
ANZ	ANZ Bank	TIER1	8,331,576	50,000	0.2%	Complies - \$ 8,281,575 available
BAB	Bendigo Adelaide Bank	TIER3	2,000,000	2,000,000	6.0%	Complies - \$ 0 available
CBA	Commonwealth Bank	TIER1	8,331,576	5,821,322	17.5%	Complies - \$ 2,510,253 available
HUN	Hunter United Credit Union	GTEE	250,000	250,000	0.8%	Complies - \$ 0 available
ING	ING Direct	TIER2	5,000,000	5,000,000	15.0%	Complies - \$ 0 available
LEH	Lehman Brothers	NA	0	1,411,027	4.2%	Grandfathered - Complies
NAB	National Australia Bank	TIER1	8,331,576	8,000,000	24.0%	Complies - \$ 331,575 available
OAK	Oakvale Capital	NA	0	1,543,954	4.6%	Grandfathered - Complies
RAB	Rabo Direct	TIER3	2,000,000	2,000,000	6.0%	Complies - \$ 0 available
STG	St George Bank	TIER1	8,331,576	2,000,000	6.0%	Complies - \$ 6,331,575 available
SUN	Suncorp	TIER3	2,000,000	1,000,000	3.0%	Complies - \$ 1,000,000 available
SYD	Bank of Sydney	GTEE	250,000	250,000	0.8%	Complies - \$ 0 available
Total Portfolio as at 30 June 2013				33,326,303		

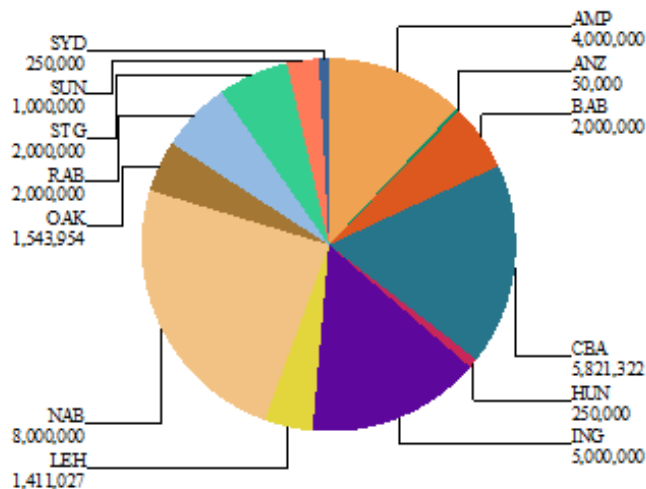
Secondary Compliance for Tier 1 & Tier 2 Investments, maximum term of 12 months

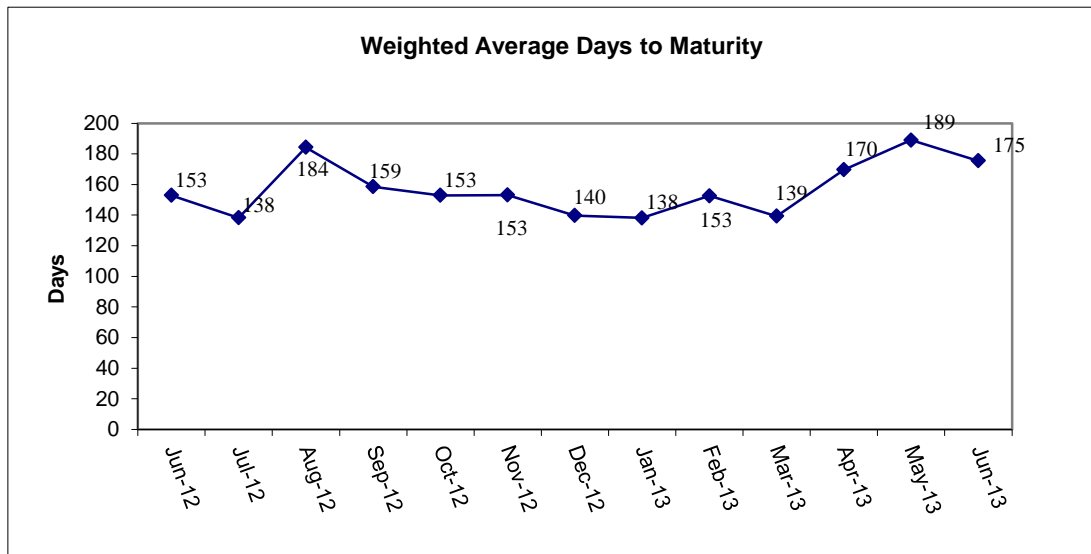
		Maximum Term (Days)	
AMP	AMP Bank	365	Complies
BAB	Bendigo Adelaide Bank	240	Complies
ING	ING Direct	242	Complies
RAB	Rabo Direct	248	Complies
SUN	Suncorp	181	Complies

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

Total Investment in Tier 2 Banks:	9,000,000	Complies - \$1,000,000 available
Total Investment in Tier 3 Banks:	5,000,000	Complies - \$1,000,000 available

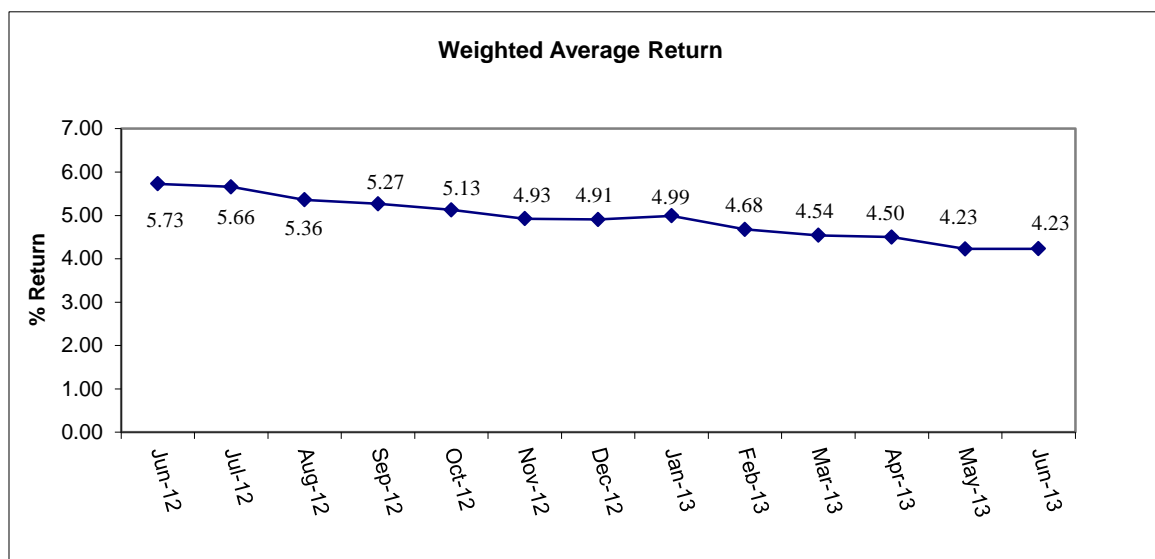
Portfolio Breakdown





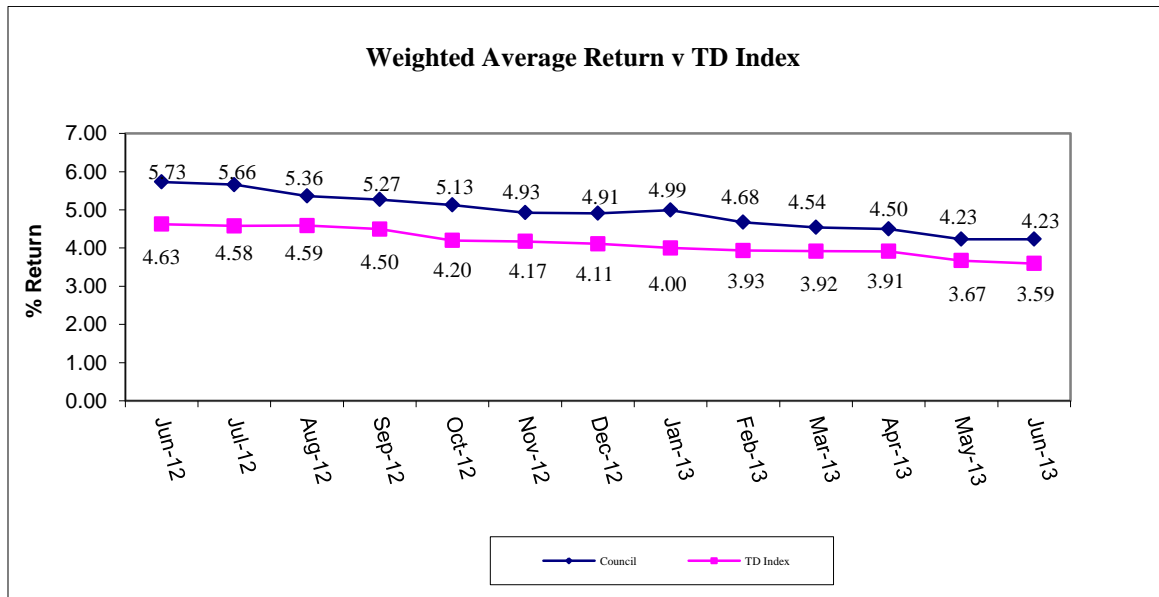
Commentary:

The weighted average days to maturity fell during June with three of the four new investments placed for terms 90 to 119 days.



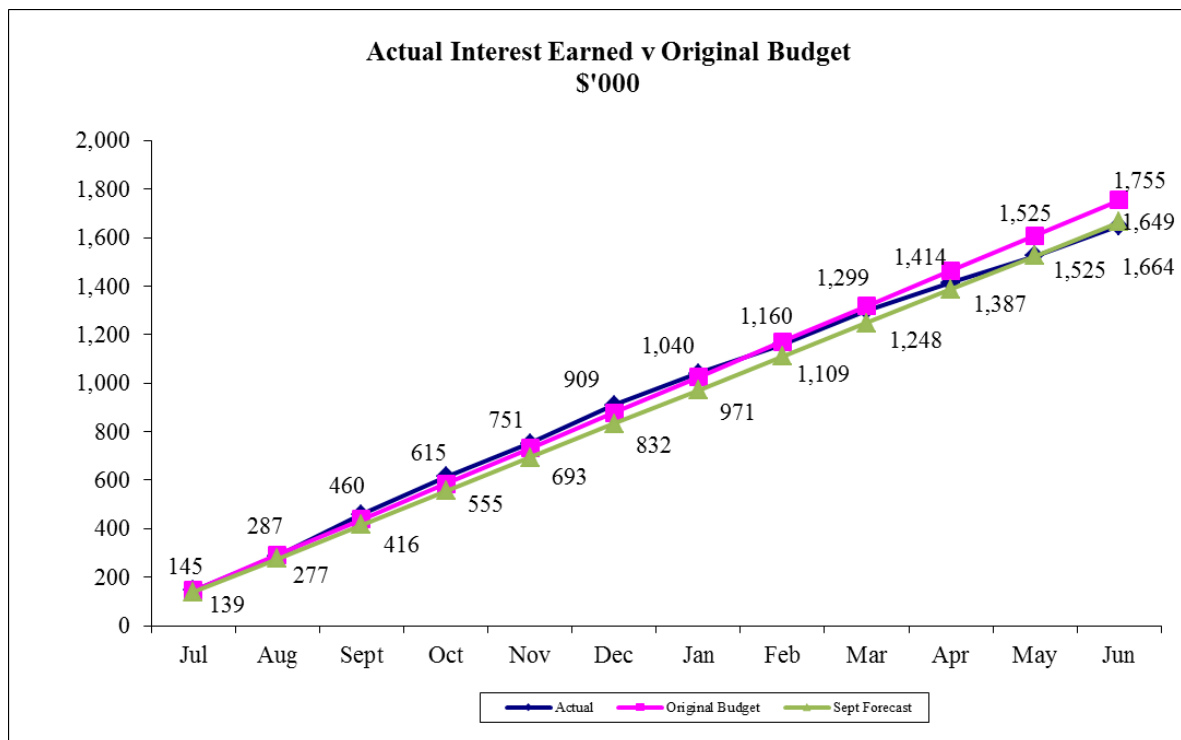
Commentary:

The weighted average remained unchanged from May with maturing investments being re-invested at approximately the same interest rates.



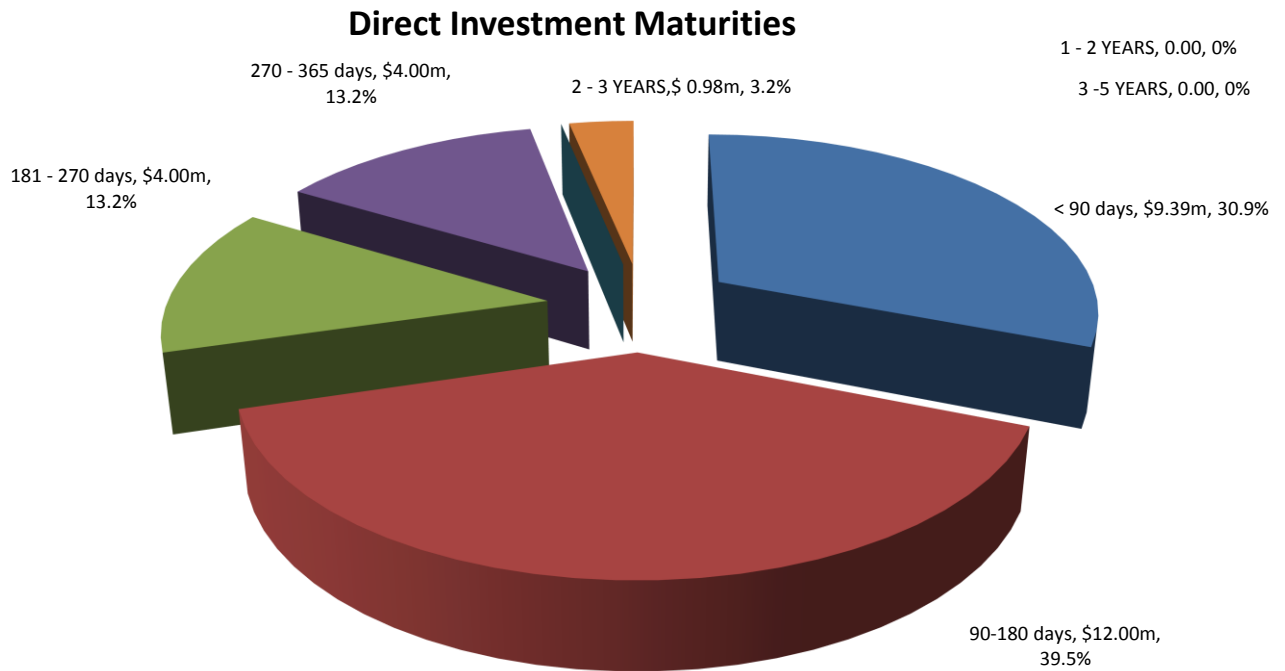
Commentary:

This chart tracks Council’s weighted average return on its direct investment portfolio against a 90 day term deposit index. Although the TD Index fell 8 margin points during June compared to the Council average return of 4.23%.



Commentary:

The Actual v. Budget chart includes the Original and Revised Budgets and Actuals. Total interest of \$1,649k earned for the 12 months to June is marginally below the September forecast of \$1,664k, down \$15k (or 0.9%).



Maturity Range	\$M Invested	% of Portfolio
< 90 days	9.39	30.9
90 - 180 days	12.00	39.5
181 - 270 days	4.00	13.2
270 - 365 days	4.00	13.2
1 - 2 years	0.00	0.0
2 - 3 years	0.98	3.2
3 - 5 years	0.00	0.0
	30.37	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	Macquarie Cash Trust Account	UBS Cash Management Trust	Total Book Value
30/06/2012	Balance brought forward	1,997,945.00	2,248.40	67,120.61	2,067,314.01
	Lehman distribution - Lehman Property Note	(8,184.24)			2,059,129.77
	FV Adjustment - Lehman Property Note	8,184.24			2,067,314.01
	Mark-to-Market Valuation adjustment - Dante securities	179,500.00			2,246,814.01
16/07/2012	CBA FRN - quarterly interest			13,100.00	2,259,914.01
17/07/2012	UBS Fee - June '12 qtr management fee			(256.27)	2,259,657.74
24/07/2012	Blackrock cash distribution (all capital) to UBS account			102,012.28	2,361,670.02
25/07/2012	Withdrawal - UBS Cash Management Account			(180,000.00)	2,181,670.02
31/07/2012	July coupons			6,183.01	2,187,853.03
31/08/2012	August coupons			11,342.47	2,199,195.50
	Macquarie Cash Management Account - interest (net)		6.78		2,199,202.28
5/09/2012	Sale of Aphex (Glenelg) CDOs	(300,000.00)			1,899,202.28
	FV Adjustment (BV @ maturity \$0)	300,000.00			2,199,202.28
6/09/2012	UBS Fee - Sept '12 qtr management fee			(241.10)	2,198,961.18
7/09/2012	UBS Fee - Sept '12 qtr management fee			(233.29)	2,198,727.89
21/09/2012	Blackrock cash distribution (all capital) to UBS account			87,439.10	2,286,166.99
25/09/2012	Withdrawal - UBS Cash Management Account			(113,000.00)	2,173,166.99
30/09/2012	September coupons			8,150.52	2,181,317.51
	Interest - UBS Cash Account			228.79	2,181,546.30
	Macquarie Cash Management Account - interest (net)		6.78		2,181,553.08
	Mark-to-Market Valuation adjustment	56,510.00			2,238,063.08
15/10/2012	CBA FRN - quarterly interest			11,400.00	2,249,463.08
16/10/2012	UBS Fee - Sept '12 qtr management fee			(217.37)	2,249,245.71
31/10/2012	October coupons			6,946.32	2,256,192.03
	Macquarie Cash Management Account - interest (net)		6.55		2,256,198.58
8/11/2012	UBS Fee - Dec '12 qtr management fee			(227.38)	2,255,971.20
30/11/2012	November coupons			11,357.26	2,267,328.46
	Macquarie Cash Management Account - interest (net)		6.28		2,267,334.74
10/12/2012	UBS Fee - Dec '12 qtr management fee			(220.94)	2,267,113.80
31/12/2012	December coupons			9,862.10	2,276,975.90
	Interest - UBS Cash Account			129.22	2,277,105.12
	Macquarie Cash Management Account - interest (net)		6.05		2,277,111.17
	Mark-to-Market Valuation adjustment	(12,485.00)			2,264,626.17
15/01/2013	CBA FRN - quarterly interest			10,700.00	2,275,326.17
22/01/2013	UBS Fee - Dec '12 qtr management fee			(232.27)	2,275,093.90
31/01/2013	January coupons			5,041.10	2,280,135.00
	Macquarie Cash Management Account - interest (net)		5.90		2,280,140.90
7/02/2013	UBS Fee - Mar'13 qtr management fee			(236.20)	2,279,904.70
26/02/2013	Trustee proceeds - Zircon Merimbula CDOs	(240,479.66)		240,479.66	2,279,904.70
	FV Adjustment (BV @ maturity \$125,000)	115,479.66			2,395,384.36
	Trustee proceeds - Zircon Coolangatta CDOs	(989,753.82)		989,753.82	2,395,384.36
	FV Adjustment (BV @ maturity \$500,000)	489,753.82			2,885,138.18
	Trustee proceeds Beryl Global Bank Note	(503,969.75)		503,969.75	2,885,138.18
	FV Adjustment (BV @ maturity \$319,500)	184,469.75			3,069,607.93
	Trustee proceeds - Zircon Miami CDOs	(53,546.55)		53,546.55	3,069,607.93
	FV Adjustment (BV @ maturity \$25,000)	28,546.55			3,098,154.48
27/02/2013	Withdrawal - UBS Cash Management Account			(1,850,000.00)	1,248,154.48
28/02/2013	February coupons			9,997.53	1,258,152.01
	Macquarie Cash Management Account - interest (net)		5.85		1,258,157.86

Formerly managed by Lehman Brothers cont'd

Date	Description	Securities	Macquarie Cash Trust Account	UBS Cash Management Trust	Total Book Value
11/03/2013	UBS Fee - Feb '13 management fee			(218.29)	1,257,939.57
20/03/2013	Blackrock cash distribution (all capital) to UBS account			204,024.56	1,461,964.13
21/03/2013	Withdrawal - UBS Cash Management Account			(206,000.00)	1,255,964.13
22/03/2013	Maturity of Helium Esperance CDOs	(348,657.71)		348,657.71	1,255,964.13
	FV Adjustment (BV @ maturity \$0)	348,657.71			1,604,621.84
25/03/2013	Withdrawal - UBS Cash Management Account			(358,000.00)	1,246,621.84
31/03/2013	March coupons			9,296.81	1,255,918.65
	Interest - UBS Cash Account			367.73	1,256,286.38
	Macquarie Cash Management Account - interest (net)		5.32		1,256,291.70
	Mark-to-Market Valuation adjustment	57,950.00			1,314,241.70
15/04/2013	CBA FRN - quarterly interest			10,100.00	1,324,341.70
16/04/2013	UBS Fee - Mar '13 management fee			(235.32)	1,324,106.38
23/04/2013	Macquarie Cash Management Account - interest (net)		10.06		1,324,116.44
	Withdrawal - Macquarie Cash Management Account		(2,307.97)		1,321,808.47
6/05/2013	UBS Fee - April '13 management fee			(204.03)	1,321,604.44
17/05/2013	Lehman Global Property Note Distribution	(4,908.70)			1,316,695.74
	FV Adjustment (BV @ \$0)	4,908.70			1,321,604.44
31/05/2013	May coupons			13,644.30	1,335,248.74
7/06/2013	UBS Fee - May '13 management fee			(212.01)	1,335,036.73
21/06/2013	June Coupon			5,124.04	1,340,160.77
30/06/2013	Interest - UBS Cash Account			90.86	1,340,251.63
	Mark-to-Market Valuation adjustment	70,775.00			1,411,026.63
		1,380,695.00	0.00	30,331.63	

Formerly managed by Oakvale Capital

	Securities	Blackrock Managed Fund	Total Book Value
30/06/2012	Balance brought forward	450,000.00	1,230,833.63
	Mark-to-Market Valuation Adjustment	(15,000.00)	(17,834.07)
24/07/2012	Blackrock capital distribution		(102,012.28)
21/09/2012	Blackrock capital distribution		(87,439.10)
20/03/2013	Blackrock capital distribution		(204,024.56)
30/06/2013	FV Adjustments	145,500.00	143,930.54
		580,500.00	963,454.16

Direct Investments

	Securities	Total Book Value
30/06/2012	Balance brought forward	976,000.00
30/06/2012	FV Adjustment CBA FRN	400.00
30/06/2013	FV Adjustment CBA FRN	6,700.00
		983,100.00
Total Fair Value Adjustments 1 July 12 to 30 June 2013	1,940,696.73	

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 current safe custody arrangements. For the month of June, it also includes the annual fair value adjustments of investment securities.

Council received all expected coupon payments for the month of June and there were no further defaults.

Arrears of Rents & Fees

The table below summarises the arrears (greater than 30 days) of rents and fees as at 30 June 2013. The Corporate & Works Committee has previously requested that this information be provided on a quarterly basis along with details of any outstanding debts greater than \$50,000.

Further, when last considering the quarterly arrears of debtors update, the Committee requested that comparative information be provided. Additional columns have been included in the table that provide the previous quarter's figures and the same quarter last year.

ARREARS

Type	Total Collectible (12/13 Revenue + Arrears)	> 30 days			> 60 days			> 90 days		
		Jun '13	Mar '13	Jun '12	Jun '13	Mar '13	Jun '12	Jun '13	Mar '13	Jun '12
General	10,930,704	60,257	175,066	59,662	257,136	15,371	119,523	514,619	84,809	77,191
% of Total Revenue		0.7%	2.8%	0.6%	2.8%	0.2%	1.2%	5.7%	1.4%	0.8%
Environmental Health	117,127	4,159	1,643	3,280	1,312	820	320	21,584	22,820	10,105
% of Total Revenue		4.8%	2.3%	3.3%	1.5%	1.2%	0.3%	24.7%	32.4%	10.1%
Preschool	853,978	852	70,047	0	0	1,415	0	12,458	12,846	25,034
% of Total Revenue		0.1%	12.1%	0.0%	0.0%	0.2%	0.0%	1.6%	2.2%	2.9%
Trade Waste	2,162,912	16,851	38,077	23,884	9,529	12,888	15,067	15,070	21,862	11,331
% of Total Revenue		0.8%	2.4%	1.2%	0.5%	0.8%	0.8%	0.7%	1.4%	0.6%
Total	14,064,722	82,119	284,833	86,826	267,977	30,494	134,910	563,730	142,337	123,661
% of Total Revenue		0.7%	3.4%	0.7%	2.2%	0.4%	1.0%	4.7%	1.7%	0.9%

The aging in the above table is based on invoice date. Included in the greater than 60 days arrears in General debtors is \$59k overdue payment from the City of Sydney Council for their quarterly Paddington Library contribution. Also in General debtors, the increase of \$430k in greater than 90 days arrears includes grants \$385k recognised before financial year end. Excluding this, arrears greater than 90 days would be \$130k or 1.4% of total revenue, consistent with the March quarter.

The amount outstanding for greater than 90 days under the heading of 'Environmental Health' relates to health inspection fees which are extremely difficult to recover cost effectively.

Outstanding Rents and Fees Debts greater than \$50,000

There were no outstanding rent and fees debts greater than \$50,000 as at 30 June 2013.

Don Johnston
Manager - Finance

Stephen Dunshea
Director Corporate Services

Annexures:

1. Mark-to-market valuation of Council's Floating Rate Notes as at 30 June 2013

June, 2013 Revaluation										
Security	Holding	Call Date	Final Maturity Date	Valuation 30 Jun 12	Valuation 30 Sep 12	Valuation 31 Dec 12	Valuation 31 Mar 13	Valuation 30 Jun 13	Movement in Value Current Quarter	Movement in Value Year to Date
<i>Current Investments:</i>										
Royal Bank of Scotland (AA)	500,000	28/10/2009	28/10/2014	444,425	466,515	474,650	488,480	490,485	2,005	46,060
Royal Bank of Scotland (AA)	1,000,000	17/02/2012	17/02/2017	763,520	797,940	777,320	821,440	890,210	68,770	126,690
	1,500,000			1,207,945	1,264,455	1,251,970	1,309,920	1,380,695	70,775	172,750
<i>Maturities:</i>										
Not any										
Total FRNs	1,500,000			1,207,945	1,264,455	1,251,970	1,309,920	1,380,695	70,775	172,750

Item No: D3 Delegated to Committee
Subject: **Roads & Maritime Services Reclaimed Land in Woollahra LGA**
Author: Zubin Marolia
Manager – Property and Projects
File No: 228.G Part 5, 282.3, 502.9, m503.103A
Reason for Report: To advise Council of the intention of Roads & Maritime Services to commence negotiations to sell four (4) parcels of surplus foreshore reclaimed land within the Woollahra Council Local Government Area.

Recommendation:

- A. That Council advise Roads and Maritime Services (RMS) that Council as a general rule objects to the sale of foreshore land to private parties.
- B. That Council advise RMS that the sale of reclaimed land adjoining 3 Lindsay Avenue, Darling Point for the reasons stated in this report is not supported.
- C. That Council advise RMS it does not object to commencing negotiations for the sale of reclaimed land adjoining 15B Coolong Road, Vaucluse, 9 Wolseley Crescent, Point Piper and 130A Wolseley Crescent, Point Piper.

Background:

On the 15 April 2013 a report was submitted to the Corporate & Works Committee to advise Council of RMS intention to commence negotiations for the sale of eight (8) parcels of land-locked surplus foreshore reclaimed land within the Woollahra Council Local Government Area.

Council resolved at this meeting:

“That Council note the Roads & Maritime Services RMS intention to commence negotiations for the sale of eight (8) parcels of surplus foreshore reclaimed land within the Woollahra Council Local Government Area. As identified in the annexures”

On the 14th May 2013 and again on the 14 June 2013 Council was advised by Roads & Maritime Services, that a further four (4) parcels of surplus foreshore reclaimed land are being considered for sale to adjoining owners.

Upon receipt of an application to purchase foreshore reclaimed land, RMS conducts an “initial assessment” of applications according to the following criteria;

1. Any potential contribution of the reclamation to the working harbour;
2. Any maritime safety issues; and
3. Any alternative public uses of the land, including the potential (if any) for increased public foreshore access.

If the sale of a parcel of reclaimed land to the adjoining land owner compromises the above criteria, RMS would not proceed to offer the land for sale.

RMS has advised Council that these additional four parcels of surplus foreshore reclaimed land are not entirely land-locked. However due to restricted access; existing physical structures, present use by RMS tenants, and continuous public foreshore access beyond the parcels not being available, there is limited prospect of these four parcels being of public benefit.

Listed below are four (4) additional parcels of surplus foreshore reclaimed land within the Woollahra Council Local Government Area which are the subject of RMS negotiations.

1. 15B Coolong Road, Vacluse
2. 9 Wolseley Crescent, Point Piper
3. 130A Wolseley Road, Point Piper
4. 3 Lindsay Avenue, Darling Point

Council Property staff have inspected the four parcels of land and advise as follows:

- 15B Coolong Road, Vacluse-

The reclaimed land is landlocked between private properties and jetties either side to the subject land. There are structures on the land including a swimming pool. No public access is available from any part of the reclaimed land.

- 9 Wolseley Crescent, Point Piper –

The reclaimed land is land locked by seawalls and deep water and offers no additional access to public land. There are structures located on this land which include a swimming pool, steps, platform, part of boatshed and a slipway. Even if these improvements were removed at considerable expense, the reclaimed land is land locked by seawalls and deep water and offers no additional access to public land.

- 130A Wolseley Road, Point Piper

There are structures located on this land also which include a pool, concrete fountain and cabana. The reclaimed land is also land locked and access is restricted by a large cabana identified by RMS as a heritage structure. It is adjacent to Redvers Street (Duff Reserve) which provides public access to the waterfront.

- 3 Lindsay Avenue, Darling Point -

This property was subject to a separate report to the Corporate & Works Committee on the 20 February 2012 where Council resolved on the 27 February 2012:

“That Council not pursue the consolidation of the Maritime land, currently leased by the owner of the adjoining 3 Lindsay Avenue property, with McKell Park.”

This reclaimed land is adjacent to McKell Park and Darling Point Reserve. The Park access continues along the waterfront in front of 5 Lindsay Avenue, up to an existing jetty and concrete ramp currently leased to owners of 3 Lindsay Avenue, Darling Point. The reclaimed land contains a pool adjacent to the slipway and part of a boatshed. This parcel has the potential to be consolidated with Darling Point Park, in the future, to provide an additional strip of foreshore land but the substantial cost to acquire this land and remove the improvements may not justify the public benefit.

Conclusion:

Roads & Maritime Services have as a courtesy, notified Council of their intention to commence negotiations to sell four (4) parcels of surplus foreshore reclaimed land within the Woollahra Council Local Government Area. RMS is seeking a response from Council in relation to the possible sale to the adjoining property owners prior to responding to the applicants.

Roads & Maritime Services have also determined that these parcels offer no prospect of improving public foreshore access.

As mentioned earlier in the report Council in most circumstances does not support the sale of foreshore land to private parties and prefers that these lands are held in public ownership to provide future public access for passive recreation purposes. However, due to a lack of public access, Council should advise RMS that it has no objection to the sale of reclaimed maritime land adjacent to 15B Coolong Road, Vaucluse, 9 Wolseley Crescent, Point Piper and 130A Wolseley Road, Point Piper. However, due to the possibility of future access to reclaimed land adjoining 3 Lindsay Avenue with McKell Park, RMS should be advised that Council would support a 20 year lease instead of sale of this land.

Zubin Marolia
Manager -Property and Projects

Tom O'Hanlon
Director - Technical Services

Annexure:

1. Letter from RMS dated 14 May 2013.
2. Letter from RMS dated 14 June 2013

Item No: D4 Delegated to Committee
Subject: **Disclosure of Interest Returns Submitted by Designated Employees During the Period April to June 2013**
Author: Les Windle – Manager Governance
File No: 169.G
Reason for Report: To table the disclosure of interest returns that have been received by Council during the period 1 April to 30 June 2013.

Recommendation:

- A. That the Disclosure of Interest Return of the new designated persons who were required to submit a Primary Return during the period April to June 2013 be tabled.
 - B. That Council notes that the Primary Disclosure of Interest Returns have been submitted in accordance with the requirements of the Local Government Act 1993.
-

Background:

Councillors and designated persons are required to lodge a primary disclosure of interest return within three (3) months of becoming a Councillor or designated person and an annual return for each July 1 to June 30 period.

The purpose of this report is to table the Primary Returns of new staff members determined as Designated Persons who were required to submit a return during the period 1 April to 30 June 2013.

A designated person is described in Section 441 of the Local Government Act as:

S441 Who are “designated persons”?

For the purposes of this Chapter, “designated persons” are:

- *the general manager*
- *other senior staff of the council*
- *a person (other than a member of the senior staff of the council) who is a member of staff of the council or a delegate of the council and who holds a position identified by the council as the position of a designated person because it involves the exercise of functions under this or any other Act (such as regulatory functions or contractual functions) that, in their exercise, could give rise to a conflict between the person’s duty as a member of staff or delegate and the person’s private interest*
- *a person (other than a member of the senior staff of the council) who is a member of a committee of the council identified by the council as a committee whose members are designated persons because the functions of the committee involve the exercise of the council’s functions under this or any other Act (such as regulatory functions or contractual functions) that, in their exercise, could give rise to a conflict between the member’s duty as a member of the committee and the member’s private interest.*

The incumbents of the following Council positions have been determined to be designated persons for the purpose of Section 441 of the Local Government Act:

General Manager	Determined by Local Government Act
Directors	Determined by Local Government Act
Managers	Deemed to exercise designated persons functions
<i>Corporate Services</i>	
Governance & Corporate Planning Coordinator	Exercises designated persons functions
Team Leader – Corporate & Civic Support	Exercises designated persons functions
<i>Planning & Development</i>	
Assessment Officer	Exercises designated persons functions
Assistant Building & Compliance Officer	Exercises designated persons functions
Building & Compliance Officer	Exercises designated persons functions
Coordinator Regulatory Services	Exercises designated persons functions
Development Compliance Officer	Exercises designated persons functions
Duty Planners	Exercises designated persons functions
Environmental Health Officers	Exercises designated persons functions
Executive Planner	Exercises designated persons functions
Fire Safety Officer	Exercises designated persons functions
Food & Health Officer	Exercises designated persons functions
Heritage Officer	Exercises designated persons functions
Senior Assessment Officer	Exercises designated persons functions
Senior Building & Compliance Officer	Exercises designated persons functions
Senior Environmental Health Officer	Exercises designated persons functions
Senior Strategic Planner	Exercises designated persons functions
Strategic Heritage Officer	Exercises designated persons functions
Strategic Planner	Exercises designated persons functions
Team Leader Compliance	Exercises designated persons functions
Team Leader Development Control	Exercises designated persons functions
Team Leader Strategic Planning	Exercises designated persons functions
Urban Design Planner	Exercises designated persons functions
<i>Technical Services</i>	
Business Centres & Street Cleaning Coordinator	Exercises designated persons functions
Coordinator Assets & Parks Maintenance	Exercises designated persons functions
Coordinator Civil Works	Exercises designated persons functions
Coordinator Trees Maintenance	Exercises designated persons functions
Development Engineer	Exercises designated persons functions
Plant and Fleet Coordinator	Exercises designated persons functions
Project Manager Civil Works	Exercises designated persons functions
Project Manager – Open Space	Exercises designated persons functions
Property Officer	Exercises designated persons functions
Project Officer (Sustainable Business)	Exercises designated persons functions
Property Services Coordinator	Exercises designated persons functions
Purchasing Coordinator	Exercises designated persons functions
Senior Tree Officer	Exercises designated persons functions
Team Leader – Development Assessment	Exercises designated persons functions
Team Leader Environment & Sustainability	Exercises designated persons functions
Team Leader – Infrastructure Assets	Exercises designated persons functions
Team Leader Open Space & Rec Planning	Exercises designated persons functions
Trades Supervisor	Exercises designated persons functions
Traffic and Development Assessment Engineer	Exercises designated persons functions
Traffic & Transport Team Leader	Exercises designated persons functions
Tree Officers	Exercises designated persons functions

Section 450A(2)(a) of the Local Government Act requires the returns lodged with the General Manager be tabled at the first meeting held after the last day for lodgement. The purpose of this report is to table the Disclosure of Interest Returns of designated persons received by Council during the period 1 April to 30 June 2013.

Tabling of Returns:

Two new designated persons were required to submit a Primary Disclosure of Interest Return during the period and those designated persons submitted their return in accordance with the legislative requirements.

Conclusion:

The Returns are tabled in accordance with the requirements of the Local Government Act and it is recommended that the information be noted.

Les Windle
Manager Governance

Stephen Dunshea
Director Corporate Services

Annexures:

Nil

Item No: R1 Recommendation to Council
Subject: **52 Mona Road, Darling Point - Proposed Road Closure and Sale**
Author: Anthony Sheedy, Property Officer
File No: 315.52
Reason for Report: To give consideration to the closure and subsequent sale of road reserve portion adjoining the property.

Recommendation:

- A. That Council proceed with the road closure, subject to a deposit of \$37,800 being received by Council before the application to close the road is made. This amount is to be non-refundable except where the Minister's approval to the closure is not given.
- B. That subject to the portion of road being closed, Council proceed with the sale of unmade roadway adjoining 52 Mona Road, Darling Point with the following conditions:
- (i) A purchase price of \$6000 per square metre plus GST; sale price to be subject to final survey.
 - (ii) The balance of the purchase price is to be paid in full upon Gazettal of the road closure and completion of the sale.
 - (iii) The owner of 52 Mona Road, Darling Point is to pay all costs, including but not limited to GST, legal fees, valuation, survey etc associated with the road closure and sale.
- C. That the Seal of Council be affixed to all necessary documentation to effect the Road closure and sale, ie Road Closure Plan, Transfer document etc.

Background:

The Corporate and Works Committee considered this matter on 15 April 2013, where it was resolved:

- A. *That the subject portion of Loftus Road reserve adjoining 52 Mona Road, Darling Point, be valued for its current market sale price.*
- B. *That a further report be submitted, following part A above.*

The subject land is shown in detail on the attached sketch plan drawing of Hill & Blume Surveyors and Cadastral Plan (Annexure 1&2). This adjoining road reserve area is an estimated 63 square metres in size, subject to final survey, and consists of a medium rise sandstone retaining wall, and garden landscaping. The owner of No 52 has confirmed that they want to purchase the subject land for consolidation with their existing land parcel and building.

The Council's Team Leader, Infrastructure Assets Management inspected the subject land and confirmed that there are no Council assets within the subject land except for the retaining wall itself and that they have no objection to disposing of this piece of land; provided the retaining wall bordering the roadway in this land be attached to the title, and ownership is transferred to the Purchaser. The owner of 52 Mona Road has agreed to include the sandstone retaining wall in the purchase of the road reserve portion.

Valuation:

It is Council's practice to proceed with the sale of road reserves on the basis of an "add on" valuation, and policy for it to be undertaken with the intention of securing maximum financial and other benefits for the Community.

Council's consultant Valuer concurs with this approach and has provided a valuation based on the "add on" value of the road reserve to the adjoining property.

In determining the "add on" value of the subject road reserve portion to the adjoining property of 52 Mona Rd, Darling Point, Council's consultant Valuer has made reference to recent comparable residential land sales; including portions of road reserve that were recently sold in the Woollahra LGA.

The Valuer also considered additional site factors including land size, shape, topography, location, and position relevant to the adjacent property when making their determination of the "add on" value. It was noted by the Valuer that the subject Road reserve portion cannot be developed in isolation and there is a restricted market for these properties; with the only potential purchaser being an adjoining owner.

Addition of the subject road reserve to the adjoining land will increase the area of the amalgamated site by 63 square metres to an estimated total area of 638 square metres. This represents an 11% increase in site area. The consolidation of the road reserve portion will stay with the adjoining property in perpetuity, and provides for a 55 sqm increase in floor space (FSR 0.875:1) applicable to the amalgamated property.

The Valuer has determined that the current '*add on*' value of the subject land as at 30 May 2013 is \$6000 per square metre; which equates to \$378,000 (exclusive GST) *subject* to final survey for the estimated land parcel size of 63 square metres. The adjoining owner of 52 Mona Road was accordingly advised of Council's valuation.

On 23 June 2013 Council received a letter from the Owners agreeing to Council's valuation, and to pay the proposed sale price of \$378,000 (exclusive GST) *subject* to final survey.

The possibility of any future road widening in this street has been diminished because the neighbour property owners of 44 & 48 Mona Road have already purchased road reserve adjoining their property. It is therefore considered appropriate that the owner purchase the land and the sandstone retaining wall portion at the 'added value' price as determined by valuation.

The next step in the Road closure and sale procedure is for Council to resolve to sell the land. A deposit of \$37,800 (10%) will be required from the purchaser prior to lodging a road closure application with the NSW Department of Primary Industries, Catchments and Lands (Department).

Council will further apply to the Department and arrange for the closing and public Gazettal of the road reserve portion.

Conclusion:

The possibility of any future road widening in Loftus Road has been diminished because the neighbour property owners of 44 & 48 Mona Road have already purchased road reserve adjoining their property. It is therefore considered appropriate that the owner purchase the land including the sandstone retaining wall portion at the 'added value' price as determined by independent valuation.

Pursuant to the Council's resolution, the subject portion of road reserve has been valued for its 'add on value' at \$6000 per square metre, being \$378,000 for an estimated 63 square metre parcel size subject to a final site survey. The adjoining owners of 52 Mona Road have agreed to purchase the portion for \$6000 per square metre subject to final survey, to pay any applicable GST; and have requested Council perform all necessary steps to progress the matter to settlement.

Property staff recommends that Council proceed with the road closure, subject to a deposit of \$37,800 being received by Council before the application to close the road is made. This amount is to be non-refundable except where the Minister's approval to the closure is not given.

It is beneficial for the adjoining owners to purchase the road reserve portion, consolidating it with their existing land Title.

Anthony Sheedy
Property Officer

Zubin Marolia
Manager Property & Projects

Tom O'Hanlon
Director, Technical Services

ANNEXURE:

1. Sketch Plan drawing of Hill & Blume Surveyors dated 11 October 2010 showing the subject road reserve for sale.
2. Cadastral Plan and Aerial view of Loftus Rd, Darling Point showing area of proposed road sale and neighbouring properties.

Item No: R2 Recommendation to Council
Subject: **Plumbing & Emergency Minor Works**
Author: Dave Byatt - Purchasing Coordinator
File No: Tender No 13/03
Reason for Report: To recommend to Council the acceptance of a tender

Recommendation:

- A. That Council accept tenders from Full Flow Plumbing Pty Ltd and M. Thacker & Co Pty Ltd, as a panel of contractors to carry out Council's plumbing and emergency minor civil works as required for a period of three years with two twelve month options subject to satisfactory service as per the schedule of rates tendered.
 - B. That successful and unsuccessful tenderers be advised of the outcome of the tender process.
-

Background

The Woollahra Municipal Council LGA has an extensive network of drainage and stormwater infrastructure.

Currently Council engages Full Flow Plumbing Pty Ltd on as required basis for emergency general drainage and minor civil infrastructure repairs including but not limited to the following, stormwater pit and pipe drainage repairs, minor civil concreting associated with this type of infrastructure and general plumbing maintenance.

Expenditure on plumbing and minor civil works contractors for the 2012/13 financial year was approximately \$120,000.00. Expenditure in this area has increased over the last few years.

In order to comply with Section 55 of the Local Government Act and Local Government (General) Regulation 2005 open tenders were invited from qualified plumbing contractors for the provision of plumbing and associated minor works services. The tender provided Council with the option to select one or a panel of contractors based on a schedule of rates and other selection criteria.

Invitation to Tender

Tender 13/03 for Plumbing & Emergency Minor Works was advertised in the Tenders section of the Sydney Morning Herald commencing on Tuesday 16 April 2013, and in the Wentworth Courier on Wednesday 17 April 2013.

Tenders closed at 2.30pm on Thursday 16 May 2013. A total of nine tenders were received as listed in Table 1 following.

Table 1

TENDERER
Acland Group Plumbing Pty Ltd
Dxcore Pty Ltd
Flash Plumbing Services
Full Flow Plumbing Pty Ltd
Jenbid Pty Ltd
Keith Hurdis Pty Ltd
M. Thacker & Co Pty Ltd
Prime Water Australia Pty Ltd
T.J Matthews Plumbing Services Pty Ltd

Tender Assessment

The tenders have been assessed in accordance with the selection criteria stated in the tender documents. The tender assessment panel comprised Dave Byatt, Purchasing Coordinator, as the convenor and independent member of the tender panel, Yasas De Silva, Team Leader Infrastructure Assets as the Commissioning Officer and Danny Oldfield, Coordinator Civil Works as the Project Superintendent.

Council has resolved that a probity adviser should be included during the tender assessment stage for high risk, high value or sensitive projects. This contract was deemed to not meet this definition and it was agreed that a probity adviser was not required for this tender process.

The tenders were given a preliminary score for each item of the selection criteria, which resulted in a total score out of 100. Tenderers were ranked in accordance with their scores.

Tenders were assessed against the following criteria and weightings:

Price/Schedule of Rates: As the vast majority of work is carried out during business hours the hourly rates for a licensed plumber.

Demonstrated experience with similar contracts with specific references provided: Tenders were scored based on information provided relating to services similar to this that they currently have or have had in the past.

Demonstrated capacity and resources including number of staff to fulfil the requirements of this tender: Tenders were scored based on information provided relating to number of staff, experience of Management staff, plant and equipment and Financial capabilities.

Demonstrated Occupational Health & Safety, Environmental and Quality Management Systems: Tenders were scored based on information provided.

Tender Analysis:

The following table shows the scores and rankings compiled by the tender evaluation panel of all tenders received. The scores are based on the opinion formed by the assessment panel from information provided in the Tender schedules and interviews, and verified by responses from referees. The figures tabled below represent the agreed scores from the assessment panel members.

Table 2

Tenderer (ranked by total score)	Experience	Demonstrated Capacity & Resources	OH & S, Environmental & Quality Management	Sub Total Non Price Criteria	Price /schedule of rates	Total Score
Maximum possible score	25	25	10	60	40	100
Full Flow Plumbing	25	17.19	10	52.19	28.29	80.48
MT Plumbing	16.67	18.75	5	40.42	40	80.42
T. J Matthews	18.75	14.06	2.50	35.31	39.60	74.91
Acland Group	16.67	15.63	5	37.30	30.94	68.24
DxCore	16.67	17.19	5	38.86	19.80	58.66
Keith Hurdis	6.25	4.69	2.50	13.44	39.60	53.04
Prime Water	2.08	14.06	3.33	19.47	28.29	47.76
Flash Plumbing	4.17	7.81	1.67	13.65	33.56	47.21
Jenbid Pty Ltd	4.17	10.94	2.50	17.61	25.88	43.49

The tender panel conducted a post-tender interview with M. Thacker & Co Pty Ltd.

The purpose of the interview was to review and confirm the information provided by the tenderer with regard to the published selection criteria, and where necessary to raise questions which the panel had regarding aspects of the tenders. As a result of post-tender interviews and clarification of their resource capability some adjustments were made to tenderer scores.

Full Flow Plumbing Pty Ltd was not interviewed as they are known to council and provide quality works.

Tender Summaries

A brief summary of the top three ranked tender submissions follow ranked from highest to lowest.

Full Flow Plumbing Pty Ltd

The company is currently used by council on an ad-hoc basis to carry out various plumbing and emergency minor civil works.

They provide quality work, have demonstrated vast experience, excellent capacity and resources necessary to carry out the services required.

They are the only tenderer with full accreditation for Quality, O.H &S and Environmental Management Systems.

An Independent Financial check was carried out and they have the necessary financial resources and are recommended.

M. Thacker & Co Pty Ltd

The tenderer submitted the lowest hourly rate for a licensed plumber.

They have the necessary experience and the capacity and resources to carry out the services required.

A subsequent referees and financial check and interview confirmed the above.

Their Quality, O.H & S Management systems are not accredited but are satisfactory and are recommended.

T. J Matthews Plumbing Services Pty Ltd

The Tenderer submitted the second lowest hourly rate for a licensed plumber.

Whilst they have the necessary experience to carry out the works, their capacity and resources are below the two top ranked tenderers.

Their Quality, O.H &S and environmental Management systems are below what is required by council and are not recommended.

Identification of Income and Expenditure:

Council's operational budget for the Civil Works Department will be used to fund all works provided under the Civil Construction of Minor Works under Council Supervision Schedule of Rates on a project by project basis.

Conclusion:

It is the view of the panel that the tender offers from Full Flow Plumbing Pty Ltd and M. Thacker & Co Pty Ltd would provide the best overall result for Council. Their tendered schedule of rates is sustainable for the period of the contract and they both have the necessary experience, resources and management systems.

Following a referees and financial check and post tender interview, the tender panel are satisfied that Full Flow Plumbing Pty Ltd and M. Thacker & Co Pty Ltd have demonstrated that they are capable of providing a high level service to a standard acceptable to the Council and the community.

Dave Byatt
Purchasing Coordinator

Mark Ramsay
Manager- Civil Operations

Tom O'Hanlon
Director - Technical Services

Annexures: Nil

Political Donations – matters to be considered by Councillors at Meetings

