



BUSINESS PAPER

ORDINARY MEETING OF COUNCIL

To be held at 6.00 pm on

Monday 9 November 2015

Council Chambers, Level 10,
Council Administration Building, 41 Burelli Street, Wollongong

Order of Business

- 1 Acknowledgement of Traditional Owners
- 2 Civic Prayer
- 3 Apologies
- 4 Disclosures of Pecuniary Interest
- 5 Petitions and Presentations
- 6 Confirmation of Minutes – Ordinary Council Meeting 19 October 2015
- 7 Public Access Forum
- 8 Call of the Agenda
- 9 Lord Mayoral Minute
- 10 Urgent Items
- 11 Notice of Motion(s)
- 12 Agenda Items

Members

Lord Mayor –
Councillor Gordon Bradbery OAM (Chair)

Deputy Lord Mayor –
Councillor John Dorahy

Councillor Michelle Blicavs

Councillor David Brown

Councillor Leigh Colacino

Councillor Chris Connor

Councillor Bede Crasnich

Councillor Vicki Curran

Councillor Janice Kershaw

Councillor Ann Martin

Councillor Jill Merrin

Councillor Greg Petty

Councillor George Takacs

QUORUM – 7 MEMBERS TO BE PRESENT

INDEX

PAGE NO.

ITEM A	Notice of Motion - Councillor Petty - Conceptual Budget - West Dapto and Yallah-Marshall Mount Projects.....	1
ITEM B	Notice of Motion - Councillor Blicavs - Council Object to the Name Change of the Federal Electorate of Throsby.....	2
ITEM 1	Wollongong Public Spaces Public Life.....	3
ITEM 2	Voluntary Waste Industry Protocol for the Handling of Early Collected Carbon Charges in the Waste Sector	11
ITEM 3	Adoption of the Review of Hewitts Creek Flood Study.....	16
ITEM 4	Draft Floodplain Risk Management Study and Plan for Wollongong City Catchment	21
ITEM 5	Whartons Creek Entrance Management Study and Plan.....	25
ITEM 6	Small Business Friendly Councils Program	29
ITEM 7	Policy Review: Payment of Expenses and provision of Facilities to Lord Mayor and Councillors	33
ITEM 8	Quarterly Report on Development Applications Involving Variations to Development Standards.....	35
ITEM 9	Acquisition of Properties 7-17 Montgomery Street, Warrawong.....	37
ITEM 10	Crown Street Mall Refurbishment Artwork	41
ITEM 11	Extension of Funding Contract - Social Support Services.....	45
ITEM 12	Planning Proposal - Waterfall General (Garrawarra) Cemetery - Post Exhibition	48
ITEM 13	Tender T15/28 Design, Construction, Supply, Delivery and Installation of a Demountable Transportable Building Purpose Built for the use of a Camp Kitchen - Corrimal Tourist Park.....	54

PAGE NO.

ITEM 14	Annual Financial Statements for the Year Ended 30 June 2015 - Post Advertising.....	58
ITEM 15	September 2015 Financials	61
ITEM 16	Statement of Investments - September 2015.....	66
ITEM 17	City of Wollongong Traffic Committee Meeting held 28th October 2015	69
ITEM 18	Extraordinary Council Meeting Agenda - 7 December 2015	72

ITEM A

**NOTICE OF MOTION - COUNCILLOR PETTY - CONCEPTUAL BUDGET
- WEST DAPTO AND YALLAH-MARSHALL MOUNT PROJECTS**

Councillor Petty has submitted the following Notice of Motion –

“I formally move that a report be prepared for the Councillor Information Folder by 20 November 2015, showing ‘conceptual’ budget/s for years ended 2016 to 2025, with 2015 as the opening actual base, which –

- 1 Reflects a scenario(s) of Council undertaking the West Dapto and Yallah-Marshall Mount projects;
- 2 Includes a combination of external funding; and,
- 3 Utilises Internal Restricted Cash Reserves, whilst still complying with the Fit for the Future criteria.”

Background provided by Councillor Petty

Council has an annual budget for 2016 to 2024 that has unknown provision for the whole West Dapto and Yallah-Marshall Mount projects.

To assess the impact on Council’s Revenue, Expenditures, Cash Flow, Profit, Depreciation, Working Capital and Debt by proceeding with the West Dapto and Yallah-Marshall Mount projects, a conceptual budget(s) should be prepared to allow Councillors the opportunity to understand the extent of the provisions and allowances in the current budget for these projects and identify the future revenue, expense, cash flow and capital implications.

Undertaking this exercise will allow consideration of timing and funding opportunities, whilst still complying with the Fit for the Future criteria now in place by the State Government.

ITEM B

NOTICE OF MOTION - COUNCILLOR BLICAVS - COUNCIL OBJECT TO THE NAME CHANGE OF THE FEDERAL ELECTORATE OF THROSBY

Councillor Blicavs has submitted the following Notice of Motion –

“I formally move that Council write to the Australian Electoral Commission, objecting to the proposed name change of the ‘Throsby’ electorate to ‘Whitlam’.”

Background provided by Councillor Blicavs:

The Australian Electoral Commission Redistribution Committee for New South Wales has completed its proposed redistribution of New South Wales in 47 electoral divisions. The full report includes the movement of boundary lines and the renaming of electorates. There are changes to the Cunningham and Throsby electorates which cover the Wollongong local government area.

www.aec.gov.au/Electorates/Redistributions/2014/nsw/proposed-report

Pages 24-26 of this report detail the Committee's approach to naming electoral divisions.

Arguments are made in this report about the keeping of "Hunter" due to historical factors and the keeping of 'Werriwa' due to it being a Federation seat. There are little to no arguments to support why the seat of 'Throsby' should be renamed to 'Whitlam'.

The Electoral Commission has guidelines about renaming seats after former Prime Ministers. Where that Prime Minister held his seat would be most sensible, but not at the expense of losing vital pieces of a region's history. Regardless of whether it was Prime Minister Whitlam, Fraser, Rudd or Abbott, the objection should be made for and on behalf of the people of the Wollongong local government area who are seeking to install a sense of history to future generations.

Charles Throsby Smith – affectionately known as the 'father of Wollongong' pioneered land in the Illawarra from 1819. He died in 1828 and his nephew continued his legacy.

He has far more relevance to our region than Gough Whitlam who may not have even visited all of the towns in Throsby. Indeed with the proposed boundary changes removing Port Kembla from Throsby it is unclear if Whitlam visited any of Throsby's suburbs.

Our Lord Mayor recognises the contribution of Charles Throsby in his opening every Council meeting; there is no mention of Gough Whitlam but recognition of Mr Throsby's contribution in founding the Illawarra, which should not be forgotten.

To ignore this vital piece of history would be a disservice to our local community and set a precedent of naming all our electorates after former politicians instead of the men and women who dedicated their lives to the betterment of their own community.

ITEM 1 WOLLONGONG PUBLIC SPACES PUBLIC LIFE

In 2014, Council committed to commence a review of the Revitalising Wollongong City Centre Plan (2007). To inform this important work, Council engaged Gehl Architects to partner in the preparation of a Public Spaces and Public Life Study. The overarching objective of Public Spaces and Public Life is to inform a process of creating resilient places that are liveable today and sustainable tomorrow, investigating the relationships between people's quality of life and their built environment and using data to inform decision making and to measure change.

Analysis gathered during 2014 was shared with the community in November 2014. Input and commentary received during this period has informed the refinement of a draft report *A City for People, Wollongong Public Spaces Public Life 2015*. This includes refined analysis of the City Centre and Recommendations in the form of a City Centre vision, City wide actions, and six public life projects.

This report seeks Council endorsement to progress to community engagement, to share *A City for People, Wollongong Public Spaces Public Life 2015* with the community, to open a conversation to seek input which will inform any further refinement of the City Centre vision and recommendations.

RECOMMENDATION

The draft report "A City for People, Wollongong Public Spaces Public Life 2015" be exhibited for community input for a minimum period of 12 weeks (commencing 14 November 2015 to 6 February 2016).

ATTACHMENTS

- 1 A City for People, Wollongong Public Spaces Public Life 2015
- 2 Public Life Data Wollongong 2014

REPORT AUTHORISATIONS

Report of: Renee Campbell, Manager Environmental Strategy and Planning
Authorised by: Andrew Carfield, Director Planning and Environment – Future, City and Neighbourhoods

BACKGROUND

2007 Vision

In 2007, Council endorsed the Revitalising Wollongong City Centre Plan (2007), also known as the City Centre Revitalisation Strategy, which had been prepared by the NSW Department of Planning. The Strategy is a suite of four documents setting the strategic framework for the City Centre: (1) City Centre Vision, (2) Local Environmental Plan, (3) Development Control Plan, and (4) Civic Improvement Plan. It works to inform and guide the delivery of a revitalised City Centre.

The 2007 Vision set a 25 year strategic framework for the City Centre aimed at attracting 6,000 new residents and 10,000 new jobs.

Eight years following the endorsement of the City Vision, it is important to review the progress to date and test how we are progressing.

Key Achievements

There have been significant achievements made following the 2007 Vision, including implementation of the Green Bus; delivery of significant improvements along the Blue Mile; Crown Street Mall Revitalisation; Keira Street Revitalisation; Crown Street Façade Renewal Project; and the Bathers' Pavilion. There has also been a range of footpath renewal work and other maintenance associated with City Centre Renewal.

Importantly, there have been a range of private industry led investments in the City Centre to deliver positive change. This includes the introduction of new small bars and cafes; GPT's major Wollongong Central retail redevelopment, private and public health investments and new mixed-use developments.

The Wollongong City Centre LEP 2007 introduced significant increase in building height and floor space ratios. In 2010, the LEP and City Centre DCP were incorporated into the Wollongong LEP 2009 and Wollongong DCP 2009, respectively.

The Approach

In March 2014, Council engaged Gehl Architects to partner in developing Wollongong Public Spaces Public Life. The partnership enabled staff to learn the methodology developed by Jan Gehl over the past 40 years. Gehl Architects is based in Denmark and have extensive experience working with cities around the world to convert high-level liveability aspirations to on-the-ground, practical and tangible City change. The Gehl philosophy is based on encouraging life in a City, improving the public spaces, which will lead to improved building stock. If more people are using the City, the economics and life of the City will increase.

The approach is based on gathering data about our City to enable Council and the community to inform future planning of the City; strengthen a data driven approach to decision making and infrastructure delivery; and allow change in the City to be measured over time.

Informing the Analysis

Since March 2014, Council has been working with Gehl Architects to gather a range of data about our City. A team of students and Council staff have been collecting data about how people use the Wollongong City Centre. Pedestrian counts recorded the number of people moving through our streets and where people spent time and enjoyed the City.

Through field work and desktop research, over 60 data sets have been collected and analysed, including quality assessments of City streets and buildings, data on traffic planning, urban planning, parks, recreation, and community, cultural and economic development. The data has informed an analysis of the City.

Additional Counts

Pedestrian counts during 2014 were undertaken at a time when Crown Street Mall, Keira Street and at the new GPT development (corner of Keira and Crown Streets) were under construction.

In February 2015 additional pedestrian counts were taken as a comparative exercise. These counts reinforced pedestrian patterns recorded in 2014 with minor variations. This information has been considered in the refinement of the analysis in the draft report.

Sharing the Analysis

Between March and November 2014, Council worked with Gehl Architects to collect data about the City and develop the City Centre Analysis. This included 10 exhibition boards which shared some of the data collected to allow the community to begin to interpret this information.

In November 2014 Council shared the analysis with the community. The purpose of this process was to inform the community of the early analysis and data gathered about the City and explain the methodology.

Information was made available on Council's web page (approximately 4,500 visits); information kiosks were held in the Mall during Friday markets; material was displayed in the City Library and in the Administration Building Foyer; notices were placed in the newspaper; presentations were made to Neighbourhood Forum 5 on 3 September and 3 December 2014; and City Centre facts were displayed on corflute signs around the City.

Partner and Managing Director, Ms Henriette Vamberg, presented two City Talk Forums on 18 March and 5 November 2014. The first focussed on Gehl Architects and their approach, the second on the early City Centre Analysis.

The Lively City – Linkages Grant

Council was successful in being awarded a Linkages Grant, partnering with University of Wollongong and the University of Tasmania, to undertake a qualitative research project investigating Wollongong City Centre as the Lively City.

This research spans two years and will support the quantitative data collected through Wollongong Public Spaces Public Life with qualitative data. While this work does not replace community consultation around Wollongong Public Spaces Public Life, it will support and inform the project.

In July 2015, a comprehensive survey called Impressions of Wollongong, was distributed to over 9,000 residents in the suburb of Wollongong, and to randomly selected residents in the Northern Suburbs and Southern Suburbs to ask about individual perceptions of the Wollongong City Centre.

The role of the survey was to qualify community impressions of the City Centre. The survey asked people to draw the City as they remembered it, and asked how often

people visited the City day and night. Importantly, the survey asked respondents to let us know their impression of the City during the day and at night, and for their impressions of various City attributes (streets, sense of place, atmosphere, sense of belonging, business). The survey was developed following extensive research into understanding the qualities of a lively City and asked respondents to reflect on their own perception.

The early findings of this research support the recommendations of Wollongong Public Spaces Public Life. It will provide us with a benchmark to measure community perceptions about the City Centre and will continue to inform the process.

PHD thesis on Wollongong City Centre Parks: Qualitative insights to how residents living in low – and high-rise City Centre apartments make sense of parks as part of their everyday life

The project consulted with 341 respondents through a survey of adult residents living in low-rise and high-rise apartments in the Wollongong City Centre; semi-structured interviews to explore park narratives, and accompanied walks to explore the lived experience of City Centre parks in Wollongong.

The qualitative findings were used to provide valuable insight into the way people value City Centre parks and spaces, and their perceptions of these places.

Shaping Wollongong

A Property Council initiative, Shaping Wollongong was developed in 2012, identifying a vision for the City. The work developed including the Ambitions and actions, as well as the community input into this process, (the 3,000 ideas from the ‘ideas-a-thon’) informed the development of Wollongong Public Spaces Public Life.

Other City Centre Community Consultation/Feedback

Discussions were held with staff around relevant City Centre projects and their associated community engagement processes. The community input gathered for the Evening Economy, ‘In the Midnight Hour’ and other relevant City Centre projects also informed the development of Wollongong Public Spaces Public Life.

PROPOSAL

A City for People, Wollongong Public Spaces Public Life, brings together a refined city analysis and presents recommendations in the form of a City vision, key City actions, and six public life projects. The report, guided by Gehl Architects provides a critical analysis of our City, acknowledging the weaknesses we face in order to improve them.

Vision Overview

City Centre Vision

The current 2007 Vision for the City is:

“As the regional city for the Illawarra Region, Wollongong will be a vibrant centre for jobs, key regional services, cultural activity, entertainment and tourism. Jobs will focus on high growth industries that build the city’s strengths in business services, health, education, retail, tourism and cultural activities.”

The draft 2015 Vision has been simplified to: *“In the 21st century, Wollongong will be a more people oriented, sustainable and liveable city.”*

The draft Vision is about what Wollongong City Centre aspires to become. It is intended to set a clear direction to guide decision making and priorities in the City over time. The draft Vision is underpinned by actions which inform short, medium and long-term implementation across the City.

The draft Vision is underpinned by twelve aspirational goals for delivering the Wollongong City Centre of the future. These are themed as follows:

- Celebrate the uniqueness
- Develop a human scale City
- Grow a living City
- Create a pedestrian friendly City

The review of the City Centre Vision found that many aspects of the 2007 endorsed Vision remain relevant and appropriate to guide City revitalisation. The draft 2015 Vision presented refines elements of this Vision and builds on them, understanding current City challenges.

The most significant changes/variations between the 2007 vision and the draft 2015 goals are:

- to include reference to the importance of the City’s historical identity – Indigenous, European and Industrial heritage.
- to include an aspiration that the scale of the City Centre be reviewed to deliver a tightly defined City Centre, rather than the current area which extends from Stuart Park to Ross Street and west to Gwynneville.

The other variation is the approach to implementation. A number of the key actions of the 2007 Vision were focussed around large infrastructure investment projects including Crown Street Mall, MacCabe Park, Station Precinct and the Foreshore which required significant capital investment.

The draft 2015 Vision promotes small interventions to align with longer term City aspirations. It promotes temporary and cheaper projects which step toward delivering

the long term Vision for City places to demonstrate progress against the Vision, and balance expectations in delivering longer term capital investment and policy.

Realising the Vision

The draft report identifies a series of City Centre and place specific actions to deliver against the Vision.

Providing a balance of shorter term/temporary actions alongside longer term/permanent change offers a flexible and achievable framework for delivering Wollongong City Centre as a City for people.

The Vision is supported by a range of City Centre and area specific actions to inform short to long term priorities for implementation. The Vision will only be realised when the City works collaboratively to implement change.

City Centre actions focus around larger policy led review. The six unique public life projects are identified to bring together a range of high quality City experiences. Each project has a unique identity and role in the public life of Wollongong City Centre. The projects are supported by strategies that explore means to enhance the public life of these areas through offering quick, medium and long term actions.

The six public life projects include:

- 1 Rail Arrival
- 2 Western Crown
- 3 Crown Street Mall
- 4 MacCabe Park
- 5 Arts Precinct
- 6 Foreshore

CONSULTATION AND COMMUNICATION

As noted previously, the analysis and data was shared with the community in November 2014.

The final document has been refined by Council officers from most divisions. Three Councillor workshops have also informed this project to date, the most recent was held on 20 July 2015.

If endorsed by Council, formal exhibition of Wollongong Public Spaces Public Life is proposed between 14 November 2015 and 6 February 2016, which will provide the opportunity for key stakeholders and the wider community to provide input. As part of the exhibition, the following engagement activities are proposed:

- a way finding experience guiding people between key locations within the City Centre;

- community information session at Viva la Gong;
- school visits;
- target feedback sessions with various stakeholder groups;
- consultation sessions at key locations; and
- information on Council's website.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal. It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2012-2017	Annual Plan 2015-16
Strategy	5 Year Action	Annual Deliverables
2.3.1 Wollongong's City Centre is revitalised and active	2.3.1.4 Improve policies and systems to support the revitalisation of the City Centre	Deliver the City Centre Revitalisation Strategy

If adopted, after the exhibition period, the 2015 Vision will replace the 2007 Vision is the key strategic document for the City Centre.

FINANCIAL IMPLICATIONS

A City for People, Wollongong Public Spaces Public Life 2015 is a visioning document which will inform priorities and commitments into the future and alignment of work. At this stage of the process, we are seeking feedback from the community on the Vision, goals and actions identified to achieve the Vision. These will then be refined and the resources required to deliver these actions will be identified.

The intention is that the final document will provide a layer of support to guide decision making in the City Centre, to deliver a range of capital and non-capital works within the current program.

The draft recommendations present ways to deliver cheaper and less permanent infrastructure such as pilot projects, which will enable Council to test or trial a range of different projects in the public domain, test/measure outcomes and use this to inform decision making.

CONCLUSION

Since early 2014, Council has been working to better understand the City Centre, and critically analyse its achievements and weaknesses. The draft report *A City for People, Wollongong Public Spaces Public Life 2015* sets out a critical analysis of the City Centre using a range of data about the people who use the City, its built form and transport networks. A draft Vision is presented with recommendations on how to deliver effectively against these aspirational goals for the City Centre.

This report seeks Council's endorsement to progress to community engagement, to share *A City for People, Wollongong Public Spaces Public Life 2015* with the community, to open a conversation to seek community input on the City Centre Vision and recommendations.

ITEM 2

**VOLUNTARY WASTE INDUSTRY PROTOCOL FOR THE HANDLING OF
EARLY COLLECTED CARBON CHARGES IN THE WASTE SECTOR**

To comply with the provisions of the previous Clean Energy Act, Council, as the owner of a significantly large landfill site at Whytes Gully, was obliged to charge customers for future greenhouse gas emission liabilities as waste was received. These liabilities were then removed when the “carbon tax” repeal legislation was implemented in July 2014, leaving Council holding funds without any mechanism to refund supply chain customers.

Subsequently on 29 July 2015, the Federal Government released the voluntary Waste Industry Protocol. This report recommends Council’s inclusion into the voluntary Waste Industry Protocol as the process by which Council will return the \$4.17 million early collected “carbon tax” charges for consumer benefit.

RECOMMENDATION

- 1 Council participate in the voluntary Waste Industry Protocol.
- 2 The General Manager be granted delegated authority to finalise and execute the voluntary Waste Industry Protocol, and any other documentation required to give effect to this resolution.
- 3 Authority be granted for the use of the Common Seal of Council on the voluntary Waste Industry Protocol, and any other documentation, should it be required to give effect to this resolution.

ATTACHMENT

Voluntary Waste Industry Protocol

REPORT AUTHORISATIONS

Report of: Troy Subotic, Manager City Works and Services (Acting)
Authorised by: Mike Dowd, Director Infrastructure and Works – Connectivity, Assets and Liveable City (Acting)

BACKGROUND

Under the repealed Clean Energy legislation, Council, as one of 371 liable entities across the country, was required to pay a “carbon tax” for greenhouse gas emissions derived from landfilling waste at the Wollongong Waste and Resource Recovery Park (Whytes Gully).

The waste sector faces particular circumstances due to the nature of greenhouse gas emissions released over time. Emissions from the Whytes Gully landfill consist mainly of the release of methane from decomposing organic material, such as food, paper and other putrescible waste. This organic material decays over time and, unlike other industries, emissions associated with this material can be released for many decades.

Under the “carbon tax” Council faced significant cost increases as a result of the need to charge upfront for waste deposited which released emissions over many decades. Therefore, Council elected to charge customers upfront for the anticipated future “carbon tax” liability for each tonne of waste deposited to landfill during the 2012-13 and 2013-14 financial years. In estimating those forward liabilities, Council took into account the gradual decay of waste and the forecast carbon prices per tonne over the years those emissions will occur.

However, following repeal of the “carbon tax”, the future years’ liability associated with waste placed in landfill during those two years was extinguished. Therefore, Council now holds \$4.17 million to pay for a future “carbon tax” liability that no longer exists.

The \$4.17 million that Council holds has been collected from the following customers:

Amount	Customer	Comments
\$2,304,190	Ratepayers	Sourced from the Domestic Waste Management Charge paid by Council residents for disposal of the “red” bin waste.
\$1,870,895	Non-Domestic	All other non-domestic waste transactions associated with gate fees paid at Whytes Gully including commercial waste.

The Federal Government, in liaison with the Australian Landfill Owners Association (ALOA) and the Australian Local Government Association (ALGA), has developed a protocol to help ensure that the early collected carbon charges are returned for consumer benefit. Council has the option to accept and be bound by the protocol and be identified on the Department of Environment’s website as having done so.

The Minister for the Environment and the Australian Competition and Consumer Commission (ACCC) have both encouraged participation in the protocol.

Should Council agree to the protocol, Council will undertake to:

- Report in confidence to the Department of the Environment by the end of 2015 the total of early collected carbon charges held prior to any refunds (ie a dollar figure). This calculated total amount, as well as any allowed deductions for administration costs (which will not be more than 10% of the early collected carbon charges), surrender costs and corporate tax (where already paid), will be verified by an independent auditor.
- Refund carbon charges to residents for their kerbside collected waste (Council estimated to return \$2,276,540 to ratepayers via the 2016-17 rates notices).
- Acquit any remaining non-refunded charges (estimated at \$1,848,444) through either of the following options:
 - a Investing in abatement projects; or
 - b Purchasing carbon abatement credits and voluntarily transferring them to the Government.

- Commit to the acquittal of all un-refunded carbon charges by 31 December 2016.
- Incur any expenditure, being either investment in projects or purchase of abatement credits by 31 December 2017.

With regard to the investment in projects, by agreeing to the protocol, Council will undertake to:

- Invest any un-refunded charges only in projects that meet the following criteria:
 - a Are additional to business-as-usual.
 - b Have emissions reduction as one of their purposes, such as renewable energy, energy efficiency, fuel switching, landfill gas capture or waste diversion from landfill.
 - c Not be registered as an Emissions Reduction Fund project, either at the time of investment or in the future, or generate offset units.
- Publically disclose the name, location and brief description of all projects.

Additionally, by agreeing to the protocol Council will undertake to provide the Department of the Environment with the following independent auditor reports:

- By 31 December 2015 – An auditor statement verifying that the total amount of early collected carbon charges subject to the protocol and any allowed deductions have been correctly calculated.
- By 31 December 2016, and annually thereafter until all funds are acquitted, an auditor statement setting out the percentage of the total charges held that have been acquitted through refunds, project investment and purchase of abatement credits.
- By 30 June 2017 – An auditor statement verifying that each eligible project implemented using the un-refunded charges either has achieved, or can reasonably be expected to achieve, emissions reductions.

These auditor's statements may be published on the website of the Department of the Environment (it is estimated that the compliance audit costs incurred will be valued at approximately \$50,000).

PROPOSAL

It is proposed that Council endorses inclusion into the voluntary Waste Industry Protocol and commences returning the early collected "carbon tax" charges through the following methods:

- 1 Council to return \$2,276,540 to ratepayers via the 2016-17 rates notices.
- 2 Council to invest \$1,848,444 million for complying abatement project/s.
- 3 Council to reserve 1.2% (approximately \$50,000) for Waste Industry Protocol compliance and audit costs.

CONSULTATION AND COMMUNICATION

The following Council departments/representatives have been consulted in the creation of this report:

- Executive Management Committee
- Waste Steering Committee
- Governance and Information Division (Legal Counsel)
- Finance Division
- Executive Strategy Division
- Infrastructure Strategy and Planning Division
- Project Delivery Division
- Environmental Strategy and Planning Division
- The Australian Landfill Owners Association (ALOA)

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal 1 “We Value and Protect Our Natural Environment”.

It specifically delivers on core business activities as detailed in the Waste Management Service Plan 2015-16 and the Wollongong Waste and Resource Recovery Strategy 2022.

RISK ASSESSMENT

Given Labor’s recent confirmation that it will seek to re-introduce an emissions trading scheme if it is successful at the next Federal election, and given that no detail has yet been announced in relation to the design of this emissions trading scheme, it is not currently known whether emissions from waste deposited during the “carbon tax” period will attract any liability under this scheme. If a carbon liability attaches to these emissions in the future, Council will no longer hold the necessary funds to acquit this liability.

Council has the ability to not participate in the voluntary Waste Industry Protocol (Protocol) and therefore Council would have no known legal requirement to refund its customers. This action would be contrary to the advice of the Minister for the Environment and the ACCC. Additionally, this would mean that Council is not listed on the Department of the Environment’s website as having agreed to and implemented the Protocol resulting in an elevated risk of reputational damage to Council and its commercial waste business. The full implications of a decision not to agree to the Protocol are as yet untested.

The Australian Landfill Owners Association (ALOA) has advised that none of its members have elected to not agree to the Protocol (with the exception of Transpacific Industries who have entered into a separate agreement due to the company’s inability to satisfy a technical audit based clause within the Protocol).

Should Council agree to the Protocol, there is a chance that it will cost Council more than \$50,000 in compliance costs. The likelihood of this situation occurring has been minimised by Council's Finance Division providing forward estimates of the likely compliance and audit costs associated with the Protocol's execution.

By electing to invest revenue connected with non-domestic waste transactions associated with gate fees paid at Whytes Gully into abatement project/s, Council is opting to not seek the administratively problematic option of returning "carbon tax" funds directly to non-domestic customers which include (amongst others) various waste disposal companies and many small vehicle transactions which include "mums and dads" users. The risk of dissatisfaction associated with non-domestic waste transaction customers is mitigated by using the collected revenue to fund project/s that deliver greenhouse gas abatement, which was the original purpose for which the revenue was collected.

To ensure that the funding is appropriately administered and directed into beneficial abatement project/s, it is planned that funds made available for carbon abatement projects are considered as part of the 2016-17 Annual Planning cycle.

FINANCIAL IMPLICATIONS

Should Council agree to endorse the recommendations provided, residents will be refunded approximately \$28 (to be finalised) for a standard 120L service through the 2016-17 rates notices.

Additionally, Council will be required to invest \$1.848 million in either abatement credits or in eligible project/s that deliver emissions reductions. Some of the types of projects that could be considered include:

- Installation of photovoltaic cells;
- Gas capture and treatment infrastructure;
- More energy efficient lighting projects.

Under the terms of the Protocol, Council will be required to cause a substantial amount of independent auditing to occur on the revenue collected, distributed and invested. It is estimated that \$50,000 (1.2% of the total revenue collected) will be sufficient to cover these costs, noting that the Protocol allows up to 10% of total revenue to be used to cover Protocol compliance costs.

CONCLUSION

The voluntary Waste Industry Protocol provides Council with the opportunity to prioritise the return of early collected "carbon tax" revenue to residents through deductions applied to future Domestic Waste Management Charges. It also provides Council with the opportunity to invest other "carbon tax" revenue, which cannot be easily refunded to the original consumer, into project/s that achieve/s the original intent for which the money was collected, which is greenhouse gas abatement.

ITEM 3 ADOPTION OF THE REVIEW OF HEWITTS CREEK FLOOD STUDY

The 'Review of Hewitts Creek Flood Study (Final Report – August 2015)' was publicly exhibited in October and November 2014. Community consultation has been completed and the Flood Study is being recommended for adoption.

Adoption of the Study will enable Council to apply to the State Government for funding to prepare the Revised Hewitt's Creek Floodplain Risk Management Study and Plan.

RECOMMENDATION

The 'Review of Hewitts Creek Flood Study (Final Report – August 2015)' be adopted.

ATTACHMENTS

- 1 Location Plan – Hewitts Creek Study Area
- 2 Minutes of the Floodplain Risk Management Committee Meeting held on 18 August 2015
- 3 Executive Summary – Review of Hewitts Creek Flood Study
- 4 Provisional Flood Hazard Maps for 1% AEP and PMF flood events

REPORT AUTHORISATIONS

Report of: Martin Parmenter, Manager Infrastructure Strategy and Planning (Acting)

Authorised by: Mike Dowd, Director Infrastructure and Works - Connectivity, Assets and Liveable City (Acting)

BACKGROUND

In September 2012 Council engaged BMT WBM consulting firm to undertake a detailed review of the 2012 Hewitts Creek Flood Study. This review will update the previous study to account for recent changes within the catchment and take advantage of innovations and improvements in computer flood modelling.

The NSW Government's Floodplain Development Manual provides a framework to ensure the sustainable use of floodplain environments and incorporates the NSW Flood Prone Policy. Under the Policy, the management of flood liable land remains the responsibility of Local Government, with State Government subsidising flood mitigation works to alleviate existing problems, and providing specialist technical advice to assist Councils in performing their floodplain management responsibilities.

The Policy provides for technical and financial support by the State Government through four sequential stages:

- 1 Flood Study – Determines the nature and extent of flooding.
- 2 Floodplain Risk Management Study – Evaluates management options for the floodplain in respect of both existing and proposed development.

- 3 Floodplain Risk Management Plan – Involves formal adoption by Council of a plan of management for the floodplain.
- 4 Implementation of the Plan – Construction of flood mitigation works to protect existing development. Use of Local Environmental Plans to ensure new development is compatible with the flood hazard.

The Review of Hewitts Creek Flood Study constitutes the first stage of the Floodplain Risk Management Process for this catchment.

The preparation of this study has been overseen by the Hewitts Creek Floodplain Risk Management Committee, comprising membership of Councillors, community representatives and State Government agencies.

On 26 October 2015, the 'Review of Hewitts Creek Flood Study' was presented to the Councillors at a Councillor Briefing. The primary objectives of the study were to:

- Undertake detailed review of the existing Hewitts Creek Flood Study to account for the recent changes within the catchment and improvements in computer flood modelling;
- Determine the flood behaviour in the study area including design flood levels and extents, velocities, and flows for a range of flood events under the current catchment condition;
- Provide a model that can be used for assessment of the potential flood impact of future development in the study area;
- Address future variations in flood behaviour due to climate change; and
- Provide information which forms the basis for the subsequent Floodplain Risk Management Study and Plan.

The Study Outcomes include:

- A hydrological model and a 2D hydraulic model of the study area were developed;
- The hydraulic model provides a tool for assessment of the potential flood impact of future development in the catchment;
- Provision of information on flood levels, depths and extents, velocities and flows for the 20%, 10%, 5%, 2% and 1% Annual Exceedance Probability (AEP) design floods, as well as the Probable Maximum Flood (PMF) for the existing catchment condition;
- Provisional Flood Hazard Categorisation of the study area for the 1% AEP and PMF flood events (refer Attachment 4);
- Production of information on Flood Emergency Response Classification of Communities for the 20% AEP, 1% AEP and PMF flood events;
- Preliminary Residential Flood Planning area and level for the existing condition and Projected 2050 and 2010 Sea Level Rise; and
- Development of outputs which form the basis for the subsequent Floodplain Risk Management Study and Plan.

The 'Review of Hewitts Creek Flood Study (Final Report)' was presented to the Hewitts Creek Catchment Floodplain Risk Management Committee on 18 August 2015 and the

Committee recommended the Flood Study be adopted by Council (refer Attachment 2). An Executive Summary of the Review of Flood Study is also attached (refer Attachment 3).

The Consultants also undertook a site specific review of blockage impact on flood levels adjacent to the Hewitts Creek railway culvert. This review found only slight differences in flood level inputs when applying Council's blockage policy (25% blocked in a 1% AEP flood) when compared to applying the Australian Rainfall and Runoff (AR&R), Project 11 Blockage guidelines (20% blockage in a 1% AEP event).

PROPOSAL

The 'Review of Hewitts Creek Flood Study (Final Report – August 2015)' be adopted to update flood planning levels and enable the preparation of the Floodplain Risk Management Study and Plan to provide additional risk controls for this catchment.

Following the adoption of the Flood Study, the following actions will be undertaken:

- Update the relevant 149 Certificate codes;
- Update the flood planning levels; and
- Prepare grant submissions to State and Federal Government seeking assistance to undertake the review of Floodplain Risk Management Study and Plan.

CONSULTATION AND COMMUNICATION

The Review of Flood Study was developed through extensive consultation process with the local community, Technical Working Group and the Floodplain Risk Management Committee over two stages:

- 1 At the commencement of the study in February 2013; and
- 2 To exhibit the draft Flood Study in September/October 2014.

Consultation occurred via:

- Distribution of newsletters and questionnaires/feedback forms to all residents within the floodplain prior to the commencement of each public consultation to give opportunity for them to provide feedback;
- Newspaper advertisement (the Advertiser);
- Public exhibition and information nights;
- Meetings of the Floodplain Risk Management Committee; and
- Meetings of the Technical Working Group.

The first round of consultation was at the start of the study to obtain information on historical flooding throughout the catchment. A total of 1345 newsletters and questionnaires were distributed with 277 responses received. Of these, 106 identified flooding as an issue at their property and/or on their street.

The second round of consultation was carried out towards the end of the study after the design flood modelling and mapping were completed. The public consultation was to

provide opportunity to comment on the draft Flood Study. A total of 2100 newsletters and questionnaires/feedback forms were distributed to individual property owners and residents whose property lot falls within the Probable Maximum Flood (PMF) extent as defined by the current Flood Study. Of these, 60 written responses were received.

A summary of the comments provided in these responses is listed below:

- *Flood Risk.* The majority of responses focused on property owners opinion as to whether their property should be identified as “flood affected” or similar. Most responses on this matter indicated displeasure that their property was identified as being at risk of flooding having previously never experienced flooding at their property.
- *Insurance Premiums.* A number of responses indicated a fear of rising insurance premiums relating to flood cover as a result of the Flood Study.
- *Drainage Works.* A small number of residents living close to Memorial Drive expressed concern about the impact of surface water drainage from Memorial Drive on flood risk at their properties.
- *Development Approvals.* A number of residents were concerned about the flood of new developments on surrounding areas.
- *Channel Maintenance.* A number of residents expressed concern that a lack of channel maintenance is a factor exacerbating localised flood risk.

In addition to the community feedback, two State Government agencies provided written responses on the draft Flood Study report.

Following the second round of consultation, Council sent out a letter to each community member who provided feedback on the draft Flood Study report. The letter acknowledged residents’ concerns regarding flood affectation of a property noting that Council is required, as per the NSW Government’s Flood Prone Lands Policy and Floodplain Development Manual (2005), to identify all properties affected by the PMF. The residents were advised that the PMF is significantly greater in magnitude than the 1 in 100 year ARI flood and the August 1998 flood. Therefore, properties which may not have been affected by flooding in the past may still be at risk of flooding by the PMF event.

Comments from the community and from State Government agencies have been incorporated into the final version of the Flood Study as necessary.

PLANNING AND POLICY IMPACT

Adoption of the ‘Review of Hewitts Creek Flood Study’ will lead to revision of Council’s flood planning levels for the catchment to incorporate the flood data from the current study and also revision to relevant Section 149 Certificate codes to reflect any changes to flood levels since the adoption of the existing Flood Study (2002).

Council is currently reviewing its Conduit Blockage Policy. Any amendments to the Policy resulting from the review will be taken into account when reviewing flood models as the first part of preparing the Floodplain Risk Management Study and Plan.

This report contributes to the delivery of Wollongong 2022 under the objective: *Our coastal and waterways are protected and enhanced under the Community Goal We value and protect our environment.*

It specifically addresses the Annual Plan 2014-15 Key Deliverable Implement Council's Floodplain Risk Management Plans which forms part of the Five Year Action Implement a coordinated approach to floodplain and stormwater management contained within the Revised Delivery Program 2012-17.

FINANCIAL IMPLICATIONS

The detailed review of Flood Study has cost \$102,570, two thirds of which has been funded by State Government.

Pending adoption of the study, applications to State and Federal Governments will be made for financial assistance to undertake subsequent floodplain risk management study and plan. Where successful, grants are usually provided in the ration of 2:1 (two parts Government, one part Council).

CONCLUSION

The review of Hewitts Creek Flood Study has been prepared with the cooperation, assistance and support of many stakeholders, including community and State Government representatives.

The outcome is a comprehensive flood analysis which identifies the level and extent of flooding under the existing conditions, identifying areas (developed and undeveloped) within the existing flood hazard. Adoption of the 'Review of Hewitts Creek Flood Study (August 2015)' is an important milestone in the floodplain risk management process that will allow the development of appropriate risk reduction strategies such as development controls, education and infrastructure solution for the benefit of the community and business within the catchment.

Adoption of the Study will enable Council to apply to the State Government for funding to prepare the Revised Hewitts Creek Floodplain Risk Management Study and Plan.

ITEM 4

DRAFT FLOODPLAIN RISK MANAGEMENT STUDY AND PLAN FOR WOLLONGONG CITY CATCHMENT

The 'Draft Floodplain Risk Management Study and Plan for Wollongong City Catchment' was publically exhibited in May and June 2015. Community consultation has been completed and the Floodplain Risk Management Study and Plan is being recommended for adoption.

RECOMMENDATION

The "Draft Floodplain Risk Management Study and Plan for Wollongong City Catchment" be adopted.

ATTACHMENTS

- 1 Location Plan – Wollongong City Catchment
- 2 Minutes of the Floodplain Risk Management Committee Meeting held on 12 February 2013
- 3 Executive Summary - Wollongong City Catchment Floodplain Risk Management Study and Plan

REPORT AUTHORISATIONS

Report of: Martin Parmenter, Manager, Infrastructure Strategy and Planning (Acting)

Authorised by: Mike Dowd, Director, Infrastructure and Works - Connectivity, Assets and Liveable City (Acting)

BACKGROUND

The NSW Government's Floodplain Development Manual provides a framework to ensure the sustainable use of floodplain environments and incorporates the NSW Flood Prone Policy. Under the Policy, the management of flood liable land remains the responsibility of Local Government with State Government subsidising flood mitigation works to alleviate existing problems and providing specialist technical advice to assist Councils in performing their floodplain management responsibilities.

The Policy provides for technical and financial support by the State Government through four sequential stages:

- 1 **Flood Study** –Determines the nature and extent of flooding.
- 2 **Floodplain Risk Management Study** – Evaluates management options for the floodplain in respect of both existing and proposed development.
- 3 **Floodplain Risk Management Plan** – Involves formal adoption by Council of a plan of management for the floodplain.

4 Implementation of the Plan – Construction of flood mitigation works to protect **existing** development and use of Local Environmental Plans to ensure new development is compatible with the flood hazard.

The ‘Draft Floodplain Risk Management Study and Plan for Wollongong City Catchment’ was prepared by Consultants WMA Water in accordance with this Policy and constitutes the second and third stages of the Floodplain Risk Management Process.

The preparation of this Study and Plan has been overseen by the Wollongong City Catchment Floodplain Risk Management Committee, comprising membership of Councillors, community representatives and State Government agencies.

The final Draft Review of the Wollongong Flood Study was presented to the Committee on 12 February 2013, and the Committee recommended the flood study be adopted by Wollongong City Council (refer Attachment 2).

On 26 October 2015, the ‘Draft Floodplain Risk Management Study and Plan for Wollongong City Catchment’ was presented to the Councillors at a Councillor Briefing.

PROPOSAL

It is proposed that Council adopt the ‘Draft Floodplain Risk Management Study and Plan for Wollongong City Catchment’. This will enable Council to implement identified priority actions and seek funding from the State Government. Implementation of identified actions in the Plan is estimated to cost in the order of \$4 million (assuming worst case scenario for disposal of excavated material). Funding for specific actions will be considered in future budgeting cycles, and prioritised as resources allow. An Executive Summary of the ‘Draft Floodplain Risk Management Study and Plan’ is included in Attachment 3.

Following the adoption of the ‘Draft Floodplain Risk Management Study and Plan’, the following actions will be undertaken:

- Incorporate the Flood Risk Precinct Map into Council’s GIS system;
- Update the relevant 149 Certificate codes;
- Update the relevant sections within the Wollongong DCP 2009;
- Prepare grant submissions to State and Federal Government seeking assistance to implement actions within the implementation plan; and
- Commence the implementation of the plan (subject to funding).

CONSULTATION AND COMMUNICATION

The Floodplain Risk Management Study and Plan was developed through an extensive consultation process with the local community, Technical Working Group and the Floodplain Risk Management Committee over three stages –

- At the commencement of the Flood Study phase in December 2010
- At the commencement of the Floodplain Risk Management Study phase in July 2013; and
- To exhibit the Draft Study and Plan in May and June 2015.

Consultation occurred via:

- Distribution of over 4,200 newsletters and questionnaires/feedback forms to all residents within the floodplain prior to the commencement of each public consultation to give opportunity for them to provide feedback;
- Newspaper advertisement (the Advertiser);
- Council's Website;
- Public exhibition and information session nights;
- Meetings of the Floodplain Risk Management Committee; and
- Meetings of the Technical Working Group.

The majority of respondents were in favour of the measures identified within the Floodplain Risk Management Plan, with 265 responses received during the first round (at the commencement of the Wollongong City Floodplain Risk Management Study and Plan in July 2013) and 57 during the second round of consultation (exhibition of the 'Draft Wollongong City Floodplain Risk Management Study and Plan' in May and June 2015).

The lowering of the Gurungaty causeway near the outlet of the catchment along with further investigating the lowering of JJ Kelly Park were the most favoured option of all the respondents. These and other mitigation option will be further assessed for implementation in future years subject to funding from the State Government.

Comments from the community and from State Government agencies have been incorporated into the final version of the Floodplain Risk Management Study and Plan.

PLANNING AND POLICY IMPACT

Adoption of the Flood Plain Risk Management Study and Plan will lead to revision of Council's Development Control Plan 2009 to incorporate catchment specific flood data within the Wollongong city Catchment and also updates to relevant Section 149 certificate codes to reflect any changes to flood risk since adoption of the Flood Study.

Council is currently reviewing its Conduit Blockage Policy. Due to the nature of the Wollongong CBD catchment, its modelled flood behaviour and limited number of culverts impacted by blockage, the review is not likely to result in significant changes being made to the outcomes of the Risk Management Study and Plan.

This report contributes to the Wollongong 2022 under the objective *Our coastal areas and waterways are protected and enhanced* under the Community Goal 1. We value and protect our environment.

It specifically addresses the Annual Plan 2014-15 Key Deliverable *Implement Council's Floodplain Risk Management Plans* which forms part of the Five Year Action *Implement a coordinated approach to floodplain and stormwater management* contained within the Delivery Program 2012-17.

FINANCIAL IMPLICATIONS

Over the life of the project, preparation of the Flood Study, Flood Risk Management Study and Plan has cost \$348,545; two thirds of which has been funded by State Government. Implementation of all actions within the Floodplain Risk Management Plan is estimated to cost in the order of \$4 million (assuming worst case scenario for disposal of excavated material). Allocation of funds to priority actions will be considered in future budgeting cycles, and delivered as resources allow.

Pending adoption of the Plan, applications to State and Federal Governments will be made for financial assistance to implement actions within the Floodplain Risk Management Plan. Where successful, grants are usually provided in the ratio of 2:1 (two parts Government, one part Council).

CONCLUSION

The 'Draft Floodplain Risk Management Study and Plan for Wollongong City Catchment' has been prepared with the cooperation, assistance and support of many stakeholders, including community and State Government representatives. The outcome is a comprehensive plan that, when implemented will reduce but not eliminate flood risks.

Adoption of the 'Draft Floodplain Risk Management Study and Plan' is an important milestone in the floodplain risk management process that will allow the implementation of appropriate risk reduction strategies such as development controls, education and infrastructure solutions for the benefit of the community and businesses within the catchment.

ITEM 5 WHARTONS CREEK ENTRANCE MANAGEMENT STUDY AND PLAN

A draft Entrance Management Study and Plan for Whartons Creek has been prepared to address the periodic northerly breakout of the creek along Bulli Beach. These breakouts can cause steep scarps along the dunes and erosion of the back beach area and lead to reduced access and decreased amenity of the beach. The draft Study and Plan includes a range of potential management options, which have been presented to key stakeholders who have provided feedback on their preferred management approach. The Management Plan outlines the steps required to implement the preferred management approach.

RECOMMENDATION

- 1 The draft Whartons Creek Entrance Management Study and Plan be placed on public exhibition for a period of 28 days.
- 2 Following the public exhibition, a further report be provided to Council on the submissions received and any amendments proposed.

ATTACHMENT

Draft Whartons Creek Entrance Management Study and Plan

REPORT AUTHORISATIONS

Report of: Renee Campbell, Manager Environmental Strategy and Planning
Authorised by: Andrew Carfield, Director Planning and Environment – Future, City and Neighbourhoods

BACKGROUND

The entrance of Whartons Creek is located on Bulli Beach, 150m south of the Bulli Surf Life Saving Club. Whartons Creek periodically opens to the north along the beach, creating steep scarps along the dunes and erosion of the back beach area, which impacts on beach amenity and safe access to the beach.

On multiple occasions, Council has undertaken a process of seeking a short-term licence from landowners, the Department of Primary Industries (Crown Lands), and preparing a review of environmental factors, to manually re-direct the channel to a more easterly position. This was done by excavating sand from the closed entrance and depositing and grading the sand at beach access points to ensure safe beach access. The Department of Primary Industries (Crown Lands) require the preparation and adoption of an Entrance Management Study for a long-term licence to be issued.

Addressing this recurring issue was a priority in Council's Dune Management Strategy Implementation Plan 2014. The project was also identified as a high priority in the Estuary Management Plan for Several Wollongong Creeks and Lagoons 2008.

This project is being assisted by funding from the NSW Office of Environment and Heritage (OEH) Coastal Program. Council has engaged Haskoning Australia to prepare an Entrance Management Study and Plan for Whartons Creek and a Review of Environmental Factors for the proposed management approach. Haskoning Australia have undertaken the study by reviewing relevant reports, plans and strategies on coastal and estuary management, inspecting the site, discussing management practices with Council and OEH staff and the Bulli Surf Life Saving Club (SLSC), and reviewing relevant water, rainfall, wave, topographical survey and photographic data.

As a result of this study, Haskoning Australia identified a number of potential management options for the creek entrance and prepared an assessment with regard to likely effectiveness of each option in managing the creek breakout channel direction, estimated costs and potential impacts.

The options are listed below, with more details in the draft Study and Plan attached:

- 1 Do nothing.
- 2 Excavate channel and reshape Bulli Beach after northern entrance breakout and scouring;
 - Excavate a straight channel at the mouth of the creek and spread the excavated sand over the back beach to fill the northern scour channel.
- 3 Build-up north side of entrance;
 - In conjunction with Bulli pool cleaning, use machinery to move sand from the beach berm south of the entrance and mound it up on the northern entrance bank.
- 4 Maintain low berm in creek mouth;
 - In conjunction with Bulli pool cleaning, use machinery to move sand north from the beach berm at the mouth of the creek between the gabions to maintain it at a lower height than the surrounding beach.
- 5 Event based dry notch excavation;
 - Prior to a major rainfall event, use machinery to excavate a dry notch in the berm to direct a breakout to the east/southeast.
- 6 Geotech Bag training wall extension (north side);
 - Extend the northern existing gabion training wall to the crest of the berm using sand filled geotextile bags.
- 7 Rock training wall extension (north side).
 - Extend the northern existing gabion training wall to the crest of the berm using a rock rip-rap training wall.

These options (including an assessment of the options) were presented to stakeholders, including the Bulli Surf Life Saving Club, Council staff (from City Works, Infrastructure Strategy and Planning and Property and Recreation) and the Estuary and Coastal Zone Management Committee (ECZMC). The stakeholders showed support for the options of the Geotech bag training wall extension or an ongoing program of event based dry notch excavation and/or build-up of the north side of the entrance. However, concerns were expressed about the impact of a wall extension structure on beach management operations, the perceived high maintenance costs due to potential storm damage, and

the impact of any dune re-shaping that may occur as part of the Dune Management Strategy Implementation Plan.

Based on feedback received from stakeholders, it was determined the preferred option was a three year program of sand relocation to build up the north side of the creek (option 3), based on specific operational triggers, with a simple procedure able to be implemented by City Works staff when cleaning out the Bulli pools. After three years, the program will be subject to review, including actual costs and impacts, to inform the long term management approach to follow, ie continuation of this program or re-consider proceeding to a detailed design for Geotech sand bags.

PROPOSAL

The draft Study and Plan is recommended to be placed on public exhibition for 28 days. Another report will be submitted to Council after the public exhibition is completed, documenting the submissions received and how the draft Study and Plan can be amended.

CONSULTATION AND COMMUNICATION

This project was initiated after the issues outlined above were raised during the consultation for the Dune Management Strategy in 2013-14. The key stakeholders, Bulli SLSC and Council City Works and Beach Services staff, were consulted at project initiation in March 2015 to identify specific issues with the creek entrance and past management practices. A presentation about the project was given to the ECZMC.

The study results and potential management options were presented to the Bulli SLSC and staff from City Works, Infrastructure Strategy and Planning and Beach Services, and the ECZMC in July 2015 and feedback invited on their preferred option/s. The feedback received has informed the management plan.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal “1. We value and protect our environment”. It specifically delivers on the following:

Community Strategic Plan		Delivery Program 2012-2017	Annual Plan 2015-16
Strategy		5 Year Action	Annual Deliverables
1.1.3	The potential impacts of natural disasters, such as those related to bushfire, flood and landslips are managed and risks are reduced to protect life, property and the environment	1.1.3.2 Implement a coordinated approach to floodplain and stormwater management	Commence the Whartons Creek Entrance Management Plan
1.2.1	A suite of actions to management and protect against future risks of sea level rise is enacted	1.2.1.1 Finalise and implement the Coastal Zone Management Plan	Continue the implementation of priority actions from the Dune Management Strategy

Ecological Sustainability

Any future adopted management approach contained within this draft Management Plan will be subject to a Review of Environmental Factors to ensure there are no significant impacts on the creek, beach and dune environments.

RISK ASSESSMENT

This project aims to address an identified risk of erosion of the back beach and dunes of Bulli Beach by the repeated breaking out of Whartons Creek in a northerly direction. The intended project outcome is an adopted management approach, supported by a Review of Environmental Factors and appropriate long-term licence/s from the Department of Primary Industries.

FINANCIAL IMPLICATIONS

If the proposed management approach is adopted, operational funding of approximately \$10,000 per annum can be allocated from an existing City Works maintenance budget.

CONCLUSION

The draft Whartons Creek Entrance Management Study findings and the feedback received from stakeholders has informed the preparation of the Management Plan to implement a structured program of sand re-location to build up the north side of the creek and monitoring its effectiveness and costs to inform a three-year review to determine the long term management of the entrance. Public exhibition of the draft Study and Plan will provide the opportunity for community feedback to enable the draft document to be finalised and adopted by Council.

ITEM 6 SMALL BUSINESS FRIENDLY COUNCILS PROGRAM

Small businesses are very important to the local economy as over 90% of Wollongong's 12,000 businesses are small to medium enterprises. Wollongong City Council has been invited to join the Small Business Friendly Councils Program run by the Office of the NSW Small Business Commissioner. Sixty-seven (67) local councils across New South Wales have already joined the Program.

The Program encourages councils to focus on small businesses, through a charter which sets out a number of small business friendly policies which councils must implement and report against. Council has been in discussions with the Office of the NSW Small Business Commissioner who agrees Council already meets the core requirements of the Program. This report outlines the requirements of the Program and seeks Council's endorsement to join the Small Business Friendly Councils Program.

RECOMMENDATION

Council join the Small Business Friendly Councils Program of the Office of the NSW Small Business Commissioner.

ATTACHMENTS

There are no attachments for this report.

REPORT AUTHORISATIONS

Report of: Kerry Hunt, Manager Community, Cultural and Economic Development
Authorised by: Greg Doyle, Director Corporate and Community Services – Creative, Engaged and Innovative City

BACKGROUND

The Small Business Friendly Councils Program was established in 2014 as a partnership between the Office of the NSW Small Business Commissioner and the NSW Business Chamber. The Charter sets out the benchmarks which Council agrees to meet to foster and support local businesses and has been developed to assist Council to:

- 1 Operate in a way which enhances public confidence in Council's commitment to engage proactively and effectively with small businesses.
- 2 Recognise the standards expected when engaging with small businesses.
- 3 Identify best practice approaches to encouraging a vibrant and flourishing small business sector.
- 4 Enable Council to fulfil its commitment to the Small Business Friendly Councils Program.

The Small Business Friendly Councils Charter sets out a number of benchmarks which Council must agree to. These include a commitment to small business, administration and regulation, dispute resolution, marketing and quarterly reporting.

Council officers have investigated the requirements of joining the Program. Extensive consultation has been undertaken with a number of stakeholders including:

- Council's Economic Development Advisory Board (EDAB);
- the Office of the NSW Small Business Commissioner;
- other local councils; and
- relevant divisions within Council.

There are a number of core requirements of the Program Council must implement and report on which include having an on-time payment policy; introducing three new business improvement processes; and having a business advisory board. Council already meets all of these requirements which are outlined below.

PROPOSAL

On-Time Payment Policy

Councils are required to implement an on-time payment policy for small businesses. Wollongong City Council currently has an on-time payment policy in place for all businesses (regardless of size) which it can report against under the Program.

Business Improvement Processes

Councils must implement three businesses improvement processes that positively impact on small businesses.

Wollongong City Council has nominated three recently introduced policies:

- *Introduction of a new online application and payment process for outdoor dining*
A new online application and payment process for outdoor dining has been prepared for small businesses. Small businesses will benefit through a reduction in paperwork and 'red tape' making it easier to do business with Council.
- *Creation of a new events process for use in relation to major events across eight key sites*

Council has transformed Wollongong into a premier events destination by delivering an improved customer focussed application process for event approvals. Eight separate approval processes have been combined into a single streamlined process making it easy for event organisers to navigate the process. This will reduce 'red tape' and make it easier to do business with Council.

- *Introduction of a dedicate small business assessment team*
Council has introduced a dedicated small business assessment team which specifically caters to the intricate needs of small businesses during the planning phase. This business improvement process benefits small businesses by utilising the knowledge and skills of Council to progress their developments.

Business Advisory Board

Councils are required to establish a business advisory board comprising key stakeholders from the local business community to assist in understanding small business needs.

Council already complies with this requirement through EDAB (established 2013). EDAB is comprised of members of the Wollongong community including representation from the:

- University of Wollongong
- Illawarra Business Chamber
- Australian Industry Group
- Property Council of Australia – Illawarra Chapter
- Destination Wollongong
- NSW Ports of Port Kembla

Other Requirements

Council will be required to report quarterly through a series of KPIs on all the core components of the Program. The KPIs will be developed by Council upon joining the Program.

Also, Council will need to promote the activities of the Dispute Resolution Team within the Office of the NSW Small Business Commissioner through its website and pamphlets.

Another requirement of the Program involves the Lord Mayor and/or General Manager undertaking some media outlining Council's support for the Program. Council will also be given use of the official Small Business Friendly Councils' logo for use in communication and media.

CONSULTATION AND COMMUNICATION

Council's Economic Development Advisory Board (EDAB)

Office of the NSW Small Business Commissioner

Local councils: Camden, Kiama, Shellharbour and Shoalhaven

Finance Division

Development, Assessment and Certification Division

Property and Recreation Division

General Counsel

Executive Manager Strategy

Events and Functions Team

Infrastructure, Systems and Support Team

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal “3 We have an innovative and sustainable economy”.

It specifically delivers on core business activities as detailed in the Economic Development Service Plan 2015-16.

RISK ASSESSMENT

Wollongong City Council may not be considered small business friendly should it decide not to join the Program.

CONCLUSION

This report is seeking Council’s endorsement to join the Small Business Friendly Councils Program. Council officers have worked through the requirements of the Program with the Office of the NSW Small Business Commissioner who are supportive that Wollongong City Council meets all the core requirements of the Program.

ITEM 7

POLICY REVIEW: PAYMENT OF EXPENSES AND PROVISION OF FACILITIES TO LORD MAYOR AND COUNCILLORS

Section 252 of the Local Government Act 1993 requires that the Payment of Expenses and Provision of Facilities to Lord Mayor and Councillors Policy is reviewed and adopted within five months after the end of each financial year.

Following the conclusion of the public consultation period with no submissions received, the purpose of this report is to recommend the adoption of the amended policy.

RECOMMENDATION

The amended Payment of Expenses and Provision of Facilities to Lord Mayor and Councillors policy be adopted.

ATTACHMENT

Amended Payment of Expenses and Provision of Facilities to Lord Mayor and Councillors Policy

REPORT AUTHORISATIONS

Report of: Kylee Cowgill, Manager Governance and Information
Authorised by: Greg Doyle, Director Corporate and Community Services – Creative, Engaged and Innovative City

BACKGROUND

At its meeting on 14 September 2015, Council determined to place the draft amended Payment of Expenses and Provision of Facilities to Lord Mayor and Councillors policy on public exhibition for a minimum period of 28 days, inviting submissions from the public. The proposed amendments include:

- Changes to the approval process to allow for approvals:
 - by the Lord Mayor up to \$2000 per individual Councillor, capped at \$4000 per event; and
 - to be determined by the Deputy Lord Mayor or the General Manager when the applicant is the Lord Mayor.
- Use of a private vehicle by Councillors on Council related business when considered to be the most appropriate method of travel and with the pre-approval of the Lord Mayor. It is noted that, in general, use of a Council vehicle in most circumstances is considered appropriate;
- Removing the necessity for Councillors to provide a conference report when returning from the National General Assembly of Local Government;

- The reimbursement of reasonable child care costs for Councillors to allow them to attend Council and Committee meetings;
- An update to the Legal Expenses and Obligations section with regards to the Personal Accident Insurance sub-section, bringing into line with existing legislation;
- Changes to the wording of the section relating to the mayoral vehicle, referencing ATO Luxury Car Tax limitations;
- A small amendment to the Lord Mayor's purchase card section to allow for incidental expenses such as parking fees when attending to Council business meetings to be paid by purchase card without pre-approval.

None of the amendments are considered to be substantial.

CONSULTATION AND COMMUNICATION

The policy was placed on public exhibition between 16 September and 20 October 2015, a period of 34 days, with public notices appearing in the Wollongong Advertiser and on Council's website.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal "We are a connected and engaged community".

It specifically delivers on core business activities as detailed in the Governance and Administration Service Plan 2015-16.

CONCLUSION

The amended policy is consistent with its objectives and should be adopted.

ITEM 8

QUARTERLY REPORT ON DEVELOPMENT APPLICATIONS INVOLVING VARIATIONS TO DEVELOPMENT STANDARDS

This report outlines Development Applications which have been determined during the quarterly period 1 April 2015 to 30 June 2015, where variations to development standards were granted.

RECOMMENDATION

Council note the report.

ATTACHMENT

Development Applications Approved with Variations to Development Standards for the period between 1 April 2015 to 30 June 2015

REPORT AUTHORISATIONS

Report of: Mark Riordan, Manager Development Assessment and Certification
Authorised by: Andrew Carfield, Director Planning and Environment, Future, City and Neighbourhoods

BACKGROUND

Development Applications involving variations to development standards may be made under clause 4.6 of Wollongong Local Environmental Plan 2009 (WLEP 2009). Relevant criteria is prescribed under clause 4.6 of WLEP 2009 for the assessment of variations to development standards.

Any variations approved require reporting on a quarterly basis to Department of Planning and Environment (DP&E), in accordance with procedural guidelines. Council and DP&E may in turn consider the extent and nature of variations granted when reviewing relevant planning controls or instruments.

Wollongong City Council provides further transparency and oversight of applications seeking development standard departures via:

- Independent Hearing and Assessment Panel (IHAP) peer review
- Declaration of any variation during public exhibition
- Maintaining an ongoing public record of all variations approved

QUARTERLY RESULT

During the last quarter (1 April 2015 to 30 June 2015) two Development Applications were approved which included variations to development standards.

Attachment 1 provides further information relating to these two matters and forms the basis of the quarterly return for DP&E, which is now submitted. One application involved a multi-dwelling housing project, which involved a 400 millimetre increase to the maximum building height. The second application involved building height and building separation distance variations to a seniors living development comprising of 75 independent living units and other ancillary facilities.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 under the objective 1.6: *The sustainability of our urban environment is improved under the Community Goal We value and protect our environment Community Goal.*

It specifically addresses the Annual Plan 2015-16 Key Deliverables: *Development is functional, attractive and sympathetic with the environment and avoids unnecessary use of energy, water or other resources* which forms part of the Five Year Action: *Provide high quality development assessment and certification based on QBL principles* contained within the Revised Delivery Program 2012-2017.

ITEM 9

ACQUISITION OF PROPERTIES 7-17 MONTGOMERY STREET,
WARRAWONG

Council has been investigating for some time a strategic site for the future development of an integrated district level Community Centre and Library. A site has been identified to facilitate the development of the Southern Suburbs Community Centre and Library and this report proposes the acquisition of properties to enable the future progression of the project.

RECOMMENDATION

- 1 Council purchase properties numbers 7, 9, 11, 13, 15 and 17 Montgomery Street, Warrawong being lots 19, 20, 21, 22, 23 and 24 in Deposited Plan 35719 at a cost of \$2,825,000 [exclusive of GST] subject to:
 - Satisfactory Building Condition Report;
 - Satisfactory Hazardous Materials Building Survey; and
 - Satisfactory Contamination Report.
- 2 Council authorise the General Manager to finalise the terms of the contract to purchase.
- 3 Council authorise the affixation of the Common Seal of Council to documents required to complete the purchase.
- 4 On acquisition, the property be classified as Operational Land.

ATTACHMENTS

There are no attachments to this report.

REPORT AUTHORISATIONS

Report of: Peter Coyte, Manager Property and Recreation and
Jenny Thompson, Manager Library and Community Services
Authorised by: Greg Doyle, Director Corporate and Community Services – Creative,
Engaged and Innovative City

BACKGROUND

Project History

The construction and operation of a district community centre and library to serve the south eastern suburbs of Wollongong LGA has been a goal of Council since at least 2007. The *Draft Area 7 Community, Recreation and Library Facilities Improvement Plan* (2007) identified Warrawong as the preferred suburb for the site of the facility, based on the principles that Warrawong represents the regional commercial and service centre for

the south east and serves as a major transport hub for surrounding suburbs and linkage to the Wollongong city centre.

An initial concept planning study was conducted drawing on demographic data, outcomes of community consultation, best practice case studies and a review of key Wollongong City Council planning documents. This study identified an 'ideal' range of spaces and interfaces for the building and grounds.

Site Selection

Council officers investigated a range of sites to determine a preferred location for the Southern Suburbs Community Centre and Library. All sites were assessed and ranked against the following criteria:

- Location principles (accessibility, walkability, convergence with other services)
- Acquisition considerations (single ownership, availability for purchase)
- Construction considerations (geotechnical status, construction cost, site access)
- Strategic considerations (contribution to Warrawong Town Centre Revitalisation)

Eleven (11) sites within two kilometres of the centre of Warrawong were initially identified. The range was soon reduced to five sites which prima facie addressed the assessment criteria. The acquisition principles have influenced the ranking of some of those sites based on price being sought and willingness to sell.

One site that emerged through the assessment process as suitable comprises six in-line properties held in single ownership. This site provides the minimum land area required to accommodate the development of the first stage of the Southern Suburbs Library and Community Centre.

The property identified, which is in six titles, currently has six houses on it which are tenanted. These houses will need to be vacated and demolished to allow the construction to be progressed. However, while design, development consent and construction consent are obtained, these properties can remain tenanted and will earn income.

Property Details

Address – 7-17 Montgomery Street, Warrawong

Title Details – Lots 19, 20, 21, 22, 23 and 24 in Deposited Plan 35719

Zoning – The properties are currently zoned B3 Commercial Core

Area – 3901m²

PROPOSAL

- Council acquire the properties 7-17 Montgomery Street, Warrawong, at a cost of \$2,850,000 [exclusive of GST].

On acquisition of the property, Council is required to classify the land as either Operational or Community Land. At this early stage in the development of concepts, which may include some commercial operations, it is proposed that the land be classified as Operational. Should commercial uses be included, an operational classification will assist in establishing appropriate leases or licences.

CONSULTATION AND COMMUNICATION

External

Walsh Monaghan, Valuers

Herron Todd White, Valuers

Internal

Finance Division – In respect to GST considerations and asset capitalisation.

Infrastructure Planning and Strategy Division – In respect to asset management and planning.

Project Delivery Division – In respect to site suitability and site risk analysis.

PLANNING AND POLICY IMPACT

Community Strategic Plan	Delivery Program 2012-2017	Annual Plan 2015-16
Strategy	5 Year Action	Annual Deliverables
4.3.2 Quality district level services, libraries and facilities are available to local communities	4.3.2.2 Investigate the provision of a district level community and library centre for the southern suburbs	Determine site and develop brief for the Warrawong Library and Community Centre

Two independent valuations have been obtained from registered valuers as required in Council's Land and Easement Acquisition and Disposal Policy.

RISK ASSESSMENT

Council's risk in the proposed acquisition of this property is:

Value – In terms of the current policy two independent valuations have been obtained. The asking price is considered to be fair market value.

Building condition – While the intention is that the buildings on the site would eventually be demolished to facilitate the construction of the Community Centre and Library, a building condition report will be obtained to ensure that the properties are in a satisfactory position to continue to lease them as residential properties until the site is needed for construction.

Hazardous materials – While it is expected that due to their age, there will be some hazardous materials in the properties, a hazardous buildings materials survey will be carried out to ensure that this is at an acceptable level.

Site contamination – It is proposed that a basic site contamination assessment will be undertaken that will include a review of the history of uses, approvals and licences on the site.

FINANCIAL IMPLICATIONS

The purchase of this property will require an increase in the 2015-16 Capital Budget. It is proposed that the purchase be financed from identified savings in the Minor Budget Review.

At some time in the future, the improvements [houses] will be demolished which, based on current costs to demolish properties, would be around \$50-60,000 per property. This includes an allowance for demolition and removal of asbestos which is usually present in these older buildings.

An issue for consideration is the ongoing costs and the need to budget for these. They will include:

Rates - \$9,240 pa

Water - \$6,500 pa

Maintenance - \$15,000 pa

These costs will be offset by rents received which currently amount to \$104,260 pa.

Given that the properties are being purchased with a view to demolishing them, we have not made an allowance for depreciation. Funds will need to be identified in future budgets.

CONCLUSION

The identified property meets the assessment criteria to support the development of a Southern Suburbs Library and Community Centre. The properties are in a single ownership and a purchase price has been agreed that is considered to be fair market value.

ITEM 10 CROWN STREET MALL REFURBISHMENT ARTWORK

This report seeks Council's resolution to accept Mr Mike Hewson's offer to undertake the design, fabrication and installation of public art as part of the Crown Street Mall refurbishment.

RECOMMENDATION

- 1 Council resolve, because of extenuating circumstances, namely –
 - a the difficulty of acquiring art within the tendering framework of the Local Government Act 1993;
 - b Council's earlier unsuccessful attempt to procure suitable public art for the project through a traditional expression of interest and tender; and
 - c the difficulty in determining an appropriate public art designer shortlist;that a satisfactory result would not be achieved by inviting tenders again and accordingly Council accept the proposal from Mr Mike Hewson to design, fabricate and install the public art generally identified in "Illawarra Placed Landscape" for the sum of \$430,000 (excluding GST).
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

ATTACHMENTS

There are no attachments for this report

REPORT AUTHORISATIONS

Report of: Robert Ryan, Manager Project Delivery (Acting)
Authorised by: Mike Dowd, Director Infrastructure and Works – Connectivity, Assets and Liveable City (Acting)

BACKGROUND

In finalising the Crown Street Mall refurbishment project an allowance of \$500,000 was set aside for the procurement of public art to animate the public domain and replace deleted water and music play elements which were shown in the original concept designs.

In 2012 an expression of interest for design, creation and installation of public art for Crown Street Mall was widely advertised and Council received 33 submissions from interested artists. Four artists were invited to prepare concept designs and tender. The tender panel determined some of the elements of the submissions had merit; however,

no artist/tender had satisfactorily addressed the assessment criteria and project brief. On 10 December 2012 Council resolved to reject all tenders and engage a suitably qualified and experienced public art curator to assist Council in the procurement of public art to ensure the commissioned art work(s) have a:

- sympathetic relationship to the site, its community and retail context
- establish a coherent, sensitive and subtle sense of place
- express a unique character of place

Proposals were sought and a suitably qualified and experienced public art curator was engaged. The person selected was Barbara Flynn who was engaged by Council to provide the City Centre Manager Project Steering Committee (CCMPSC) with a list of suitable artists. The CCMPSC reviewed the artists suggested by the art curator and recommended four artists be invited to submit a proposal. A detailed project brief was prepared and invitations issued. Submissions from artists were reviewed by the art curator and presented to the CCMPSC for consideration. On Monday 19 October 2015, the CCMPSC resolved to support the art curator's recommendation and engage Mr Mike Hewson to undertake the design, fabrication and installation of public art as part of the Crown Street Mall refurbishment, as generally identified in his proposal of "Illawarra Placed Landscape".

The CCMPSC have delegation from Council for the delivery of the Crown Street Mall refurbishment; however, the Local Government Act 1993 1993 ("LG Act") and Council's procurement policy require that tenders be invited for all purchases over the value of \$150,000 (incl GST). However, tenders for contracts involving expenditure of \$150,000 or above do not have to proceed via tender where Council resolves, pursuant to section 55(3) of the LG Act, that because of extenuating circumstances a satisfactory result would not be achieved by inviting tenders.

In this instance, the extenuating circumstances are as identified above in the proposed recommendation.

In fundamental terms, and as revealed by the results of the 2012 tender project, the tendering requirements of the Local Government Act sit uneasily with the purchase of public art. By contrast with more traditional procurement of goods and services, the acquisition of appropriate public art brings into play often highly subjective interpretations and responses to briefs, as well as differing views on the success or failure of a given response to criteria nominated by Council.

In order to provide a more coherent guide through those layers of subjectivity, Council engaged a very experienced art curator to assist in the process. Appropriate governance oversight has been maintained throughout this more tailored process by:

- 1 requiring the establishment of a shortlist of artists;
- 2 requiring the artists who provided a response to have that presented to the CCMPSC;
- 3 having that Committee recommendation then placed before Council; and

- 4 this Council report addressing the extenuating circumstances required pursuant to section 55(3) of the Local Government Act 1993.

PROPOSAL

Council is requested to resolve as per the recommendation, and thus authorise the acceptance of Mr Mike Hewson's proposal to undertake the design, fabrication and installation of public art as part of the Crown Street Mall refurbishment in the amount of \$430,000 (excl GST).

CONSULTATION AND COMMUNICATION

Consultation has been undertaken with Council's General Counsel and Supply Chain and Logistics Manager who advised that a report to Council was the appropriate course of action.

Consultation has also been undertaken with Barbara Flynn (public art curator) and key Council staff in the development of the artist brief and the artist's submission.

PLANNING AND POLICY IMPACT

The Procurement Policy requires Council endorsement of any expenditure greater than \$150,000. The information and recommendations of this report has an impact on this issue.

This report contributes to the delivery of Wollongong 2022 goal "Wollongong is a creative, vibrant city". It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2012-2017	Annual Plan 2015-16
Strategy	5 Year Action	Annual Deliverables
3.2.2 Our cultural diversity and heritage is incorporated within our public spaces through signage and public art.	3.2.2.1 Encourage the integration of urban design and public art.	Deliver the Public Art Program.

RISK ASSESSMENT

The risk of the project works or services is considered medium based upon Council's risk assessment matrix and appropriate risk management strategies will be implemented.

FINANCIAL IMPLICATIONS

It is proposed that the total project be funded from the following source/s as identified in the Management Plan –

2015/2016 Capital Budget

The costs associated with the procurement of the public art are within the allowance of the Crown Street Mall project budget, as reported to Council on 14 September 2015.

CONCLUSION

Council should endorse the recommendations of this Report.

ITEM 11

EXTENSION OF FUNDING CONTRACT - SOCIAL SUPPORT SERVICES

This report provides advice regarding a funding contract extension for delivery of aged care services that has been offered to Wollongong City Council by the Commonwealth Department of Social Services. The report seeks Council endorsement for acceptance of the new contract with a planned transition out of the direct delivery of this service during the period of this funding.

RECOMMENDATION

- 1 Council endorse acceptance of the extension to the contract offered by the Department of Social Services, from 1 November 2015 to 31 June 2018.
- 2 Council prepare to transition out of the direct delivery of this service prior to 31 June 2018.

ATTACHMENTS

There are no attachments for this report

REPORT AUTHORISATIONS

Report of: Jenny Thompson, Manager Library and Community Services
Authorised by: Greg Doyle, Director Corporate and Community Services – Creative, Engaged and Innovative City

BACKGROUND

Wollongong City Council has directly delivered a range of care and support services to people in the community who are older and/or live with a disability, for more than 20 years. These services have been funded by grants from the Commonwealth and the NSW Government.

The Council of Australian Government embarked on long-term reform of Aged Services from 2012, while the National Disability Insurance Scheme (NDIS) commenced implementation from 2013. Over the next five to ten years, these reform programs will transform the aged and disability care sector through the introduction of client centred, market-driven and competitive service models. Agencies with existing funding agreements (including Council) will be required to re-tender for services or to become financially self-sufficient by implementing user pays, fee for service funding arrangements.

For this reason, Council is currently engaged in a change strategy in relation to future delivery of aged and disability services, with a view to seeking Council approval, in due course, to transition out of direct service delivery, via novation of funded services to suitable alternative providers, prior to mid 2018.

Council resolved, at its meeting of 22 June 2015: 1) to accept the contract offered by the NSW Department of Family and Community Services for funding for a period of three years, from 1 July 2015, with provision for the contract to be reviewed by 30 June 2017; 2) to accept the extension to the contract offered by Transport for NSW, for a period of one year from 1 July 2015; 3) to accept the contract offered by the Department of Social Services for ongoing funding of the Volunteering Illawarra program, for a period of one year from 1 July 2015.

Council has subsequently been offered an extension of its existing contract with the Commonwealth Department of Social Services, for the delivery of Social Support Services, for the period 1 November 2015 to 30 June 2018. The contract presents the opportunity to deliver best value to the Wollongong community, with new service models, processes and procedures to be introduced. This includes adjustments to outputs for programs which will require changes to staff and volunteer outputs and methods of work.

Acceptance of the contract will enable Council to continue to deliver services to the community while pursuing the longer-term objective of transitioning out of direct service delivery.

PROPOSAL

It is proposed that Council accepts the contract extension offered by the Commonwealth Department of Social Services, with the proviso that the contract could be terminated prior to 30 June 2018, subject to Council's decision regarding future delivery of aged and disability services.

The acceptance of funding for this program will include a review of the structure of Council's Social Support Services business unit, with a view to its structure, roles and responsibilities being re-shaped to create a more viable service delivery model aligned to the future funding environment.

PLANNING AND POLICY IMPACT

This report relates to the commitments of Council as contained within Wollongong 2022 Community Strategic Plan:

- **Community Goal 5: We are a healthy community in a liveable city:**
 - Objective 5.1 There is an increase in the physical fitness, mental health and wellbeing of all our residents.
 - Objective: 5.5 Participation in recreational and lifestyle activities is increased.

RISK ASSESSMENT

The chief risk in relation to acceptance of the offer of funding is that it may create an expectation of ongoing service delivery by Council. This will be mitigated by a clear and sustained communication strategy between 2016-2017, setting the context and plan for transition.

A second area of risk relates to capacity and capability of the current service structure to deliver the outcomes expected by the funding body. This will be addressed via a workforce change strategy.

FINANCIAL IMPLICATIONS

The contract offered to Council for delivery of Social Support Services is the same, in terms of the quantum of funding and expected outputs, as existing contracts. The new contract does not provide for indexation of funding, however it is anticipated that under the new National Fees Framework, increases in revenue will address this issue.

All services will continue to be delivered on a cost neutral basis to Council.

There will be no financial implications should the contract and letter of offer be accepted.

The quantum of funding on offer for the contract is outlined in Table 1, below:

Table 1: Contract Value/s by Service Stream

Funding contract/agency (WCC service)	Value of Contract (per annum; ex-GST)
Social Support - Group	\$ 208,353
Social Support - Individual	\$ 194,991
Flexible Respite	\$ 602,604
Centre Based Respite	\$ 95,244
Cottage Respite	\$ 12,987
Home Maintenance	\$ 32,627
Service System Development	\$ 58,031
TOTAL:	\$1,204,837

CONCLUSION

The services provided by Council to people in the community who are older and/or who have a disability are critical to enabling these citizens to maintain well-being and to participate in community life. Endorsement of the contract offered by the Department of Social Services will enable Council to continue to meet community needs, pending Council's decision regarding future direct delivery of aged and disability services.

ITEM 12

PLANNING PROPOSAL - WATERFALL GENERAL (GARRAWARRA) CEMETERY - POST EXHIBITION

On 14 July 2014, Council endorsed the Waterfall General (Garrawarra) Cemetery Conservation Management Plan and resolved to progress a minor Planning Proposal for Waterfall General (Garrawarra) Cemetery being Lot 4 DP 840501. The Proposal includes some minor adjustments to Schedule 5 and associated Heritage Map of the Wollongong Local Environmental Plan 2009. It aims to retain the current heritage listings, modify the item name for listing 61028, "Garrawarra Hospital Cemetery" to "Waterfall General (Garrawarra) Cemetery" and include Lot 3 DP 840501 and Lot 1 DP 1160404 in the item. The draft Planning Proposal is to expand the conservation area boundary to capture both items as well as the area in between within the Garrawarra Hospital Heritage Conservation Area, to reflect the relationship between them. The draft Planning Proposal was exhibited for 18 days from 24 August 2015 to 11 September 2015. Six submissions from public agencies and advice from the Wollongong Heritage Advisory Committee were received.

It is recommended that Council progress with the finalisation of the Planning Proposal documents for submission to the NSW Department of Planning and Environment and Parliamentary Counsel requesting a draft LEP be prepared and notified.

RECOMMENDATION

- 1 The draft Planning Proposal for Waterfall General (Garrawarra) Cemetery, Princes Highway, Helensburgh be progressed to finalisation, which proposes to amend the Wollongong Local Environmental Plan 2009 by:
 - a Amending the listing of Item 61028 in Schedule 5 – Environmental Heritage, Part 1:
 - i Changing the item name from "Garrawarra Hospital Cemetery", to "Waterfall General (Garrawarra) Cemetery* (means archaeological site)"; and
 - ii Updating the property description to include part Lot 3 DP 840501 and part Lot 1 DP 1160404 which form the curtilage;
 - b Amend the Heritage Map to expand the curtilage of Item 61028 to cover part of Lot 3 DP 840501 and part of Lot 1 DP 1160404 to reflect the Curtilage Map within the Waterfall General (Garrawarra) Cemetery Conservation Management Plan; and
 - c Amend the Heritage Map to expand the curtilage of the "Garrawarra Hospital Heritage Conservation Area" to include the "Waterfall General (Garrawarra) Cemetery".
- 2 The final Planning Proposal be referred to the NSW Department of Planning and Environment for the making of arrangements for drafting to give effect to the final proposal and finalisation. The Department be advised that Council does not wish to exercise its delegation as Council is the landowner.

ATTACHMENT

Draft Planning Proposal Heritage Items and Conservation Areas Map

REPORT AUTHORISATIONS

Report of: Renee Campbell, Manager Environment Strategy and Planning
Authorised by: Andrew Carfield, Director Planning and Environment – Future, City and Neighbourhoods

BACKGROUND

On 27 August 2012, Council considered a report on the Waterfall General (Garrawarra) Cemetery. Council resolved to develop a Conservation Management Plan for the site, and to further explore issues such as ownership, access and risk. Following these additional investigations, the outcomes of a community engagement process were considered by Council on 14 July 2014. Council endorsed *The Waterfall General (Garrawarra) Cemetery: Conservation Management Plan* and adopted the recommended management approach. Council also resolved that:

A draft Planning Proposal be prepared to amend the Wollongong Local Environmental Plan 2009, as follows:

- a *Amending the listing of Item 61028 in Schedule 5 – Environmental Heritage, Part 1 to:*
 - i *Change the item name from “Garrawarra Hospital Cemetery”, to “Waterfall General (Garrawarra) Cemetery”; and*
 - ii *Add Lot 3 DP 840501 and Lot 622 DP 752033 to the property description;*
- b *Amend the Heritage Map to expand the curtilage of Item 61028 to cover part of Lot 3 DP 840501 and part of Lot 1 DP1160404 to reflect the Curtilage Map within the Conservation Management Plan; and*
- c *Amend the Heritage Map to expand the curtilage of the “Garrawarra Hospital Heritage Conservation Area” to include the “Waterfall General (Garrawarra) Cemetery”.*

Following this resolution, a draft Planning Proposal was submitted to the NSW Department of Planning and Environment and a Gateway determination was issued on the 28 July 2015. The determination required public exhibition of the draft Planning Proposal for a minimum of 14 days and consultation with the following public authorities:

- Office of Environment and Heritage;
- Sydney Catchment Authority (Office of Water);
- NSW Rural Fire Service;
- NSW Health; and
- Department of Primary Industry (Crown Lands).

The draft Planning Proposal was exhibited from 24 August 2015 to 11 September 2015.

PROPOSAL

The draft Planning Proposal is intended to modify the current listing for Heritage Item 61028 by changing the item name to more accurately reflect the name of the site, as well as expanding the curtilage of the item in Schedule 5 and on the heritage map of the Wollongong LEP 2009 (see Attachment 1). In addition, the draft Planning Proposal intends to expand the curtilage of the Garrawarra Hospital Heritage Conservation Area, as identified on the Heritage Map of the *Wollongong Local Environmental Plan 2009* (Wollongong LEP 2009) to include the Cemetery site, and to more accurately reflect the historic extent of Waterfall Sanatorium (Garrawarra Hospital).

This will be done by changing the Wollongong LEP 2009 in an amendment with the following changes:

- 1 Amend the listing of Item 61028 in Schedule 5 – Environmental Heritage, Part 1 by:
 - i Changing the item name from “Garrawarra Hospital Cemetery*”, to “Waterfall General (Garrawarra) Cemetery* (means archaeological site)”; and
 - ii Adding Lot 3 DP 840501 and Lot 1 DP 1160404 to the property description, which form part of the Cemetery curtilage;
- 2 Amend the Heritage Map to expand the curtilage of Item 61028 to cover part of Lot 3 DP 840501 and part of Lot 1 DP 1160404, to reflect the Curtilage Map within the Conservation Management Plan; and
- 3 Amend the Heritage Map to expand the curtilage of the “Garrawarra Hospital Heritage Conservation Area” to include the “Waterfall General (Garrawarra) Cemetery”.

Since Council's resolution, Lot 622 DP 752033 (to the south of the Cemetery) has been amended by the Crown. The parcel of land is now known as Lot 1 DP 1160404. This has not changed the part of part Lot 1 DP 1160404 to be affected. Crown Lands also pointed out that the same Lot 1 DP 1160404 is also known as Crown Lot 7332 DP 1160404 (reserved for future public requirements) under the direct management of Department of Primary Industries – Lands (DPI). Before the instrument is made, the title will be confirmed with Land and Property Information (LPI) during the LEP drafting process.

CONSULTATION AND COMMUNICATION

The draft Planning Proposal was exhibited between 24 August and 11 September 2015. The exhibition was advertised in the Wollongong Advertiser and the Illawarra Mercury. Surrounding landholders (DPI Crown Lands and NSW Health) were provided with a copy of the exhibition materials as nominated by NSW Department of Planning and Environment.

Six submissions from public authorities were received. No submissions from community members were received.

The following table outlines the submissions received from public agencies.

Submitter	Issues	Response
<p>Department of Primary Industries - Lands</p>	<p>No objection to Planning Proposal.</p> <p>The wording needs to refer to part Lot 3 DP 840501 and part Lot 7332 DP 1160404.</p> <p>Any works proposed to be carried out including maintenance and entrance works will need authorisation from DPI – Lands tenure prior to works.</p> <p>DPI – Lands does not support any re-establishment of Radiata Pine at the site as the species is invasive and likely to ingest the surrounding Crown land and National Park.</p>	<p>Noted.</p> <p>Noted this will be included in the finalisation process.</p> <p>Noted.</p> <p>Noted. The Conservation Management Plan does not propose the re-planting of Radiata pine trees anywhere.</p>
<p>Department of Primary Industries – Cemeteries and Crematoria NSW</p>	<p>No objection. Once listed please update this sites status on the State Cemetery Register at ccnsw.info@cemeteries.nsw.gov.au</p>	<p>Noted.</p>
<p>Office of Environment and Heritage – Heritage Council of NSW</p>	<p>No objection is raised to the Planning Proposal.</p>	<p>Noted.</p>
<p>Water NSW (Sydney Water)</p>	<p>While the site adjoins Woronora Special Area the proposal will not directly affect the area.</p> <p>WaterNSW has no such objections to the proposed amendments.</p> <p>WaterNSW’s key interest is in future management of the Cemetery site.</p> <p>WaterNSW maintains an access track within the eastern bounds of Lot 1 DP830604 within Schedule 1 lands of the Woronora Special Area land and is used by WaterNSW for land management activities.</p> <p>The <i>Water NSW Regulation 2013</i> provides for WaterNSW to issue consents to enter Schedule 1 lands in</p>	<p>Agreed.</p> <p>Noted.</p> <p>Council will consult with WaterNSW as management plans are scheduled and implemented.</p> <p>Council is aware there are issues around legal access.</p> <p>Council will liaise further with WaterNSW regarding future plans for site management</p>

Submitter	Issues	Response
	<p>some instances. It is an offence to enter without consent.</p> <p>Public Access to Garrawarra Cemetery has potential to impact unauthorised access to the Woronora Special Area. Request Council liaise further with WaterNSW about any proposal to change access arrangements.</p>	<p>and any plans for access to discuss consents and conditions further.</p>
NSW Rural Fire Service	<p>Raised 'no concerns or issues in relation to bush fire'.</p>	<p>Noted.</p>
NSW Department of Health	<p>Based on understanding that there is no additional impact on the NSW Health owned land, there is no objection to Council's proposal.</p>	<p>Noted.</p>

The Wollongong Heritage Advisory Committee considered the Planning Proposal at its meeting of 9 September 2015. The required quorum was not met for a formal resolution in relation to this matter. However, the matter was discussed generally amongst the members present. These members all supported the proposal and felt that the draft Planning Proposal was consistent with the resolution of the Wollongong Heritage Advisory Committee from its meeting of the 13 November 2013. Given this positive response, and the earlier resolution of the Committee, it is not considered necessary to re-report the matter to the Wollongong Heritage Advisory Committee for formal resolution as it is clear that the Membership are supportive of the intent of the Planning Proposal.

PLANNING AND POLICY IMPACT

This report contributes to the Wollongong 2022 objective '*The sustainability of our urban environment is improved*' and the community goal '*We value and protect our environment*'.

It specifically addresses the Annual Plan 2015-16 key deliverables '*Assess rezoning submissions on a priority basis and progress supported Planning Proposals*' which forms part of the Five Year Action 5.1.5.1 *Continue to undertake social land use and environmental planning activities that assist in service planning* contained within the Revised Delivery Program 2012-17.

CONCLUSION

The draft Planning Proposal concerns minor adjustments to the Waterfall General (Garrawarra) Cemetery Heritage Site and the Garrawarra Heritage Conservation Area to better reflect the curtilage and extent of the heritage significance. The Proposal includes some minor adjustments to Schedule 5 and the associated Heritage Map of the Wollongong Local Environmental Plan 2009.

The draft Planning Proposal was exhibited for 18 days between 24 August 2015 and 11 September 2015. There were no objections to the draft Planning Proposal. Therefore it is recommended that Council support the draft Planning Proposal as exhibited and proceed with finalisation drafting and notification of amendment to the Wollongong Local Environmental Plan 2009.

ITEM 13

TENDER T15/28 DESIGN, CONSTRUCTION, SUPPLY, DELIVERY AND INSTALLATION OF A DEMOUNTABLE TRANSPORTABLE BUILDING PURPOSE BUILT FOR THE USE OF A CAMP KITCHEN - CORRIMAL TOURIST PARK

This report recommends acceptance of a tender for the design, construction, supply, delivery and installation of a demountable transportable building purpose built for the use of a camp kitchen – Corrimal Beach Tourist Park in accordance with the requirements of the Local Government Act 1993 and the Local Government (General) Regulation 2005. This demountable structure was identified as a requirement as part of the Corrimal Beach Tourist Park Draft Master Plan.

Five tenders were received, one of which was non-conforming. This report recommends Council accept the tender submitted by Uniplan Group Pty Ltd.

RECOMMENDATION

- 1 In accordance with the Local Government (General) Regulation 2005, Clause 178 (1) (a), Council accept the tender of Uniplan Group Pty Ltd for the design, construction, supply, delivery and installation of a demountable transportable building purpose built for the use of a camp kitchen, in the sum of \$136,600.00 excluding GST.
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

ATTACHMENT

Location Plan

REPORT AUTHORISATIONS

Report of: Robert Ryan, Manager Project Delivery (Acting)
Authorised by: Mike Dowd, Director Infrastructure and Works – Connectivity, Assets and Liveable City (Acting)

BACKGROUND

As part of the draft Master Plan for Corrimal Beach Tourist Park, the camp kitchen was highlighted as an improvement/modernisation required for camping patrons using the park. This facility is provided, so that the patrons have cooking facilities, protected from the weather. This facility can be used as part of their camping holiday experience.

Tenders were invited by the open tender method with a close of tenders of 10.00 am on Tuesday 13 October 2015.

Five tenders were received by the close of tenders, one of which was considered non-conforming. All other tenders have been scrutinised and assessed by a Tender Assessment Panel constituted in accordance with Council's Procurement Policies and Procedures and comprising representatives of the Finance, Infrastructure and Works, Governance and Information, Property and Recreation, Human Resources Divisions.

The Tender Assessment Panel assessed all tenders in accordance with the following assessment criteria and weightings as set out in the formal tender documents:

Assessable Criteria and Weightings

- 1 Cost to Council – 30%
- 2 Demonstrated Strengthening of Local Economic Capacity – 5%
- 3 Appreciation of Scope of Works and Construction Methodology – 20%
- 4 Demonstrated Experience and Satisfactory Performance in Undertaking Projects of Similar Size and Scope – 20%
- 5 Demonstrated WH & S Management System – 10%
- 6 Environmental Management Policies and Procedures – 5%
- 7 Project Schedule – 10%

The Tender Assessment Panel utilised a weighted scoring method for the assessment of tenders which allocates a numerical score out of 5 in relation to the level of compliance offered by the tenders to each of the assessment criteria as specified in the tender documentation. The method then takes into account pre-determined weightings for each of the assessment criteria which provides for a total score out of 5 to be calculated for each tender. The tender with the highest total score is considered to be the tender that best meets the requirements of the tender documentation in providing best value to Council. Table 1 below summarises the results of the tender assessment and the ranking of tenders.

TABLE 1 – SUMMARY OF TENDER ASSESSMENT

Tenderer	Ranking
Uniplan Group Pty Ltd	1
BRB Modular Pty Ltd	2
ATCO Structures and Logistics Pty Ltd	3
Marathon Modular Group Pty Ltd	4
Krautz & Summerill Pty Ltd	Non Conforming

PROPOSAL

Council should authorise the engagement of Uniplan Group Pty Ltd to carry out the Design, Construction, Supply, Delivery and Installation of a Demountable Transportable Building Purpose Built for the use of a Camp Kitchen – Corrimal Beach Tourist Park in accordance with the scope of works and technical specifications developed for the project.

The recommended tenderer has satisfied the Tender Assessment Panel that it is capable of undertaking the works to Council's standards and in accordance with the technical specification.

Referees nominated by the recommended tenderer have been contacted by the Tender Assessment Panel and expressed satisfaction with the standard of work and methods of operation undertaken on their behalf.

CONSULTATION AND COMMUNICATION

- 1 Members of the Tender Assessment Panel
- 2 Nominated Referees

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal "We are a healthy community in a liveable city". It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2012-2017	Annual Plan 2015-16
Strategy	5 Year Action	Annual Deliverables
5.1.5 The long term needs of the Community including our people and our places, are effectively planned for.	5.1.5.2 Carry out commercial business management of Council's operational lands.	Manage Council's commercial businesses to maximise return at Corrimal, Bulli and Windang Tourist Parks, Beaton Park Leisure Centre and Wollongong Memorial Gardens.

RISK ASSESSMENT

The risk in accepting the recommendation of this report is considered low on the basis that the tender process has fully complied with Council's Procurement Policies and Procedures and the Local Government Act 1993.

The risk of the project works or services is considered low based upon Council's risk assessment matrix and appropriate risk management strategies will be implemented.

FINANCIAL IMPLICATIONS

It is proposed that the total project be funded from the following source as identified in the Management Plan –

Capital Budget 2015/2016

CONCLUSION

Council should endorse the recommendations of this Report.

ITEM 14

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 - POST ADVERTISING

This report is provided to formally present Council's Financial Statements for the year ended 30 June 2015, together with the Auditor's Report to the public, in accordance with Section 419 of the Local Government Act 1993 (as amended).

RECOMMENDATION

The audited Financial Statements for the year ended 30 June 2015, together with the Auditor's report, be presented to the public.

ATTACHMENT

Annual Financial Statements for the year ended 30 June 2015

REPORT AUTHORISATIONS

Report of: Brian Jenkins, Manager Finance
Authorised by: Greg Doyle, Director Corporate and Community Services, Creative, Engaged and Innovative City

BACKGROUND

Council's Auditors, PricewaterhouseCoopers, addressed the Council meeting of 19 October 2015, outlining the financial result for the year ended 30 June 2015 as reflected in the Financial Statements. Council resolved that the audited Financial Statements and the Auditor's Report be presented to the public at this Council meeting.

Public Notice of the presentation of the audited Financial Statements at this meeting was given in *The Advertiser* on 21 October 2015 and was also on Council's web site from 21 October 2015. The public notice was in accordance with Section 418 of the Local Government Act 1993 (as amended).

Copies of the audited Financial Statements are available for inspection by members of the public at Council's Administration Building and any person can make written submissions to Council with respect to the Statements within the next seven day period. Any submissions received will be subsequently reported to Council.

PROPOSAL

The audited Financial Statements for the year ended 30 June 2015, together with the Auditor's Report, be presented to the public at this Council meeting.

CONSULTATION AND COMMUNICATION

The Audit Manager and staff of PricewaterhouseCoopers have been consulted throughout the preparation of the Annual Financial Statements.

Executive, senior managers and relevant senior officers were requested to ensure that all appropriate information with regards to the 2014-15 transactions relating to their area/s of responsibility had either been entered into the financial records or disclosed.

The Annual Financial Statements were presented to the Audit Committee on 1 September 2015 and to Council on 19 October 2015.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal '*We are a connected and engaged community*'. It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2012-17	Annual Plan 2015-16
Strategy	5 Year Action	Annual Deliverables
4.4.5 Finances are managed effectively to ensure long term financial sustainability	4.4.5.1 Effective and transparent financial management systems are in place	Provide accurate and timely financial reports monthly, quarterly and via the annual financial statement
		Continuous Budget Management is in place, controlled and reported
		Manage and further develop compliance program
		Monitor and review achievement of Financial Strategy

RISK ASSESSMENT

The Annual Financial Statements are required to be prepared in accordance with the Local Government Act 1993 (as amended), the Local Government Code of Accounting Practice and Financial Reporting and the Australian Accounting Standards. Council has professionally qualified staff to ensure compliance with the reporting requirements. Council staff has also undertaken additional training in specialised areas. A higher level of assurance is attained from Council's auditors, PricewaterhouseCoopers.

Further to this, Council's Executive, senior management and relevant senior officers each signed a document giving the necessary assurances that:

- 1 No matters or occurrences have come to their attention in respect to their areas of responsibility that would materially affect the Financial Statements or disclosures therein, or which are likely to materially affect the future results or operations of the Council.
- 2 Should any such matters or occurrences come to their attention after the date of signing the document, the Manager Finance will be immediately advised.

Consequently, there is considered to be a low risk of any material errors or omissions in reporting.

CONCLUSION

The audited Financial Statements for the year ended 30 June 2015, together with the Auditor's Report, are available for presentation to the public at this meeting

ITEM 15 SEPTEMBER 2015 FINANCIALS

The result for the year to date September is favourable compared to phased budget over some indicators. The Operating Result [pre capital] is favourable by \$1.6M while the Funds Result shows a favourable variance compared to the phased budget of \$6.2M.

The Cash Flow Statement at the end of the period indicates that there is sufficient cash to support external restrictions.

The reports and variances presented do not include the adjustments proposed at the September Quarterly Review.

Council has expended \$12.5M on its capital works program representing 14% of the annual budget. The year to date budget for the same period was \$16.5M.

RECOMMENDATION

- 1 The report be received and noted.
- 2 Proposed changes in the Capital Works Program be approved.

ATTACHMENTS

- 1 Income, Expense and Funding Statement – September 2015
- 2 Capital Project Report – September 2015
- 3 Balance Sheet – September 2015
- 4 Cash Flow Statement – September 2015

REPORT AUTHORISATIONS

Report of: Brian Jenkins, Manager Finance
Authorised by: Greg Doyle, Director Corporate and Community Services – Creative, Engaged and Innovative City

BACKGROUND

This report presents the Income and Expense Statement, Balance Sheet and Cash Flow Statement for September 2015. Council's current budget has a Net Funding (cash) deficit of \$3.1M, an Operating Deficit [Pre Capital] of \$6.4M and a capital expenditure of \$90.1M. At the end of September, Council remains on target to the operational components of this result.

The following table provides a summary view of the organisation's overall financial results for the year to date.

FORECAST POSITION		Original Budget	Revised Budget	YTD Forecast	YTD Actual	Variation
KEY MOVEMENTS		1-Jul	25-Sep	25-Sep	25-Sep	
Operating Revenue	\$M	249.5	249.5	58.9	60.3	1.4
Operating Costs	\$M	(255.9)	(255.9)	(61.2)	(61.1)	0.2
Operating Result [Pre Capital]	\$M	(6.4)	(6.4)	(2.3)	(0.7)	1.6
Capital Grants & Contributions	\$M	14.5	14.5	3.3	3.8	0.5
Operating Result	\$M	8.1	8.1	1.0	3.1	2.1
Operational Funds Available for Capital	\$M	48.2	48.2	12.1	12.3	0.2
Capital Works		86.3	90.1	16.5	12.5	4.0
Contributed Assets		-	-	-	-	-
Transfer to Restricted Cash		-	-	-	-	-
Funded from:						
- Operational Funds	\$M	48.2	48.2	12.1	12.3	0.2
- Other Funding	\$M	34.9	38.7	5.1	6.3	1.2
Total Funds Surplus/(Deficit)	\$M	(3.1)	(3.1)	0.7	6.9	6.2

Financial Performance

The September 2015 Operating Result [pre capital] shows a positive variance compared to budget of \$1.6M. This variation includes the reimbursement of \$0.8M for a water main replacement undertaken as part of the Crown Street upgrade during 2014/15 and a range of other variations.

Funds Result

The Total Funds result as at 25 September 2015 shows a positive variance of \$6.2M. This includes the flow on of the positive operating result and lower expenditure on Council funded capital works compared to phased budget.

Capital Budget

As at 25 September 2015, Council had expended \$12.5M or 14% of the approved annual capital budget of \$90.1M. Further detail regarding the capital spend is outlined in the capital report in Attachment 2.

Liquidity

Council's cash and investments increased during September 2015 to holdings of \$161.5M compared to \$158.7M at the end of August 2015. This reflects normal trends for this time of the year as Council's first rate instalment was due in August.

Council's cash, investments and available funds positions for the reporting period are as follows:

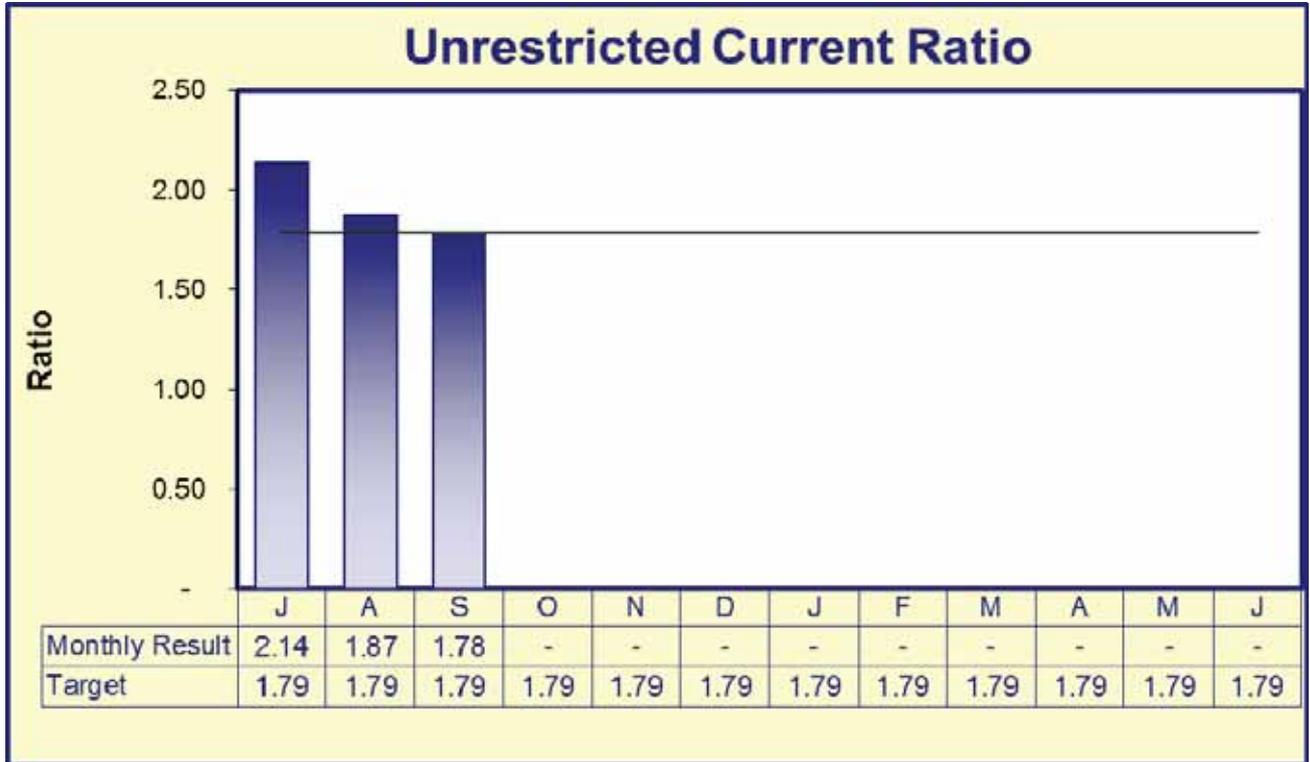
CASH, INVESTMENTS & AVAILABLE FUNDS			
	Actual 2014/15	Original Budget 2015/16	Actual Ytd 25 September 2015
	\$M	\$M	\$M
Total Cash and Investments	144.7	118.8	161.5
Less Restrictions:			
External	77.7	62.6	72.8
Internal	42.0	43.5	47.3
Total Restrictions	119.7	106.1	120.1
Available Cash	25.0	12.7	41.4
Adjusted for :			
Current payables	(29.9)	(23.0)	(42.9)
Receivables	26.4	29.5	30.0
Net Payables & Receivables	(3.4)	6.5	(12.9)
Available Funds	21.6	19.2	28.5
*Original budget adjusted for 2014/15 result			

The available funds position excludes restricted cash. External restrictions are funds that must be spent for a specific purpose and cannot be used by Council for general operations. Internal restrictions are funds that Council has determined will be used for a specific future purpose.

Based on the end of year results for 2014-15, the adjusted Available Funds forecast is now above Council's Financial Strategy target of 3.5% to 5.5% of Operational Revenue [pre capital]. Based on the Adopted 2015-16 Annual Plan, the target Available Funds is between \$8.7M and \$13.7M for year ending 30 June 2015. The actual Available Funds at 25 September 2015 are impacted by the favourable result for the previous year and the progress of planned expenditure to date. Council will reconsider the Available Funds requirements and resourcing opportunities for future periods through the annual planning process.

The Available Funds position, together with additional funds held as restricted cash, offer opportunity to review delivery programs or projects in the short to medium term through the strategic management cycle.

The Unrestricted Current Ratio measures the cash/liquidity position of an organisation. This ratio is intended to disclose the ability of an organisation to satisfy payment obligations in the short term from the unrestricted activities of Council. Council's current ratio is above the Local Government Benchmark of >2:1, however, the strategy is to maximise the use of available funds for asset renewal by targeting a lean unrestricted current ratio.



Receivables

Receivables are the amount of money owed to Council or funds that Council has paid in advance. At September 2015, receivables totalled \$22.7M, compared to receivables of \$23.6M at September 2014. Fluctuations relate to the timing of rates payments which are accrued before the actual payments are due, and a high level of prepayments (shown as 'Other' on the Balance Sheet) reflecting payments made in advance.

Payables

Payables (the amount of money owed to suppliers) of \$43.0M were owed at September 2015 compared to payables of \$30.9M in September 2014. The difference in payables relate to goods and services and capital projects delivered but not yet paid for, rating income received in advance and timing of the Financial Assistance Grant payments. The first two quarterly instalments of the Financial Assistance Grant (\$7.2M) were paid in advance in July.

Debt

Council continues to have financial strength in its low level of borrowing. The industry measure of debt commitment is the Debt Service Ratio that measures the proportion of revenues that is required to meet annual loan repayments.

Council's Financial Strategy includes provision for additional borrowing in the future and Council will consider borrowing opportunities from time to time to bring forward the completion of capital projects where immediate funding is not available. In 2009-10, Council borrowed \$26M interest free to assist in the delivery of the West Dapto Access Plan. Council has also been successful in securing loan funds under the Local

Government Infrastructure Renewal Scheme of \$20M in 2012-13 and \$4.3M in 2013-14 that will be used over a five year period to accelerate the Citywide Footpaths and Shared Path Renewal and Missing Links Construction Program and building refurbishment works for Berkeley Community Centre, Corrimal Library and Community Centre and Thirroul Pavilion and Kiosk respectively. A further \$15M has been drawn down during February under Round Three of this program that provides a subsidy of 3%. The additional loan funds will be used to support the West Dapto Access – Fowler’s Road to Fairwater Drive project. Council’s Debt Service Ratio forecast for 2015-16 is approximately 1.9% which is still below Council’s target of 4% and remains low in comparison to the Local Government’s benchmark ratio of <10%.

It is noted that non-cash interest expense relating to the amortisation of the income recognised on the West Dapto Access Plan Loan is not included when calculating the Debt Service Ratio.

Assets

The Balance Sheet shows that \$2.4B of assets are controlled and managed by Council for the community as at 25 September 2015. The 2015-16 capital works program includes projects such as the Cordeaux Road shared path, Berkeley Community Centre upgrade, civil asset renewals including roads, car parks and buildings and purchase of library books. At the end of September, capital expenditure amounted to \$12.5M.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal ‘We are a connected and engaged community’. It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2012-17	Annual Plan 2015-16
Strategy	5 Year Action	Annual Deliverables
4.4.5 Finances are managed effectively to ensure long term financial sustainability	4.4.5.1 Effective and transparent financial management systems are in place	Provide accurate and timely financial reports monthly, quarterly and via the annual financial statement
		Continuous Budget Management is in place, controlled and reported
		Manage and further develop compliance program
		Monitor and review achievement of Financial Strategy

CONCLUSION

The results for September 2015 are generally within projections over a range of financial indicators and it is expected that Council will achieve the forecast annual results.

ITEM 16 STATEMENT OF INVESTMENTS - SEPTEMBER 2015

This report provides an overview of Council's investment portfolio performance for the month of September 2015.

Council's average weighted return for September 2015 was 2.43% which was above the benchmark return of 2.10%. The result was primarily due to solid returns received on term deposits and the positive marked to market valuation of the CBA Zero Coupon Bond. The remainder of Council's portfolio continues to provide a high level of consistency in income and a high degree of credit quality and liquidity.

RECOMMENDATION

Council receive the Statement of Investments for September 2015.

ATTACHMENTS

- 1 Statement of Investments – September 2015
- 2 Investment Income Compared to Budget 2015-16

REPORT AUTHORISATIONS

Report of: Brian Jenkins, Manager Finance
Authorised by: Greg Doyle, Director Corporate and Community Services, Creative, Engaged and Innovative City

BACKGROUND

Council is required to invest its surplus funds in accordance with the Ministerial Investment Order and Division of Local Government guidelines. The Order reflects a conservative approach and restricts the investment types available to Council. In compliance with the Order and Division of Local Government guidelines, Council adopted an Investment Policy on 13 August 2012. The Investment Policy provides a framework for the credit quality, institutional diversification and maturity constraints that Council's portfolio can be exposed to. Council's investment portfolio was controlled by Council's Finance Division during the period to ensure compliance with the Investment Policy. Council's Governance Committee's role of overseer provides for the review of the Council's Investment Policy and Management Investment Strategy.

Council's Responsible Accounting Officer is required to sign the complying Statements of Investments contained within the report, certifying that all investments were made in accordance with the Local Government Act 1993 and the Local Government Regulation 2005.

Council's investment holdings as at 25 September 2015 were \$161,028,242 (Statement of Investments attached) [26 September 2014 \$122,892,029].

During September, Council posted a weighted average return of 2.43% (annualised) compared to the benchmark return of 2.10% (annualised Bloomberg Bank Bill Index). The result was primarily due to solid returns received on term deposits and the positive marked to market valuation of the CBA Zero Coupon Bond. The remainder of Council's portfolio continues to provide a high level of consistency in income and a high degree of credit quality and liquidity.

At 25 September 2015, year to date interest and investment revenue of \$1,069,763 was recognised compared to the year to date budget of \$889,684.

Council's CBA Zero Coupon Bond recorded an increase in value for September of \$16,000. The valuation methodology used by Laminar (Council's investment consultants) discounts the bond using a margin for a straight four year CBA obligation but also considers the illiquidity premium, this being a restructured deal and there being limited bids on the security. As this bond gradually nears maturity, movements in interest rates and liquidity will have less of an impact on the securities valuation. While there will be short term fluctuations along the way, the investments valuation will gradually increase to its \$4M maturity value. During the month, Council purchased a four year \$1M Bendigo Bank floating rate note. Council's four floating rate notes had a net decrease in value of \$31,500 for September.

Council holds two Mortgaged Backed Securities (MBS) that recorded an increase in value of \$5,856 for September. These investments continue to pay higher than normal variable rates. While the maturity dates are outside Council's control, the investment advisors had previously indicated that capital is not at risk at that stage and recommended a hold strategy due to the illiquid nature of the investment.

The NSW T-Corp Long-Term Growth Facility recorded a decrease in value of \$24,042 in September. The fluctuation is a reflection of the current share market volatility both domestically and internationally.

During the September 2015 RBA meeting, the official cash rate remained unchanged at 2.00%. The RBA has advised that it would continue to assess the outlook and adjust policy as needed to foster sustainable growth in demand and inflation outcomes consistent with the inflation target over time. The current inflation rate is consistent with the 2 to 3% target.

This report complies with Council's Investment Policy which was endorsed by Council on 13 August 2012. Council's Responsible Accounting Officer has signed the complying Statements of Investments contained within the report, certifying that all investments were made in accordance with the Local Government Act 1993 and the Local Government Regulation 2005.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal '*We are a connected and engaged community*'. It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2012-17	Annual Plan 2015-16
Strategy	5 Year Action	Annual Deliverables
4.4.5 Finances are managed effectively to ensure long term financial sustainability	4.4.5.1 Effective and transparent financial management systems are in place	Provide accurate and timely financial reports monthly, quarterly and via the annual financial statement
		Continuous Budget Management is in place, controlled and reported
		Manage and further develop compliance program
		Monitor and review achievement of Financial Strategy

ITEM 17

CITY OF WOLLONGONG TRAFFIC COMMITTEE MEETING HELD 28TH OCTOBER 2015

A meeting of the City of Wollongong Traffic Committee was held on 28 October 2015.

Items 1 – 10 and Items 14 – 15 have been adopted by Council through delegated authority.

Items 11 - 13 of the meeting must be determined by Council and are recommended to Council for approval for the temporary regulation of traffic on public roads for works or events by independent parties.

RECOMMENDATION

In accordance with the powers delegated to Council, the minutes and recommendations of the City of Wollongong Traffic Committee Meeting held on 28 October 2015 in relation to Regulation of Traffic be adopted.

ATTACHMENTS

- 1 Council's Standard Conditions for Road Closures
- 2 Council's Standard Conditions for Street Parties
- 3 Traffic Management Plan – Greenacres Mountain 2 Mountain Event
- 4 Traffic Management Plan – KidzWish Christmas Party

REPORT AUTHORISATIONS

Report of: Martin Parmenter, Manager - Infrastructure Strategy and Planning (Acting)

Authorised by: Mike Dowd, Director Infrastructure and Works – Connectivity, Assets and Liveable City (Acting)

REGULATION OF TRAFFIC

1 MT OUSLEY, MT KEIRA, MT KEMBLA Greenacres Mountain 2 Mountain Event - 2016

Background

Greenacres Disability Services are planning to hold a fundraising walk 'Mountain 2 Mountain' in 2016 on the 31 July 2016. The event will be similar to the first event held in August 2015 and involves walkers using a route from the Mount Keira Road entrance of Edmund Rice College to the Bowling Club on Harry Graham Drive, Kembla Heights.

Road closures will be in place on Mount Keira Road from Hurt Street to Picton Road for the period 7 am to 11 am on the day. Closures will be in place on the cross streets Yellagong Street, Spring Street, Allen Street, Yates Avenue, Gipps Road, Queen Elizabeth Drive and Clive Bissell Drive. Once participants have

cleared the intersection of Mount Keira Road and Harry Graham Drive, these closures will be removed.

The road closure on Harry Graham Drive will be in place from 7 am to 3 pm on the day and includes a closure on Cordeaux Road at Araluen Avenue. The organisers will permit residents to access Gipps Road and Allen Streets Mount Keira, and the southern end of Harry Graham Drive south of Church Lane, Kembla Heights, under escort when safe to do so. It is understood the organisers will contact the residents and property owners of Harry Graham Drive to manage their access needs on the day. There are alternative routes available for drivers wishing to access the other residential areas.

This event will involve an adjustment to the bus route so that the section of Mount Keira Road between Spring Street and Allen Street can be avoided. Buses will still use the Spring Street/Mount Keira Road intersection however diverts via Keira Street, Mount Keira.

In the event of emergencies, the organisers will suspend the event to permit access. Prior to 3pm the organisers have arranged for mini buses to follow the event and collect the slower participants to ensure that all roads are reopened by 3pm.

Proposal

The proposed road closures be approved subject to Council's Standard Conditions for Road Closures (Attachment 1) and the submitted traffic management plans (Attachment 3).

2 KEIRAVILLE

Shoobert Crescent – Annual Community Street Party

Background

Council has received a request from residents in Shoobert Crescent for a partial road closure to hold their annual community street party on Sunday 13 December from 3pm to 6pm. The length of Shoobert Crescent required extends from the corner of Murphy's Avenue to the corner of Harkness Avenue. Diversion of traffic around the closure is expected to have minimal inconvenience upon drivers.

Proposal

The proposed road closure be approved subject to Council's Standard Conditions for Street Parties (Attachment 2).

3 WOLLONGONG

Harbour Street – KidzWish Christmas Party, Thursday 19 November 2015, WIN Entertainment Centre

Background

The WIN Sports and Entertainment Centre is hosting the Annual KidzWish Christmas Party on Thursday 19 November 2015. A large number of children and carers are expected to attend. The proposed closures of the south bound lane of

Harbour Street between Crown and Burelli Streets, and a full closure of Harbour Street between Stewart and Burelli Streets will assist in the management of such large numbers of attendees. The closures and traffic controls will be in place from 9.30 am to 2.30 pm and involve the diversion of outbound bus services from Marine Drive to Corrimal Street (via Crown Street) and then to Burelli Street and the normal routes thereafter.

The time of the closure will avoid the afternoon and morning peak traffic flows and the impact on the road network is expected to be minimal. The bus operators have agreed to the diversion arrangements as the impact on bus services is negligible. The event organisers are aware that concurrent approval from NSW Roads and Maritime Services will be required as the signalised intersection of Crown and Harbour Streets will be affected.

Proposal

The road closures be approved subject to Councils Standard Conditions for Road Closures (Attachment 1) and the submitted Traffic Management Plans (Attachment 4).

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal under the objective Community Goal 6 – We have sustainable, affordable and accessible transport.

It specifically delivers on core business activities as detailed in the Transport Services Plan 2015–16.

ITEM 18 EXTRAORDINARY COUNCIL MEETING AGENDA - 7 DECEMBER 2015

On 14 September 2015 Council resolved that an Extraordinary Council meeting be held at 6.00 pm on 7 December 2015, as part of Illawarra 200 activities.

RECOMMENDATION

The agenda for the Extraordinary Council Meeting on 7 December 2015 be endorsed.

ATTACHMENTS

There are no attachments for this report.

REPORT AUTHORISATIONS

Report of: David Farmer, General Manager

BACKGROUND

On 14 September 2015 Council resolved that an Extraordinary Council meeting be held at 6.00 pm on 7 December 2015 as part of Illawarra 200 activities. Illawarra 200 involves a program of events marking 200 years of European settlement in Wollongong.

PROPOSAL

It is proposed that the meeting follow the agenda listed below:

Order of Business

- 1 Welcome to Country and Indigenous presentation
- 2 Civic Prayer
- 3 Apologies
- 4 Disclosures of Pecuniary Interest
- 5 Presentations
- 6 Lord Mayoral Minute
- 7 Notice of Motion(s)

Due to the meeting being held in the old Council Chamber (Bluescope Room, Wollongong Art Gallery) it will not be broadcast live via the internet.

CONSULTATION AND COMMUNICATION

Wollongong Bicentenary Committee.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 Goal “3 Wollongong is a creative, vibrant city”. It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2012-2017	Annual Plan 2015-16
Strategy	5 Year Action	Annual Deliverables
3.3.1 Signature events and festivals are held across the city	3.3.1.4 Plan for and host culturally sensitive events and programs celebrating the bicentenary of European settlement in Wollongong across 2015-16.	Deliver a program of events to be held in commemoration of 200 years of European settlement in Wollongong.

FINANCIAL IMPLICATIONS

Costs will be met within existing operational budgets.

CONCLUSION

The Illawarra 200 project, under the guidance of the Wollongong Bicentenary Committee, provides the platform to acknowledge our shared history, while embracing our future as a growing and diverse community. An event such as a Commemorative Council Meeting is an appropriate way to mark and formalise this period in time.



MINUTES

ORDINARY MEETING OF COUNCIL

at 6.00 pm

Monday 19 October 2015

Present

Lord Mayor – Councillor Bradbery OAM (in the Chair), Councillors Kershaw, Connor (until 9.51 pm), Brown, Takacs, Martin, Merrin, Blicavs, Dorahy, Colacino, Crasnich, Curran and Petty

In Attendance

General Manager – D Farmer, Director Corporate and Community Services – Creative, Engaged and Innovative City – G Doyle, Director Infrastructure and Works – Connectivity, Assets and Liveable City (Acting) – M Dowd, Director Planning and Environment – Future, City and Neighbourhoods – A Carfield, General Counsel – J Reilly, Manager Finance – B Jenkins, Manager Property and Recreation – P Coyte, Manager Environmental Strategy and Planning – R Campbell, Manager Community Cultural and Economic Development – K Hunt and Manager City Works and Services (Acting) – T Subotic

INDEX

	PAGE NO.
Disclosures of Interest	1
Award for Excellence in Road Safety Engineering – Mt Keira Road Remediation Works – IPWEA Conference	1
Confirmation of Minutes of Ordinary Meeting of Council held on Monday, 14 September 2015	2
Confirmation of Minutes of Closed Council Session held on Monday, 14 September 2015	2
Public Access Forum - Greenhouse Gas Emission Reduction Target	2
Public Access Forum – Creative Industries	3
Call of the Agenda	4
Suspension of Standing Orders.....	4
ITEM 1 Annual Financial Statements for the Year Ended 30 June 2015	4
ITEM A Notice of Motion – Councillor Merrin – Greenhouse Gas Emission Reduction Targets	6
ITEM B Item Laid on Table on 14 September 2015 – West Dapto Urban Release Area – Yallah-Marshall Mount Precinct – Infrastructure Costs	8
ITEM 2 Draft Planning Proposal for Lot 6500 DP 1083715 Horse Paddock Site, West of Edgewood Estate, Rixons Pass Road, Woonona	10
ITEM 3 West Dapto Section 94 Development Contributions Plan (2015) – Interim Review – Post Exhibition	11
ITEM 4 West Dapto Urban Release Area – Draft Neighbourhood Plan and Planning Proposal for West Dapto Road and Sheaffes Road, Kembla Grange – Post Exhibition.....	11
ITEM 5 Planning Proposal: Shone Avenue and West Dapto Road, Horsley – Post Exhibition.....	12
ITEM 6 Proposed Alcohol Prohibited Park, The Drive, Stanwell Park.....	12
ITEM 7 Policy Review: Fraud and Corruption Prevention	13
ITEM 8 Policy Review: Subdivision.....	13
ITEM 9 Policy Review: Road Naming	13

ITEM 10	Progress of Review of Illegal Waste Dumping Prevention Mounds.....	14
ITEM 11	Wollongong Section 94A Development Contributions Plan (2015) – Post Exhibition.....	14
ITEM 12	Proposed Acquisition of Portions of Properties in Murray Road, East Corrimal for Road Widening.....	14
ITEM 13	Proposed Compulsory Acquisition and Land Exchange – Cordeaux Road, Mount Kembla for Road Realignment.....	15
ITEM 14	Proposed Acquisition of Land for Road Purposes – Paynes Road, Dombarton.....	16
ITEM 15	Proposed Grant of Easement for Underground Cables over Lot 238 DP 1048602 Aragan Circuit, Bulli.....	16
ITEM 16	Proposed Acquisition of Easement for Drainage at Keiraville.....	17
ITEM 17	Tender T14/27 – Provision of Construction Materials Panel.....	17
ITEM 18	Tender T15/17 – Sublime Point Water Treatment Facility – Permanent Works.....	18
ITEM 19	Tender T15/07 – Debris Control Structure for College Place, Gwynneville.....	19
ITEM 20	Coledale Community Hall – Proposed Fees and Charges – 2015-2016.....	19
ITEM 21	Corporate Governance Committee Membership and Chairperson.....	20
ITEM 22	Policy Review: Investment.....	20
ITEM 23	Statement of Investments – August 2015.....	21
ITEM 24	August 2015 Financials.....	21
ITEM 25	Leave of Absence – Councillor Colacino – 23 November to 18 December 2015.....	22
ITEM 26	Annual Tabling of Returns of Disclosures of Interest and Other Matters.....	22
ITEM 27	City of Wollongong Traffic Committee – Minutes of Meeting held 16 September 2015.....	23

DISCLOSURES OF INTERESTS

Councillor Martin declared non-significant, non-pecuniary interests in Items B, 2, 4 and 5 insofar as they relate to Planning Proposals and she works for the Department of Planning and Environment. However, Councillor Martin advised that she does not work on Wollongong-based projects.

Councillor Brown declared a pecuniary interest in Item 19 as a close family member lives in the near vicinity of where the works will be undertaken. Councillor Brown advised that he would be departing the meeting during debate and voting on this matter.

Councillor Colacino declared a non-pecuniary, non-significant interest in Item 6 as he lives within 200 metres of the area being considered. Councillor Colacino also declared an interest in Item 25 as it involves his request for leave of absence. In relation to both Items, Councillor Colacino advised that he would be departing the meeting during debate and voting on the matters.

Councillor Petty declared a significant pecuniary interest in Item 17 as he is employed by a company that trades with one of the tenderers. Councillor Petty also declared a non-significant, non-pecuniary interest in Item 6 as he could have a potential interest as he has been told that Kennett Homes Aged Care has been sold and although there is no indication about who has purchased the facility, the purchaser could possibly be his neighbour. Councillor Petty advised that he would depart the meeting during the debate and voting both Items 6 and 17.

Councillor Blicavs declared an interest in Item 22 as she is a Trustee and Director of Local Government Superannuation. Councillor Blicavs advised that this was not material to the recommendation and she intended to remain at the meeting during debate and voting on the matter.

AWARD FOR EXCELLENCE IN ROAD SAFETY ENGINEERING – MT KEIRA ROAD REMEDIATION WORKS - IPWEA CONFERENCE

The Lord Mayor tabled an Award received for a joint submission from Council, the NSW Public Works and Specialised Geotechnical for the category 'Excellence in Road Safety Engineering' for significant safety improvements in relation to the Mt Keira Road remediation works.

The Lord Mayor recognised the hard work and contributions of the team in achieving this Award and thanked those involved, in particular, Mr P Tobin from Council and Mr M Roebuck, formerly from NSW Public Works.

CONFIRMATION OF MINUTES OF ORDINARY MEETING OF COUNCIL HELD ON MONDAY, 14 SEPTEMBER 2015

- 138** **COUNCIL'S RESOLUTION** – RESOLVED UNANIMOUSLY on the motion of Councillor Brown seconded Councillor Dorahy that the Minutes of the Ordinary Meeting of Council held on Monday, 14 September 2015 (a copy having been circulated to Councillors) be taken as read and confirmed.

CONFIRMATION OF MINUTES OF CLOSED COUNCIL SESSION HELD ON MONDAY, 14 SEPTEMBER 2015

- 139** **COUNCIL'S RESOLUTION** – RESOLVED UNANIMOUSLY on the motion of Councillor Brown seconded Councillor Blicavs that the Minutes of the Closed Council Session held on Monday, 14 September 2015 (a copy having been circulated to Councillors) be taken as read and confirmed.

PUBLIC ACCESS FORUM - GREENHOUSE GAS EMISSION REDUCTION TARGET

Dr E Rooksby supported the motion on tonight's business paper to set carbon emission reduction targets for Council operations and for the local government area more broadly. She said that targets, including but not limited to carbon emissions reduction, are a valuable way of quantifying and supporting achievement of goals. Setting a target is part of Council doing its fair share of climate mitigation.

Dr Rooksby said that there were collateral benefits in taking action to meet emission reduction targets, such as reducing Council's operational costs, and an improvement to public health.

Mr S Young advised that Climate Scientists are saying that the planet is warming and human activity is the main cause. This will result in more extreme weather, flooding, and bushfires, all increasing demand on Council services. He felt that Council needed to do more on mitigation to complement its excellent work on adaptation. Setting emission reduction targets is becoming best practice for government agencies to do their fair share of mitigation.

However, possible objections to setting emissions targets are that targets are not needed as Council already has programs for energy efficiency. In this respect, he said that Council already uses targets for high importance areas of its operation such as the annual budget, and indicators in the Community Strategic Plan. Another objection could be that carbon neutral

Minute No.

for whole local government area by 2050 was too ambitious. In this respect, Mr Young stated that many Councils are setting more aggressive targets eg Adelaide and Melbourne are aiming for 2020. Offsets can be used as a backup. Another objection could be that research is needed before setting targets and in this respect, he said that this depends on what further information might emerge. Secondary issues of definitions and detailed scope can be addressed by staff looking at what other councils have done and perhaps making some pragmatic assumptions. In conclusion, Mr Young said that targets are a “best practice” management tool for aspects of operations that really matter. Carbon neutral Wollongong by 2050 is a feasible and a conservative goal. Cities around the world like Copenhagen and Singapore have prospered while reducing their emissions. He urged Councillors to support the motion and be part of the global effort to keep Global Warming to within 2 degrees. Make today a significant moment for the City of Innovation to do its fair share towards keeping this wonderful area safe and beautiful for our grandchildren.

PUBLIC ACCESS FORUM – CREATIVE INDUSTRIES

Mr G Sykes, on behalf of Playscript, advised that he wanted to address the meeting in relation to a collective vision of the arts in this City and, in particular, from the context and with the stimulus of foreshadowed and planned changes to the Steelworks and consequences for employment in the Illawarra. A key focus of the phrase “creative industries” can be found in the word “industries”. He advised that industries generate income and practitioners in creative arts industries seek income from their skilled and productive practices. The arts are industries alongside other sectors of the economy. However, Mr Sykes felt that a second tier of arts practice was missing between community and amateur arts, which are well represented, and at least in performance arts, mainstage or touring performance shows.

In conclusion, Mr Sykes felt that venues were very important for music, dance, theatre, and visual artists and key terms in understanding the needs of venues for creative industries emergence are affordability, access and equity. It is not enough to delegate the use of space at arms’ length. Active policy and governance should be used to ensure any subsidy from public funds will provide for low rental and some income generation by artists. Venues can be the key to unlocking the untapped potential for creative arts in this City.

140 **COUNCIL’S RESOLUTION** – RESOLVED UNANIMOUSLY on the motion of Councillor Brown seconded Councillor Connor that all speakers be thanked for their presentation and invited to table their notes.

CALL OF THE AGENDA

- 141** **COUNCIL'S RESOLUTION** – RESOLVED UNANIMOUSLY on the motion of Councillor Brown seconded Councillor Takacs that the staff recommendations for Items 2 to 5, 7 to 9, 11 to 16, 18, 20, 21, 23, 24, 26 and 27 inclusive, be adopted as a block.

SUSPENSION OF STANDING ORDERS

A PROCEDURAL MOTION was MOVED by Councillor Brown seconded Councillor Blicavs that Item 1 be considered as the next Item of Business, under Suspension of Standing Orders.

DEPARTURE OF COUNCILLOR

During debate and prior to voting on Item 1, Councillor Crasnich departed and returned to the meeting, the time being from 6.58 pm to 6.59 pm.

ITEM 1 – ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

MOVED by Councillor Blicavs seconded Councillor Crasnich that –

- 1 The Annual Financial Statements be endorsed and an opinion be formed in the prescribed format (as per Attachments 2 and 3 of the report) on the General Purpose Financial Statement and the Special Purpose Financial Statements.
- 2 The audited Financial Statements, together with the Auditor's Report and Financial Commentary (Attachment 5 to the report) be presented to the public at the 9 November 2015 Council meeting.
- 3 Mr Denis Banicevic from PricewaterhouseCoopers be thanked for his presentation.
- 4 A Briefing be held in relation to the use of Restricted Funds for future borrowings. Members of the Audit and Corporate Governance Committees be invited to attend.
- 5 The Briefing look at the ability to borrow, not only from Restricted Funds, but to also look at options for borrowing from areas outside of Council.

Variations *The variations moved by Councillor Petty (the addition of Part 4) and Councillor Curran (the addition of Part 5) were accepted by the mover and seconder.*

Minute No.

142 COUNCIL'S RESOLUTION - An AMENDMENT was MOVED by Councillor Dorahy seconded Councillor Kershaw that -

- 1 The Annual Financial Statements be endorsed and an opinion be formed in the prescribed format (as per Attachments 2 and 3 of the report) on the General Purpose Financial Statement and the Special Purpose Financial Statements.
- 2 The audited Financial Statements, together with the Auditor's Report and Financial Commentary (Attachment 5 to the report) be presented to the public at the 9 November 2015 Council meeting.
- 3 Mr Denis Banicevic from PricewaterhouseCoopers be thanked for his presentation.

Councillor Dorahy's AMENDMENT on being PUT to the VOTE was CARRIED.

In favour Councillors Kershaw, Connor, Brown, Takacs, Dorahy, Colacino and Bradbery

Against Councillors Martin, Merrin, Blicavs, Crasnich, Curran and Petty

Councillor Dorahy's AMENDMENT then BECAME the MOTION.

The MOTION on being PUT to the VOTE was CARRIED UNANIMOUSLY.

Standing Orders were resumed.

DEPARTURE OF COUNCILLORS

During debate and prior to voting on Item A, the following Councillors departed and returned to the meeting –

- Councillor Connor from 7.09 pm to 7.11 pm;
- Councillor Curran from 7.32 pm to 7.33 pm; and,
- Councillor Blicavs from 8.12 pm to 8.13 pm.

Minute No.

ITEM A – NOTICE OF MOTION – COUNCILLOR MERRIN – GREENHOUSE GAS EMISSION REDUCTION TARGETS

The following PROCEDURAL MOTIONS were MOVED and CARRIED to allow additional time for the following Councillors to address the meeting in relation to Item A –

- Moved by Councillor Martin seconded Councillor Dorahy – an additional three minutes for Councillor Merrin; and
- Moved by Councillor Curran seconded Councillor Merrin – an additional three minutes for Councillor Takacs.

MOVED by Councillor Merrin seconded Councillor Takacs that Council –

- 1 Adopt a target of reducing greenhouse gas emissions from its own operations, including energy purchased and landfill, of CO₂-e by 50% over 2013-14 levels by 2030;
- 2 Adopt an aspirational target of zero net emissions for the whole local government area by 2050 in consultation with our community, business and industrial stakeholders;
- 3 Develop an action plan to achieve these targets;
- 4 Report annually on progress towards achieving these targets; and,
- 5 Annually review these targets, considering the potential to tighten them.

Variation *The following variations were accepted by the mover and seconder –*

- *Councillor Martin to add the words ‘an aspirational’ and ‘in consultation with our community, business and industrial stakeholders’ to Part 2; and,*
- *Councillor Petty to change the word ‘goals’ to ‘targets’ in parts 3, 4 and 5.*

At this stage, Councillor Colacino FORESHADOWED a MOTION should Councillor Merrin’s Motion be defeated.

Councillor Merrin’s MOTION on being PUT to the VOTE was LOST.

In favour Councillors Martin, Takacs, Merrin and Curran

Against Councillors Kershaw, Connor, Brown, Blicavs, Dorahy, Colacino, Crasnich, Petty and Bradbery

Following the defeat of Councillor Merrin’s Motion, Councillor Colacino’s FORESHADOWED MOTION became the MOTION.

Minute No.

143 COUNCIL'S RESOLUTION - RESOLVED on the motion of Councillor Colacino seconded Councillor Crasnich that Council investigate the points raised in the Notice of Motion and report back to Councillors no later than the end of this financial year with a comprehensive information package regarding the cost and feasibility of implementing the following points outlined in the Notice of Motion –

Council -

- 1 *Adopt a target of reducing greenhouse gas emissions from its own operations, including energy purchased and landfill, of CO2-e by 50% over 2013-14 levels by 2030;*
- 2 *Adopt an aspirational target of zero net emissions for the whole local government area by 2050 in consultation with our community, business and industrial stakeholders;*
- 3 *Develop an action plan to achieve these targets;*
- 4 *Report annually on progress towards achieving these targets; and,*
- 5 *Annually review these targets, considering the potential to tighten them.*

An AMENDMENT was MOVED by Councillor Takacs seconded Councillor Merrin that Council investigate the points raised in the Notice of Motion and report back to Councillors no later than February 2016 with a comprehensive information package regarding the cost and feasibility of implementing the following points outlined in the Notice of Motion –

Council -

- 1 *Adopt a target of reducing greenhouse gas emissions from its own operations, including energy purchased and landfill, of CO2-e by 50% over 2013-14 levels by 2030;*
- 2 *Adopt an aspirational target of zero net emissions for the whole local government area by 2050 in consultation with our community, business and industrial stakeholders;*
- 3 *Develop an action plan to achieve these targets;*
- 4 *Report annually on progress towards achieving these targets; and,*
- 5 *Annually review these targets, considering the potential to tighten them.*

A PROCEDURAL MOTION was MOVED by Councillor Blicavs seconded Councillor Crasnich that the motion be put. CARRIED.

Minute No.

Councillor Takac's AMENDMENT on being PUT to the VOTE was LOST.

In favour
Against

Councillors Martin, Takacs and Merrin

Councillors Kershaw, Connor, Brown, Blicavs, Dorahy, Colacino, Crasnich, Curran, Petty and Bradbery

Councillor Colacino's MOTION on being PUT to the VOTE was CARRIED.

In favour
Against

Councillors Connor, Brown, Martin, Takacs, Merrin, Blicavs, Dorahy, Colacino, Crasnich and Bradbery

Councillors Kershaw, Curran and Petty

DEPARTURE OF COUNCILLORS

During the debate and prior to voting on Item B, the following Councillors departed and returned to the meeting-

- Councillor Merrin from 8.34 pm to 8.36 pm;
- Councillor Colacino from 8.38 pm to 8.41 pm; and,
- Councillor Kershaw from 8.59 pm to 9.00 pm.

ITEM B – ITEM LAID ON TABLE ON 14 SEPTEMBER 2015 – WEST DAPTO URBAN RELEASE AREA – YALLAH-MARSHALL MOUNT PRECINCT – INFRASTRUCTURE COSTS

A PROCEDURAL MOTION was MOVED by Councillor Brown seconded Councillor Blicavs that the matter be taken off the table and all speaking rights be reinstated and debate recommence on this Item. CARRIED.

PROCEDURAL MOTIONS were MOVED and CARRIED to allow additional time for the following Councillors to address the meeting –

- Moved by Councillor Crasnich seconded Councillor Brown – an additional two minutes for Councillor Martin;
- Moved by Councillor Crasnich seconded Councillor Colacino – an additional two minutes for Councillor Dorahy; and,
- Moved by Councillor Crasnich seconded Councillor Connor – an additional two minutes for Councillor Curran

MOVED by Councillor Martin seconded Councillor Dorahy that -

- 1 The Yallah-Marshall Mount Planning Proposal (Attachment 4 of the report) be forwarded to the NSW Department of Planning and Environment for finalisation.

Minute No.

- 2 Council review the Section 94 Plan, with a view to entering into discussions with developers or landowners to meet land acquisition and road construction costs as part of a Voluntary Planning Agreement, where they will benefit from subdivisions that front a proposed road.
- 3 Landowners/developers be required to dedicate creek parklands at no cost to Council as part of a Voluntary Planning Agreement.
- 4 Final road layouts, including the conceptual roads mentioned in the local infrastructure report be prepared and costed with timelines over the 20 years of likely land release for design and construction, with developers and/or landowners carrying the majority of financial burden as per point (2).
- 5 Council prepare a submission to IPART and the NSW Housing Acceleration Fund to reduce the burden on Council for the cost of remaining local infrastructure across the entire West Dapto land release area.
- 6 A further report be submitted on amendments to the Wollongong DCP 2009 Chapter D16 to incorporate provisions for Yallah-Marshall Mount.
- 7 The revised Section 94 Plan for West Dapto, inclusive of Marshall Mount, reflect the reductions in total cost of local infrastructure, including the review of the distance and costings of the conceptual Marshall Mount local bypass, with the resultant significant reduction in construction costs.

At this stage, Councillor Connor FORESHADOWED a MOTION should Councillor Martin's Motion be defeated.

Councillor Martin's MOTION on being PUT to the VOTE was LOST.

In favour Councillors Martin, Blicavs, Dorahy, Crasnich and Petty
Against Councillors Kershaw, Connor, Brown, Takacs, Merrin, Colacino, Curran and Bradbery

Following the defeat of Councillor Martin's Motion, Councillor Connor's FORESHADOWED MOTION became the MOTION.

Minute No.

144 COUNCIL'S RESOLUTION - RESOLVED on the motion of Councillor Connor seconded Councillor Curran that -

- 1 The revised infrastructure cost estimates for Yallah-Marshall Mount be included in a revised draft West Dapto Section 94 Development Contribution Plan, which is scheduled to be reported to Council in November 2015 and if endorsed, exhibited and submitted to IPART for review.
- 2 Council proceed with finalisation of the Yallah-Marshall Mount Planning Proposal once IPART and the NSW Government determine how the shortfall in funding for required local infrastructure across the West Dapto land release will be met.

Councillor Connor's MOTION on being PUT to the VOTE was CARRIED.

In favour Councillors Kershaw, Connor, Brown, Takacs, Merrin, Colacino, Curran, Petty and Bradbery
Against Councillors Martin, Blicavs, Dorahy and Crasnich

ITEM 1 – ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

This Item was considered under a Suspension of Standing Orders, refer Minute Number 142.

ITEM 2 – DRAFT PLANNING PROPOSAL FOR LOT 6500 DP 1083715 "HORSE Paddock" SITE, WEST OF EDGEWOOD ESTATE, RIXONS PASS ROAD, WOONONA

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION –

- 1 A draft Planning Proposal for Lot 6500 DP 1083715 at Edgewood Estate, Woonona not be prepared.
- 2 The applicant be advised of Council's decision.

ITEM 3 – WEST DAPTO SECTION 94 DEVELOPMENT CONTRIBUTIONS PLAN (2015) – INTERIM REVIEW – POST EXHIBITION

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION –

- 1 The West Dapto Release Area – Section 94 Development Contributions Plan (2015) (Attachment 1 of the report) be adopted with the proposed amendments as outlined in the report.
- 2 The adoption of the Plan be notified in the local newspapers in accordance with the requirements of the Environmental Planning and Assessment Regulation 2000.
- 3 A further report on the West Dapto Section 94 Plan be presented to Council on 9 November 2015 which will form the basis of further application/s to IPART and the NSW Department of Planning and Environment for additional local infrastructure revenues.

ITEM 4 – WEST DAPTO URBAN RELEASE AREA – DRAFT NEIGHBOURHOOD PLAN AND PLANNING PROPOSAL FOR WEST DAPTO ROAD AND SHEAFFES ROAD, KEMBLA GRANGE – POST EXHIBITION

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION –

- 1 The revised Neighbourhood Plan for West Dapto Road and Sheaffes Road, Kemplab Grange be adopted as an amendment to Wollongong Development Control Plan 2009 Chapter D16 West Dapto Release Area.
- 2 A revised draft Planning Proposal be forwarded to NSW Department of Planning and Environment for a “Gateway” determination and if endorsed, exhibited for a minimum period of 28 days.
- 3 The Department of Planning and Environment be advised that Council does not wish to exercise its plan making delegations, as Council is the major landowner in the neighbourhood.

ITEM 5 – PLANNING PROPOSAL: SHONE AVENUE AND WEST DAPTO ROAD, HORSLEY – POST EXHIBITION

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION – Council –

- 1 Proceed with the Planning Proposal relating to part Lot 1 DP 607456 and part Lot 1 DP 26069 to include amendments to the Wollongong Local Environmental Plan 2009 to realign part of the R2 Low Density Residential and E3 Environmental Management zone boundary in order to facilitate the endorsed Neighbourhood Plan at Shone Avenue and West Dapto Road, Horsley (with corresponding amendments to the Minimum Lot Size and Floor Space Ratio Maps).
- 2 Refer the final Planning Proposal to the NSW Department of Planning and Environment for the making of arrangements for drafting to give effect to the final proposal.
- 3 Note that the General Manager will thereafter proceed to exercise his delegation issued by the NSW Department of Planning and Environment under Section 69 in relation to the final proposal.

DEPARTURE OF COUNCILLORS

Due to prior disclosures of interests, Councillors Colacino and Petty departed the Chamber and were not present during debate and voting on Item 6.

Councillors Merrin and Dorahy departed the meeting at 9.45 pm and were not present during the debate and voting for Item 6.

ITEM 6 – PROPOSED ALCOHOL PROHIBITED PARK, THE DRIVE, STANWELL PARK

- 145 COUNCIL'S RESOLUTION** – RESOLVED on the motion of Councillor Brown seconded Councillor Blicavs that the pocket park area opposite Kennett Homes Aged Care, 103 The Drive, Stanwell Park be established as an alcohol prohibited area between sunset and sunrise.

ITEM 7 – POLICY REVIEW: FRAUD AND CORRUPTION PREVENTION

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION – The existing Fraud and Corruption Prevention Policy be adopted without change.

ITEM 8 – POLICY REVIEW: SUBDIVISION

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION –

- 1 The draft amended Subdivision Policy be placed on exhibition for a minimum period of 28 days and submissions be invited from the public.
- 2 A further report be submitted to Council following conclusion of the public exhibition period, along with a summary of any submissions received.

ITEM 9 – POLICY REVIEW: ROAD NAMING

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION – The revised Road Naming Policy be adopted.

ATTENDANCE OF COUNCILLORS

During the debate and prior to voting on Item 10, the following Councillors returned to the meeting –

- Councillor Colacino at 9.45 pm; and,
- Councillors Merrin, Petty and Dorahy at 9.46 pm.

ITEM 10 – PROGRESS OF REVIEW OF ILLEGAL WASTE DUMPING PREVENTION MOUNDS

146 COUNCIL'S RESOLUTION – RESOLVED UNANIMOUSLY on the motion of Councillor Brown seconded Councillor Connor that –

- 1 The report in response to Council's resolution of 3 August 2015 be noted.
- 2 The progress of the Rectification Plan be noted.

ITEM 11 – WOLLONGONG SECTION 94A DEVELOPMENT CONTRIBUTIONS PLAN (2015) – POST EXHIBITION

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION –

- 1 The Wollongong Section 94A Development Contributions Plan (2015) be adopted.
- 2 The adoption of the Plan be notified in the local newspapers in accordance with the requirements of the Environmental Planning and Assessment Regulation 2000.

ITEM 12 – PROPOSED ACQUISITION OF PORTIONS OF PROPERTIES IN MURRAY ROAD, EAST CORRIMAL FOR ROAD WIDENING

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION –

- 1 Council acquire Lots 102, 103 and 107 DP 240922 for road widening, being the portions of Lot 921 DP 880913 No 35 and Lots 46 and 47 DP 9943 Nos 43 and 45 Murray Road, East Corrimal, shown on Attachment 1 to the report, on the following conditions:
 - a Compensation be paid in the amounts of:
 - \$32,000 (GST exc) – No 35 Murray Road;
 - \$19,000 (GST exc) – No 43 Murray Road; and
 - \$19,000 (GST exc) – No 45 Murray Road.

Minute No.

- b Council be responsible for all costs in the matter including transfer, legal and fence relocation/water meter relocation costs.
- 2 Upon acquisition, the land be dedicated as public road under the provisions of Section 10 of the Roads Act 1993.
- 3 Authority be granted to affix the Common Seal of Council to the transfer documents and any other documentation required to give effect to this resolution.

ITEM 13 – PROPOSED COMPULSORY ACQUISITION AND LAND EXCHANGE – CORDEAUX ROAD, MOUNT KEMBLA FOR ROAD REALIGNMENT

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION –

- 1 Pursuant to Section 177 of the Roads Act 1993, Council make application to the Minister for Local Government and the Governor for the compulsory acquisition from Council of the portion of Cordeaux Road, Mount Kembla, as shown hatched red on the attachment to the report.
- 2 Pursuant to Section 177 of the Roads Act 1993, Council make application to the Minister for Local Government and the Governor for the compulsory acquisition of that portion of Lot 1 DP 1103781 Cordeaux Road, Mount Kembla, as shown shaded orange on the attachment to the report.
- 3 Council accept the payment from South32 Illawarra Coal of \$1.00 (GST exc) in compensation if demanded, as agreed between the parties for the sale of the subject portion of Cordeaux Road, Mount Kembla.
- 4 Council authorise the payment to South32 Illawarra Coal of \$1.00 (GST exc) in compensation if demanded, as agreed between the parties, for the acquisition of the subject portion of Lot 1 DP 1103781 Cordeaux Road, Mount Kembla.
- 5 Upon the acquisition of the subject portion of Lot 1 DP 1103781 being finalised, the land be dedicated as public road under Section 10 of the Roads Act 1993.

Minute No.

- 6 Authority be granted to affix the Common Seal of Council to the compulsory acquisition documents and any other documentation required to give effect to this resolution.

ITEM 14 – PROPOSED ACQUISITION OF LAND FOR ROAD PURPOSES – PAYNES ROAD, DOMBARTON

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION –

- 1 Council acquire the part of Lot 231 DP 630024 No 322 Paynes Road, Dombarton, known as Lot 226 DP 1194212, as shown hatched on Attachment 2 to the report, on the following conditions:
 - a Council pay \$31,500 (GST exc).
 - b Council be responsible for all costs in the matter.
- 2 Upon the acquisition being finalised, the land be dedicated as public road under the provisions of Section 10 of the Roads Act 1993.

ITEM 15 – PROPOSED GRANT OF EASEMENT FOR UNDERGROUND CABLES OVER LOT 238 DP 1048602 ARAGAN CIRCUIT, BULLI

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION –

- 1 Council authorise the grant of an Easement for Underground Cables three (3) wide in favour of Endeavour Energy over Lot 238 DP 1048602 Aragan Circuit, Bulli, as shown by black dashed line on Attachment 1 to the report.
- 2 Council accept the payment of \$8,625.00 (+GST) from Endeavour Energy as compensation for the grant of the easement.
- 3 Approval be granted to affix the Common Seal of Council to the Transfer Granting Easement document and any other documentation required to give effect to this resolution.

ITEM 16 – PROPOSED ACQUISITION OF EASEMENT FOR DRAINAGE AT KEIRAVILLE

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION –

- 1 Council approve the acquisition of the Easement for Drainage 3.05 wide over Lots 101, 102, 103, 112 and 114 DP 234188 Nos 9, 11, 12 and 13 Dallas Street and No 16 Binda Street, Keiraville, as shown shaded dark grey on the attachment to the report.
- 2 Authority be granted to affix the Common Seal of Council to the Transfer Granting Easement documents and any other documents required to give effect to this resolution.

DEPARTURE OF COUNCILLORS

Due to a prior disclosure of interest, Councillor Petty departed the Chamber and was not present during debate and voting on Item 17.

Prior to voting on Item 17, the time being 9.51 pm, Councillor Connor departed the meeting.

ITEM 17 – TENDER T14/27 – PROVISION OF CONSTRUCTION MATERIALS PANEL

147 **COUNCIL'S RESOLUTION –** RESOLVED UNANIMOUSLY on the motion of Councillor Brown seconded Councillor Blicavs that –

- 1 In accordance with the Local Government (General) Regulation 2005, Clause 178 (1) (a), Council accept the tenders of listed tables provided for a Joint Construction Materials Panel, in the sum of an accumulative amount of services of \$1,330,000.00, excluding GST over the term of the tender contract of three years, plus two options to extend for a further duration of one year each with the exception of the supply of concrete (as per Recommendation 5 below).
- 2 Council delegate to the General Manager the authority to finalise and execute the contracts and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contracts and any other documentation, should it be required to give effect to this resolution.

Minute No.

- 4 Council delegate to the General Manager the authority to approve any adjustments to the ranking of all services when a Joint Construction Materials Provider amends rates in accordance with the specifications of this tender.
- 5 Council reject the tender responses relating to the supply of concrete as the number of conforming tender submissions did not justify the allocation of business and would place Council at a non-competitive market disadvantage.
- 6 Fresh tenders be called for the supply of concrete.

Variation *The variation moved by Councillor Curran to delete Parts 6 and 7 of the report's recommendations and to add a new Part 6 was accepted by the mover and seconder.*

ITEM 18 – TENDER T15/17 – SUBLIME POINT WATER TREATMENT FACILITY – PERMANENT WORKS

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION –

- 1 In accordance with the Local Government (General) Regulation 2005, Clause 178 (1) (a), Council accept the tender of SAS Water Solutions Pty Ltd for provision of Sublime Point Water Treatment Facility Permanent Works to Council, in the sum of \$900,307.83, excluding GST.
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

EXTENSION OF MEETING TIME

A PROCEDURAL MOTION was MOVED by Councillor Dorahy seconded Councillor Petty that the meeting time be extended to 10.30 pm.

DEPARTURE OF COUNCILLORS

Due to a prior disclosure of Interest, Councillor Brown departed the Chamber and was not present during debate and voting on Item 19.

During the debate and prior to voting on Item 19, Councillor Colacino departed and returned to the meeting, the time being from 10.02 pm to 10.04 pm.

ITEM 19 – TENDER T15/07 – DEBRIS CONTROL STRUCTURE FOR COLLEGE PLACE, GWYNNEVILLE

148 **COUNCIL'S RESOLUTION** – RESOLVED UNANIMOUSLY on the motion of Councillor Takacs seconded Councillor Crasnich that –

- 1 In accordance with the Local Government (General) Regulation 2005, Clause 178 (1) (a), Council accept the tender of Brefni Excavation and Earthmoving Pty Ltd for the provision of a Debris Control Structure for College Place, Gwynneville in the sum of \$148,194.00, excluding GST.
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required to give effect to this resolution.

ITEM 20 – COLEDALE COMMUNITY HALL – PROPOSED FEES AND CHARGES – 2015-2016

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION – Council adopt the Coledale Community Hall Fees and Charges 2015/2016.

ITEM 21 – CORPORATE GOVERNANCE COMMITTEE MEMBERSHIP AND CHAIRPERSON

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION –

- 1 Council endorse the appointment of Ms Catherine Hudson as an Independent Member of the Corporate Governance Committee for a three year period, expiring November 2018.
- 2 Mr Terry Clout be appointed Chairperson of the Corporate Governance Committee.
- 3 Council formally thank Ms Kylie McRae and acknowledge her contribution and commitment to the Corporate Governance Committee during the past seven years as an Independent Member and Chairperson.

ITEM 22 – POLICY REVIEW: INVESTMENT

MOVED by Councillor Merrin seconded Councillor Takacs that Council –

- 1 Adopt the revised Investment Policy.
- 2 Highlight within the monthly investment report those investments that are assessed as 'ethical' investments (consistent with environmental, social and governance principles), based on a publicly available and accredited list such as that provided by the Australian Ethical Fund or the United Nations Principles for Responsible Investment.
- 3 Give preference to those investments assessed as being consistent with environmental, social and governance principles, where:
 - The investment is compliant with Council's Investment Policy, and,
 - The rate of return quoted is favourable to Council relative to other similar investments that may be on offer at the time of investment.
- 4 Request a report in 12 months to review the financial, environmental, social and other factors arising from this change in investment strategy.

At this stage, Councillor Blicavs FORESHADOWED a MOTION should Councillor Merrin's Motion be defeated.

Minute No.

Councillor Merrin's MOTION on being PUT to the VOTE was LOST.

In favour Councillors Takacs, Merrin and Curran

Against Councillors Kershaw, Brown, Martin, Blicavs, Dorahy, Colacino, Crasnich, Petty and Bradbery

Following the defeat of Councillor Merrin's Motion, Councillor Blicavs' FORESHADOWED MOTION became the MOTION.

149 COUNCIL'S RESOLUTION - RESOLVED on the motion of Councillor Blicavs seconded Councillor Dorahy that Council -

- 1 Adopt the revised Investment Policy.
- 2 Write to relevant State Government Ministers requesting that local government in NSW be given greater flexibility to deliver on ethical investment outcomes, with greater returns for ratepayers.

Variation *The variation moved by Councillor Brown (the addition of Part 2) was accepted by the mover and seconder.*

Councillor Blicavs' MOTION on being PUT to the VOTE was CARRIED.

In favour Councillors Kershaw, Martin, Brown, Takacs, Blicavs, Dorahy, Colacino, Crasnich and Bradbery

Against Councillors Merrin, Curran and Petty

ITEM 23 – STATEMENT OF INVESTMENTS – AUGUST 2015

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION – Council receive the Statement of Investments for August 2015.

ITEM 24 – AUGUST 2015 FINANCIALS

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION –

- 1 The report be received and noted.
- 2 Proposed changes in the Capital Works Program be approved.

DEPARTURE OF COUNCILLOR

Due to a prior disclosure of interest, Councillor Colacino was not present during debate and voting on Item 25.

ITEM 25 – LEAVE OF ABSENCE – COUNCILLOR COLACINO – 23 NOVEMBER TO 18 DECEMBER 2015

150 COUNCIL'S RESOLUTION – RESOLVED on the motion of Councillor Dorahy seconded Councillor Colacino that Councillor Colacino be granted leave of absence for the period 23 November to 18 December 2015 inclusive.

ITEM 26 – ANNUAL TABLING OF RETURNS OF DISCLOSURES OF INTEREST AND OTHER MATTERS

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION –

- 1 Council note the tabling of the Returns of Disclosures of Interests and Other Matters as required by Section 450A of the Local Government Act 1993.
- 2 The Office of Local Government be advised of the failure of two employees to lodge their Annual Return by the due date and the applicable circumstances in each case.

ITEM 27 – CITY OF WOLLONGONG TRAFFIC COMMITTEE – MINUTES OF MEETING HELD 16 SEPTEMBER 2015

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 141).

COUNCIL'S RESOLUTION – In accordance with the powers delegated to Council, the minutes and recommendations of the City of Wollongong Traffic Committee Meeting held on 16 September 2015 in relation to Regulation of Traffic be adopted.

THE MEETING CONCLUDED AT 10.28 PM.

Confirmed as a correct record of proceedings at the Ordinary Meeting of the Council of the City of Wollongong held on 9 November 2015.

Chairperson

A city for people

DRAFT



Public Spaces Public Life
WOLLONGONG

Acknowledgements

Wollongong City Council would like to show their respect and acknowledge the Traditional Owners of the Land, Elders past and present, and extend that respect to other Aboriginal and Torres Strait Islander people.

The following people from University of Wollongong have participated in collecting data for a public life survey:

James Benning	Issac Palmer
Susannah Clement	Dominique Pezzutto
Kate Corbett	Molly Porter
Flora Cresswell	Sue Subedi
Caius Don	Ben Slattery
Brady Gilchrist	Bindi Reeves
Nannita Gyanehandau	Jessica Volkanovski
Sarah Jacobson	Katelin Volkanovski
Jocelyn McGarity	Louisa Welland
Darren Norman	
Samira Noweoozipour	

The following people from Wollongong City Council have participated in collecting data for a public life survey:

Kathy Adams	Emily Lonsdale
Sally Anderson	Luke McNamara
Amy Bottomley	John Madry
Jon Bridge	Bonnie Mae Hammerschmidt
Karen Brown	Erin Masters
Maria Byrne	Kieren Mowbray
James Chappell	Sarah Navarrete
Will Cooté	Jamie O'Connell
Roberta Costa	Dan O'Keefe
Mike Cowdy	Andrew Ogg
Joel Di Fonzo	Margaret Panozzo
Luke Dorahy	Drew Pinazza
Mike Dove	Michael Renko
Sam Ebzery	Debbie Roberts
Chris Flanagan	Miriam Tolhurst
Chris Fuller	Ryan Tolhurst
Lachlan Harris	Eugene Turner
James Hoyland	Jessica Saunders
Rebecca Jardim	Toby Schafer Darling
Bridget Jarvis	Kate Sebben
Peter Jones	Ziza Shavreska
Cathy Joukador	Gina Siroky
Hayden Knoble	Mark Stratford
Della Kutzner	Emily Tolhurst
Kiosha Gardener	Bianca Van Essen
Rose Grozdanic	Rosie Welch
Marina Lamers	Megan Wilson
Sarah Leussink	

Project Team: Gehl Architects, Wollongong
City Council and McGregor Coxall

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Contents

Introduction	4
Background for the study	4
A tool for change	5
Analysis - Public Life Study	6
The study area	6
A unique setting underutilised	7
Residents on the periphery	8
A retail city with a daytime focus	9
An underwhelming city arrival	10
A car orientated city	11
12 Quality criteria	12
City streets lack diversity	13
Human scale	14
A large pedestrian mall	15
Towards a city for people	16
Ideas into action	17
City centre vision	18
Twelve aspirational goals	
Creating a city for people	20
City centre wide projects	20
Six unique public life projects	21
01. Rail Arrival	22
02. Western Crown	24
03. Crown Street Mall	26
04. MacCabe Park	28
05. Arts Precinct	30
06. Foreshore	32
Inspiration	34
Reflections	36

Background for the study

Reviewing the City Centre Revitalisation Strategy (2007)

In 2007, Council endorsed the *City Centre Revitalisation Strategy*. The *Strategy* is a group of documents setting the strategic framework for the city centre. The *Strategy* consists of four documents: (1) *City Centre Vision*, (2) *Local Environmental Plan*, (3) *Development Control Plan*, and (4) *Civic Improvement Plan*.

The *2007 Vision* set a 25 year strategic framework for the city centre aimed at attracting 6,000 new residents and 10,000 new jobs.

Recognising the importance of our city centre locally and as a Regional City, Council committed to commence the review of the 2007 endorsed City Centre Revitalisation Strategy. The first step of this process is to review the vision for the city centre.

Wollongong Public Spaces Public Life - a measured approach to delivering a high quality city

In 2014-15 Wollongong City Council has been partnering with internationally recognised consulting firm, Gehl Architects, and prominent urban designers, McGregor Coxall, to undertake a Public Spaces Public Life (PSPL) study. The PSPL study will inform the review of the *City Centre Vision*.

By putting people first in the planning process, the approach is centred on crafting animated, attractive, sustainable and safe cities. It will inform future planning of the city; strengthen a data-driven approach to infrastructure delivery; and allow change in the city to be measured over time.

Informing the Wollongong Analysis

Since March 2014, a team of students and Council staff have been collecting a range of data about how people use the Wollongong city centre. Pedestrian counts recorded the number of people moving through our streets. Also using maps, we have recorded where people spend time and enjoy city life.

Through field work and desktop research in 2014, over 60 data sets have been collected and analysed, including quality assessments of city streets and buildings, data on traffic planning, urban planning, parks, recreation, and community, cultural and economic development.

The analysis presented is based on this information.

Celebrating achievements

Wollongong City Council and the private industry have delivered a range of projects against the 2007 City Centre Vision.

Key Council achievements include:

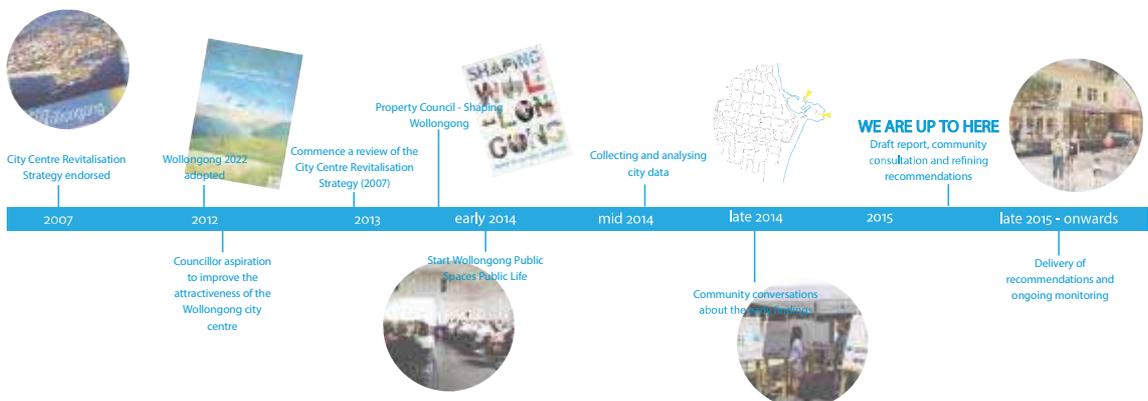
- Footpath renewal program ongoing
- Crown Street Mall refurbishment 2014
- Keira Street refurbishment 2014
- Bathers Pavilion refurbishment 2012
- Stewart Park and MacCabe Park renewal 2014
- The Blue Mile 2008 to current
- Implemented the Free Shuttle Bus (Green Bus)
- Upgrade to bus shelters ongoing
- Cultural Plan 2014
- Live Music Action Plan 2014
- Wollongong City Centre Evening Economy 2014
- Review of the Access and Movement Strategy 2013
- Bike Plan 2013
- Creative Spaces Strategy 2015
- Public Art Installations ongoing
- Cultural events like Viva La Gong ongoing

Significant private investment includes:

- Shaping Wollongong - Property Council Wonderwalls
- City Centre Market
- 50 new small bars and cafes
- GPT - \$200m investment
- Wollongong Private Hospital - \$120m
- Wollongong Public Hospital Expansion
- Major mixed use developments completed and under construction (ongoing)



Project Timeline Wollongong



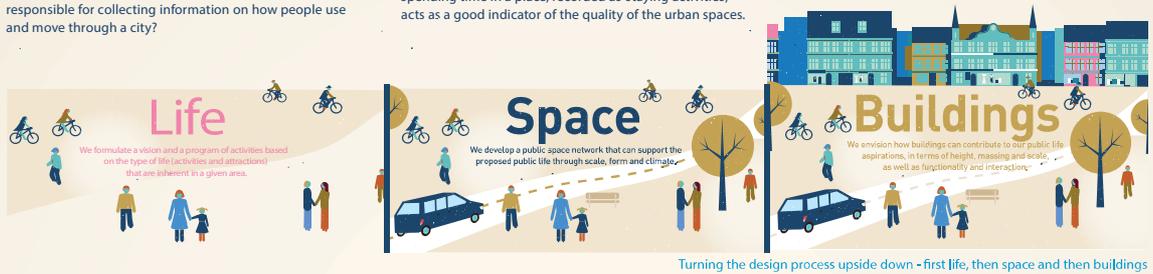
A tool for change

A Public Spaces Public Life study measures how cities function from the perspective of the people who use them.

All cities have traffic departments that collect data to investigate and manage traffic in a city. But who is responsible for collecting information on how people use and move through a city?

A Public Spaces Public Life study provides information on where people walk and stay, either as part of their daily activities, or for recreational purposes. This information then informs future decisions about which streets and city spaces need improvement.

These studies gather information on how many people choose to stay, and where they spend time in a city. People spending time in a place, recorded as 'staying activities', acts as a good indicator of the quality of the urban spaces.



Towards liveable cities globally

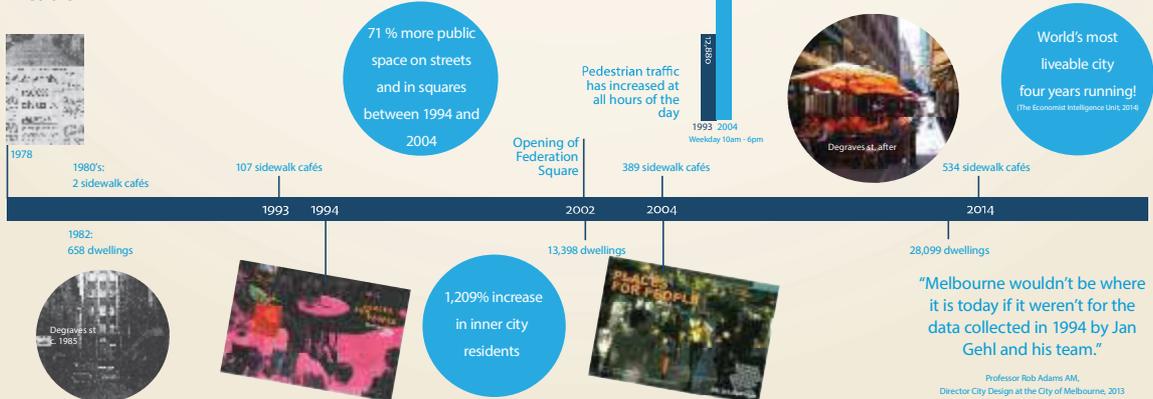
Gehl Architects have performed Public Spaces Public Life studies in cities around the world, and have gained a unique insight and understanding into what influences positive city change.

In Copenhagen, surveys have been conducted every ten years over the past forty years, clearly documenting the gradual change from a car-oriented city to being one of the most liveable cities in the world. In other cities, like New York, surveys and pilot projects have been used as a tool to positively change the city's mindset, moving towards a more sustainable future.

With this strategy, Wollongong has a unique opportunity to join these great cities in leading the way for liveable cities globally.



Case Study: Melbourne's story, from inactive city centre to world's most liveable

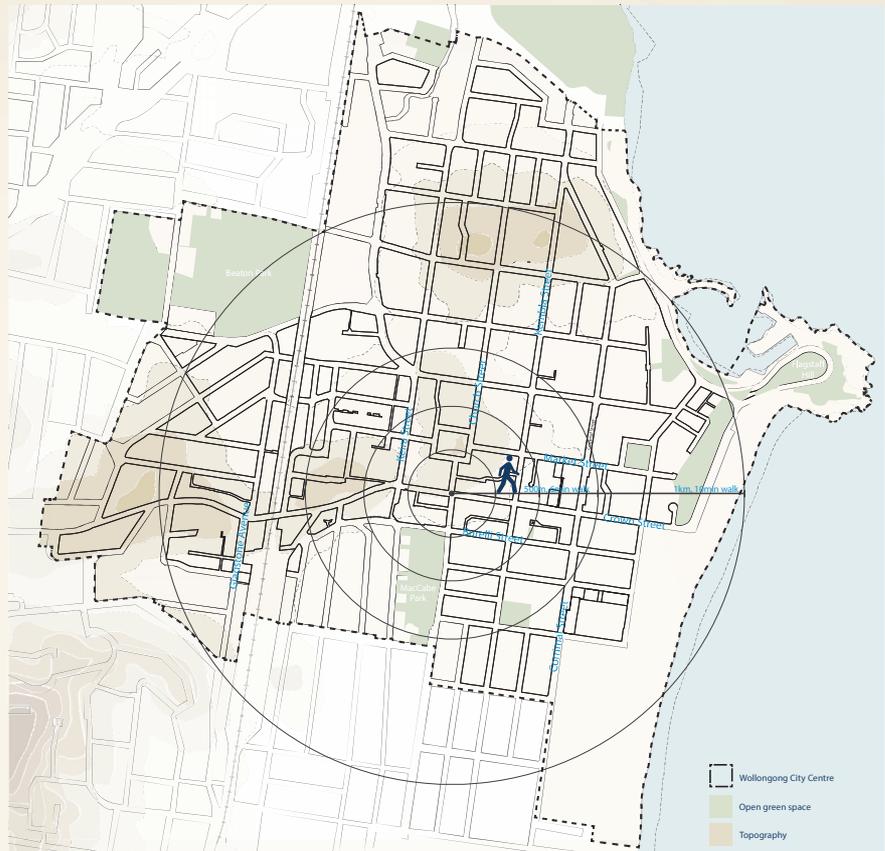
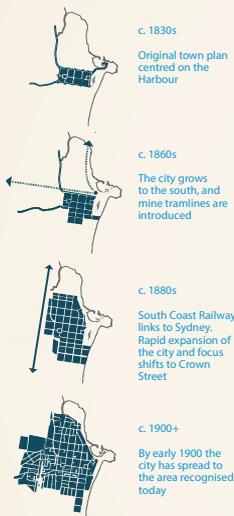


Public Life Study

The study area

This Public Spaces Public Life study considers the broader extent of the Wollongong City Centre as defined by the Wollongong Local Environmental Plan 2009. It has specifically gathered data for the inner city area, from Wollongong Hospital to the foreshore, to capture the most intensely used areas of the city.

The city centre, as it is recognised today, evolved from the early 1800s from a natural landscape to a modern city. It has retained layers of its natural, Aboriginal and European heritage. The series of maps below shows the indicative pattern of European settlement in the city centre.



Cities with tightly defined centres provide greater potential for flourishing city life, as well as preventing the dilution of city vibrancy and activity.

A largely defined city



Wollongong / 2014

3,970,000 m²
14K residents in the city centre (2011)
285K residents in the regional area (2012)



Adelaide / 2002

1,575,000 m²
1.9K residents in the city centre (2002)
1.3M residents in the metropolitan area (2012)



Sydney / 2007

2,200,000 m²
15K residents in the city centre (2006)
4.7M residents in the metropolitan area (2012)



Perth / 2009

2,200,000 m²
1K residents in the city centre (2006)
1.9M residents in the metropolitan area (2012)

A unique setting underutilised

The escarpment setting under threat by tall buildings and lost connections

The escarpment sets a dramatic backdrop to the city centre, framing city buildings and emphasising its unique natural setting. However, as building heights increase, the escarpment setting is compromised and visual links lost.

Historically, the city was accessed from the ridges running from the escarpment to the waterfront. Connections to the escarpment have been lost over time. Re-establishing these links is important to the identity and quality of the city.



Flagstaff Hill Park



Mount Kembla



View from Flagstaff Hill to Mount Keira

A world-class foreshore detached from the city by busy roads and a lack of destinations

Defined by a world class foreshore, the city boasts a relaxed lifestyle and beach culture. The Blue Mile lines the foreshore with kilometres of dedicated walking and cycling tracks, seating and viewing platforms. A breathtaking Harbour setting provides play, cafes and restaurants inviting people day and night.

However, Corrimal Street separates the city from the foreshore with 16,500 vehicles per day, and South Beach is lined with car parking and a bus depot area, with limited places to visit and spend time.

Improving the physical connections to the foreshore, and the offer on arrival will reconnect the city with one of its most valuable assets.



Wollongong Harbour



Continental Pool



View south from Flagstaff Hill

A rich Aboriginal, European and industrial history hidden from view

A rich diversity of natural landscape, historical buildings, and places, each with fascinating stories to tell, are scattered throughout the city centre. Traditionally occupied by the Dharawal people, the escarpment is a rich source of cultural legend and spiritual significance.

Any buildings and places with heritage value go unnoticed due to a lack of shared knowledge, or because they are 'hidden' in the city landscape. Many historic buildings have been altered with historic features covered up, or are in a state of disrepair.

Recognising that these buildings and places are important to understanding the story of the city and what makes it truly unique will allow the city to reveal its unique identity.



St. Michaels Anglican Church



The Gurungaty Water Place



St. Andrews Presbyterian Church

Threatened by increasing building heights



The visual connection of the escarpment to the city is under threat from increasing building heights.

A foreshore separated from the city



A world class foreshore is separated from the city by Corrimal Street, and an uninviting walking experience.

A rich history 'hidden' in the city



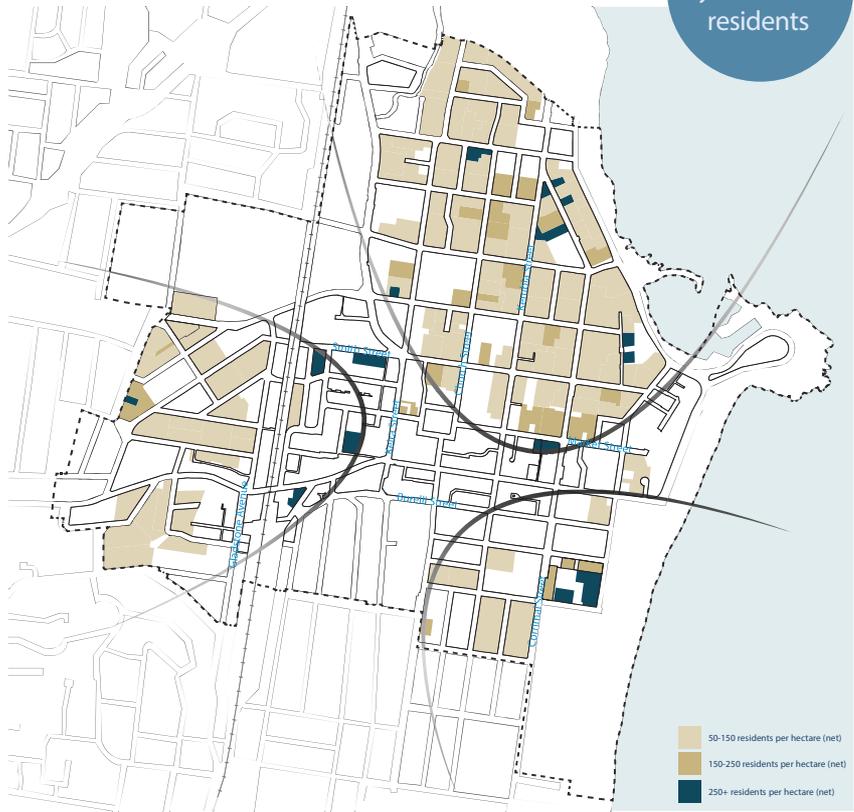
Aboriginal heritage is not revealed across the city, and a number of historical buildings and places are hidden in its built fabric.

Residents on the periphery

Densify the city centre with residents

In 2014, the Wollongong city centre displays a void of residents in its core.

Residents living in the core of city centres contribute to their vitality day and night, by going about their daily tasks. Residents create an image of a city lived in and looked after. They also boost city safety and support local businesses, events and attractions. With residents in the city, a more diverse offer of goods and services is demanded, contributing to resilience in the local economy. Encouragingly, Wollongong has a supply of residents in the pipeline, but in keeping with the trend, future development is located on the periphery of the city centre core.



Residential Density



A city void of residents
Just over 650 people live within the inner city centre.



24,000 students at UoW

Students on the edge
Just 8% of university-provided student accommodation is within the inner city centre, but there are 34,000 students within 2km of the city.



Future development
Residents are in the pipeline, but continuing the trend of being on the periphery of the city.

City centre residents have a median age of 31

34% of residents in the suburb of Wollongong

Over 35 languages are spoken in city centre households

Only 4.5% of citizens live within the Wollongong city centre.

City centre resident snapshot



9 years and younger
12% of residents



10-19 years
7% of residents



20-24 years
17% of residents

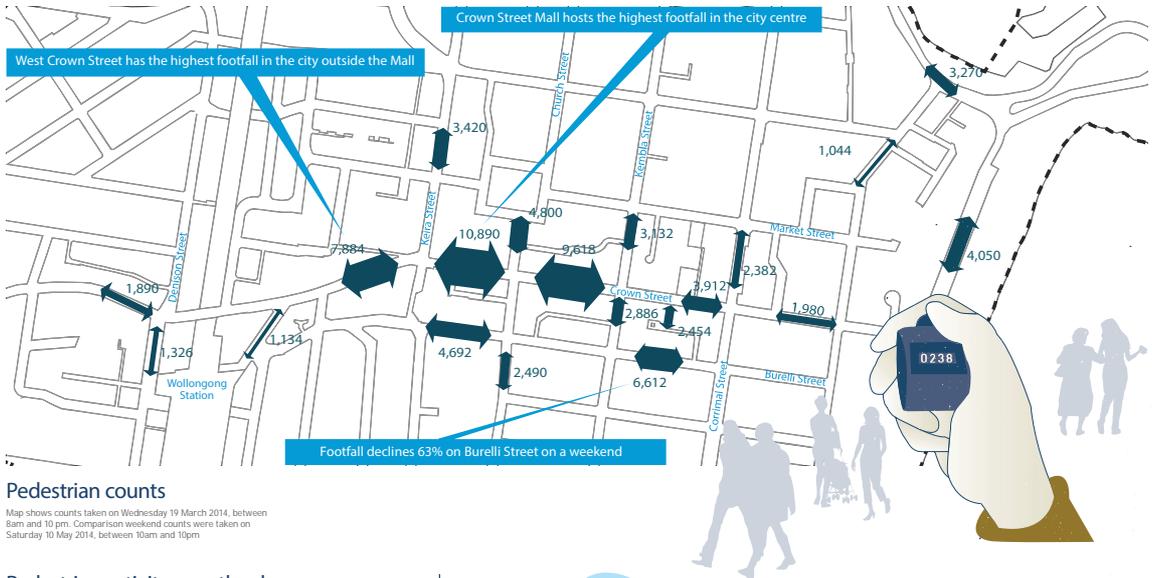


35-45 years
11% of residents



65+ years
16% of residents

A retail city with a day time focus



Pedestrian counts

Pedestrian activity over the day

The general walking pattern shows that the highest concentrations of pedestrians are found in the retail core and western Crown Street. Most of the pedestrian traffic is isolated to a few locations and there is a limited spread over the rest of the city centre.

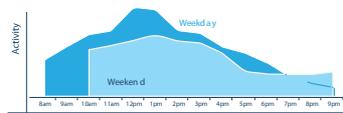


A desirable city rhythm - activities around the clock ensuring city diversity, safety and resilience in the local economy

34,000 University and TAFE students are enrolled within 2km of the city centre

Low level activity in the evening

Pedestrian numbers drop dramatically when shops and offices close and the majority of visitors leave the city centre. Large sections of the city centre become more or less deserted.

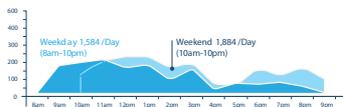


Wollongong city centre average - activity generally declines following lunch time peak

24,000 people work in the city centre

Key locations performing well

On a typical Saturday night, only Corrimal Street, Lower Crown Street, Globe Lane and Keira Street experience a rise in footfall.



Globe Lane - a place that attracts people into the evening

3M overnight and domestic day trips every year in the Wollongong LGA

Regular events promote city life



Crown Street Mall on a typical weekday



Crown Street Mall on a market day

4,400 more people counted in the Mall on Friday market day

117% more people counted in Globe Lane on Friday market day

An underwhelming city arrival

Wollongong's superb regional arrival generates strong anticipation for experiencing the city.

City centre arrivals establish the tone of the city experience and set an expectation for city quality. Cities around the world celebrating the arrival experience have a strong sense of identity at their entry points. Visual cues, such as landscaping, gateways, wayfinding, or welcoming signals contribute to the quality of urban arrival spaces.

Like many cities nestled within a beautiful setting, it is easy to forget that the city itself is a destination. Leveraging off its natural and urban qualities, Wollongong can create city arrival experiences that set a high standard, welcoming people to the city.



Improve pedestrian experience

Arrival points in the city centre



At some point in the day, most of us become pedestrians. Whether it be walking from public transport, a bike rack, from parking the car, or from home, the street experience should be welcoming to all of us.

Case Study: welcoming city arrivals

Connecting a lively railway station with the main street
Newtown, NSW



Introduction of a forecourt creates a physical and visual connection with the main street. Shops activate and bring life to the space day and night. Colour and art bring vibrancy to the urban space and reflect the eclectic culture of the community.

A welcoming and comfortable environment at the bus interchange
Noosa Junction, QLD



Buildings and spaces are designed to maximise light and reflect the coastal lifestyle. Use of natural materials create a warm and inviting atmosphere. Spaces are designed for purpose with comfortable and flexible seating options to cater for all ages.

Art and sculpture transform the arrival experience
Melbourne, VIC



Art that celebrates place and arrival becomes a focal point and meeting place. Illuminated at night, this artistic signage assists with wayfinding and creates a sense of safety. Art becomes an interactive play element engaging all ages.

A car orientated city



Walking



22.2% of inner city residents walk to work

This is compared with 3.2% of residents in the Wollongong Local Government Area (LGA) who walk to work. Walking provides an opportunity to spend time in the public realm and experience the city.



19,000m² of pedestrian priority areas in the city centre

Pedestrian priority streets and squares make cities more accessible, safe and enjoyable for walking. Wollongong has a number of pedestrian priority spaces scattered across the city centre.



2.3km of laneways in our city centre

Wollongong has a large, fine grain network of lanes that permeate the city's blocks. The city is uniquely positioned to offer a different urban experience in the laneways, each with their own potential separate identities.

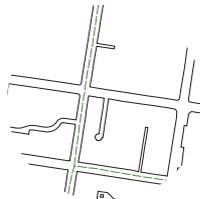


Cycling



180km of formal bicycle connections in the LGA

A prerequisite for a strong cycle culture is that conditions are safe and appealing. The extent of formal connections within the Wollongong LGA provides a sound basis for an improved cycle network.



11.1km of proposed cycle links in the city centre

Wollongong 2022 seeks to establish the city as bike-friendly. Council's Bike Plan 2014-2018 responds to this with recommendations to link the foreshore with the core of the city centre, leveraging off the flat topography.



20 bicycle parking locations in the city centre

Bicycle parking in the city centre should cater to any pre-existing demand for cycle facilities and complement the proposed links outlined in Council's Bike Plan 2014-2018.



Public transport



5,170 people come and go from the station on a typical weekday

Rail-based public transport enables city centres to function in a space-efficient manner with a relatively sparse supply of parking. At present, rail speeds average just 50km/h from Wollongong to Sydney's CBD.



260,000 patrons board the Gong Shuttle in an average month

The Gong Shuttle offers a free of charge, easy and dependable way of getting around the city centre. Encouragingly, evidence suggests that patronage on this service is still trending upwards.



6,600 people board a bus at west Crown Street in a typical week

Council has delivered several bus stop improvements in the city centre. Yet in 2014, departing and arriving from a bus is an experience that could be improved at several well-utilised locations.

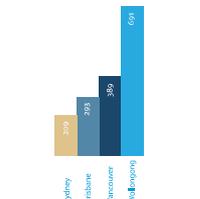


Private transport



More than 20,000 vehicles/day pass through west Crown Street

High volume traffic affects a number of streets, placing pressure on the city centre and decreasing the quality of the streets for people. Great cities for people closely manage the volume of vehicular traffic passing through streets. In addition, other modes of transport need to be developed in order to offer people an alternative to the car.



691 car parking spaces per 1000 city centre jobs

Wollongong has a relatively generous supply of parking compared with other cities around the world. In 2008, there were 11,285 on- and off-street parking spaces in the Wollongong city centre. This figure has since increased with the added supply of publicly accessible parking in recent years. Parking availability is a factor impacting on the use of public transport.



On-street parking peak occupancy levels average 75-78%

Alongside the relatively generous supply of parking, more than 22% of on-street parking is available during peak times. Many leading cities around the world are building strategies to promote active and public transport. An objective of Wollongong 2022 is that walking, cycling and public transport is an accessible and well-resourced means of transport.

12 Quality criteria

The great public spaces of the world offer a combination of protection, enjoyment and comfort.

Analysing successful public spaces throughout the world reveals several common characteristics. Gehl Architects have categorised and summarised these characteristics into '12 Quality Criteria'.

Public spaces must be inviting, attractive, and provide room for recreation, pleasure, exercise, play, and so on. They must be able to attract a broad variety of people, so that children, teenagers, adults, the elderly and people with special needs all feel welcome.

The great public spaces of the world reflect the majority, if not all, of the 12 quality criteria. As such, the list of criteria provides a good design checklist.

The '12 Quality Criteria' tool has been used to analyse Wollongong's key streets and public spaces.

Enhance street comfort to invite people to spend more time

PROTECTION



1. Protection against traffic and accidents – feeling safe

- Protection for pedestrians
- Eliminating fear of traffic



2. Protection against crime and violence

- Lively public realm
- Eyes on the street
- Overlapping functions day and night
- Good lighting



3. Protection against unpleasant sensory experiences

- Wind/rain
- Cold/heat
- Pollution
- Dust, noise, glare

ENJOYMENT



4. Opportunities to walk

- Room for walking
- Interesting facades
- No obstacles
- Good surfaces
- Accessibility for everyone



5. Opportunities to stand/ stay

- Supports for standing
- Facades with good details that invite people to stay



6. Opportunities to sit

- Zones for sitting
- Utilising advantages: views, sun and people
- Good places to sit
- Benches for resting



7. Opportunities to see

- Reasonable viewing distances
- Unhindered views
- Interesting views
- Lighting (when dark)



8. Opportunities to talk and listen

- Low noise levels
- Street furniture that provides 'talkscapes'



9. Opportunities for play and exercise

- Physical activity, exercise
- Play and street entertainment
- By day and night
- In summer and winter

COMFORT



10. Scale

- Buildings and spaces designed to human scale



11. Opportunities to enjoy the positive aspects of climate

- Sun/shade
- Heat/coolness
- Shelter from wind/breeze

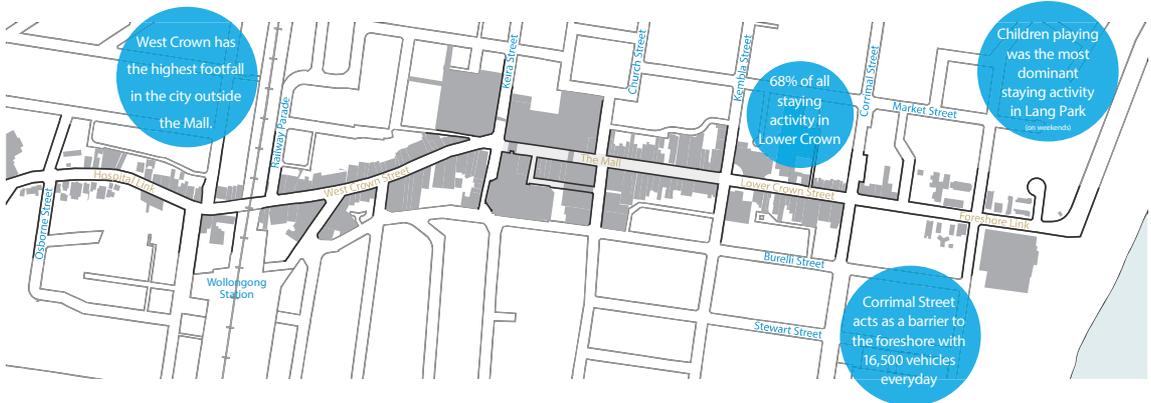


12. Positive sensory experience

- Good design and detailing
- Good materials
- Fine views
- Trees, plants, water

City streets lack diversity of experience

Crown Street - evaluating the city's main street



Hospital Link



This link provides a very poor pedestrian experience to a critical destination

West Crown Street



A busy walking link with a strong structure, compromised by heavy traffic and an unattractive streetscape

The Mall



A high quality refurbishment ready for activation to create a sense of place

Lower Crown Street



Offers a great city experience. Effortlessly supports active and varied street life during the day

Foreshore Link



An underwhelming journey and no sense of arrival to a world-class foreshore

Burelli Street - evaluating the city's key public spaces



Wollongong Station



A confusing entry to the city

MacCabe Park



An underutilised park in the heart of the city

MacCabe Park



Play is the most popular activity in the park

Globe Lane



A city laneway transforming and attracting people day and night

Arts Precinct



A city square that is more of a thoroughfare than a meeting place

Human scale under threat of tall buildings

Wollongong has a fine human scale with buildings mostly under 8 storeys in height.

Lower building heights moderate the city winds and let in greater levels of sunlight for the city's public spaces. Evidence around the world indicates that streets become more people-friendly as the dominance of taller buildings diminishes.

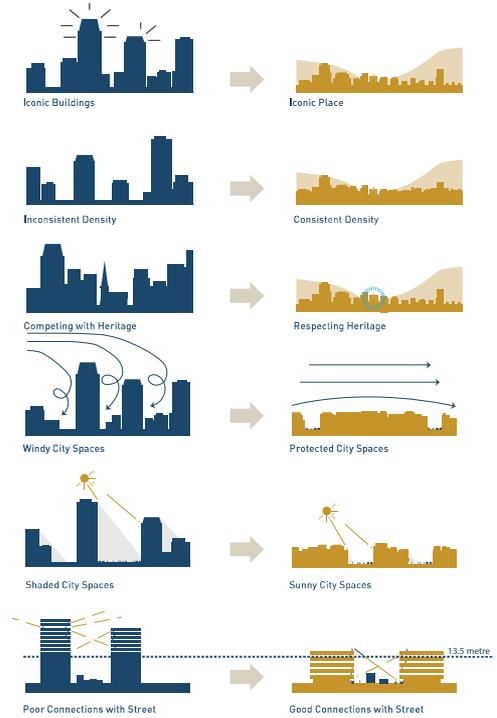
Lower heights also contribute to perceptions of safer streets as building occupants can maintain a connection with the street, by recognising faces or hearing sounds. People in lower buildings can more easily wander outside and contribute to street activities, helping to create a vibrant urban environment.

While a human scale can be observed in Wollongong in 2014, a large portion of the city centre has a permitted height limit over 32 metres (9 storeys approx.) and even up to 120 metres (34 storeys approx.).

Deliver a high quality human scale city



Human scale cities



Similar density, different built form outcome



Smith Street terraces

Density 286 residents per hectare (net)
Height 2-4 storeys



Corimal Street apartment tower

Density 279 residents per hectare (net)
Height 16 storeys

Living human scale cities



Paris (Faubourg Saint Antoine)

Density 512 residents per hectare (net)
Height 4-6 storeys



Barcelona (Eixample)

Density 359 residents per hectare (net)
Height 7-9 storeys

How the building lands on the street is important

Façades have a significant influence on the quality of a street at eye-level, and the pattern of pedestrian activity. Building frontages with many small units, many doors, good detailing and materials are considered 'active'. Frontages with large units, no or few doors, no details and nothing to look at are deemed 'inactive frontages'.



An active street frontage which is pleasant to look at and spend time beside



An inactive street frontage which is unpleasant to look at and encourages people to hurry by

60% of frontages surveyed in Wollongong city centre are either inactive or dull

A large pedestrian mall active during the day

Successful pedestrian streets and spaces are important to the amenity and economic vitality of a city.

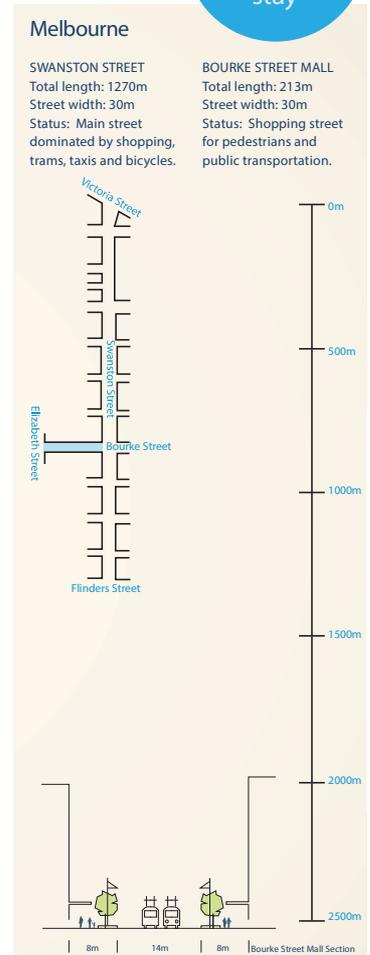
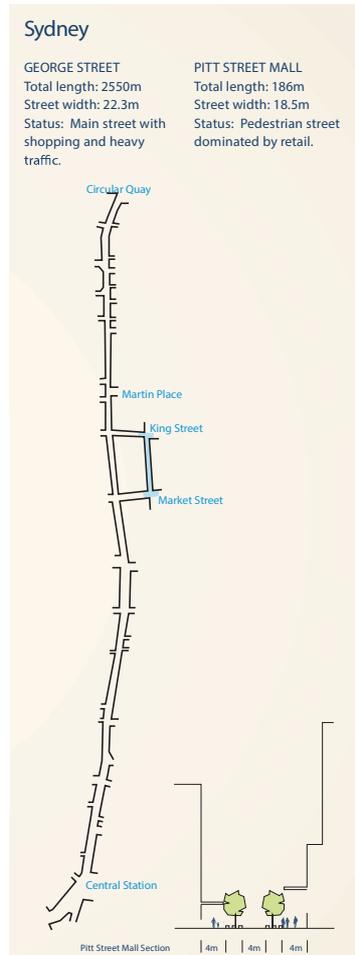
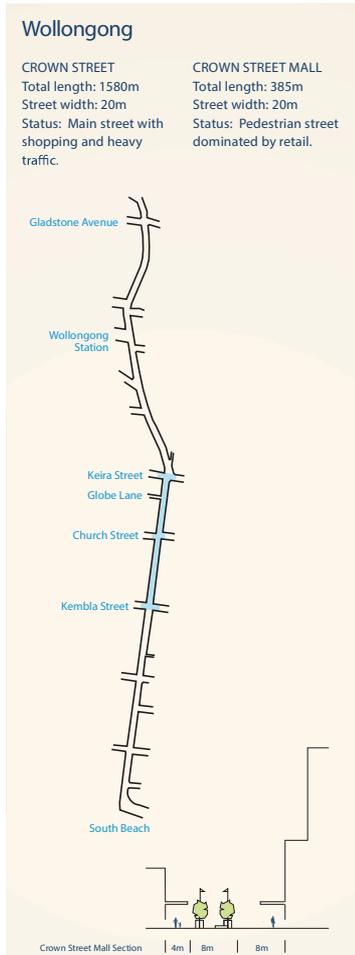
They make a city more productive and efficient for people, and invite people to experience cities, socialise and spend time. Many elements contribute to the success of a pedestrian street. The design of the space is important to its comfort and appeal. Successful pedestrian streets pay close attention to the design of the building interface

and land uses that adjoin them. This is to ensure that life is encouraged into the civic spaces both day and night. A diversity of offers can be encouraged by flexible programming of events and activities.

The refurbishment of Crown Street Mall delivers a high quality urban street. It is an important part of the City's spine and main street. The pedestrianised street comparison below demonstrates that Crown Street Mall is more than double the length of Pitt Street in Sydney, and close to double that of Bourke Street Mall in Melbourne –

two of Australia's global cities. In 2014, Crown Street Mall is dominated by daytime retail. This means that it is a difficult space to bring life to after 5pm, when the shops close.

Create a sense of place and reason to stay



Towards a city for people



Ideas into actions

The analysis presented in this report relies on city data, technical analysis and analytical observations to understand the way the city centre functions now, and the key challenges to positioning Wollongong as one of the most liveable cities in the world.

The city's rich heritage is hidden, and its unique setting is not realised.

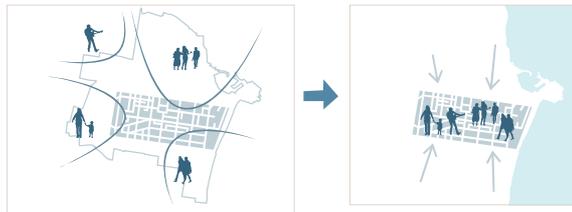
Weak connections to the foreshore detach the city from its natural asset, and visual connections to the escarpment are under threat by tall buildings.



Celebrate the uniqueness

The city is monofunctional and lacks a resident population to bring energy to it day and night.

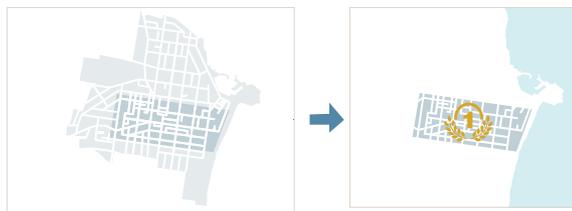
The university brings a 24,000 student population which is not reflected in the city dynamic. Large areas of open space and foreshore support the city, but have limited functionality/programming and are not connected.



Grow a living city

A largely defined city, the focus of the city is diluted.

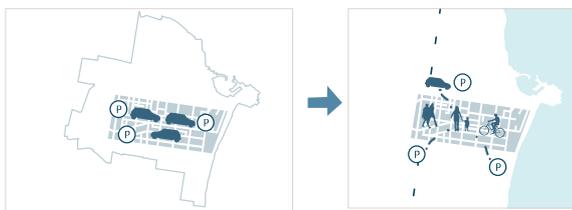
The street level quality is compromised by inactive and dull buildings at street level. Planning policy permits buildings to be constructed up to 120 metres which compromises the human scale of the city.



Develop a human scale city

The city is designed to prioritise convenient access for vehicles, leaving alternate transport modes uncompetitive.

When rated against Gehl's 12 quality criteria, pedestrian experience as a whole is poor.



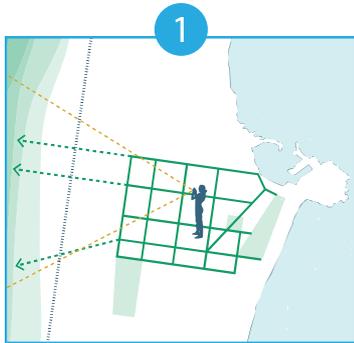
Create a pedestrian friendly city

City Centre Vision

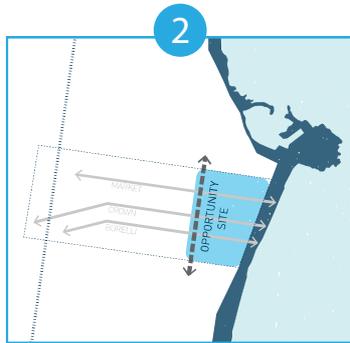
In the 21st century Wollongong city centre will be a more people oriented, sustainable and liveable city.

Wollongong city centre is an important Regional City supporting the Illawarra. The Vision reflects what the city centre aspires to become. It is intended to set a clear direction to guide decision making and priorities in the city over time. The Vision is underpinned by actions which inform short, medium and long-term implementation across the city.

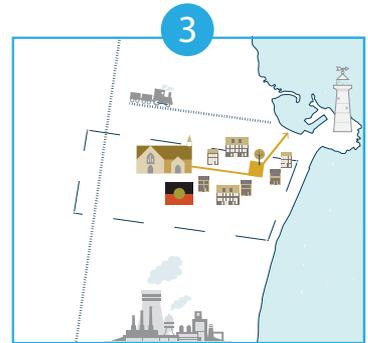
Celebrate the uniqueness



The city centre responds to its escarpment setting with strengthened visual links and landscaped streets

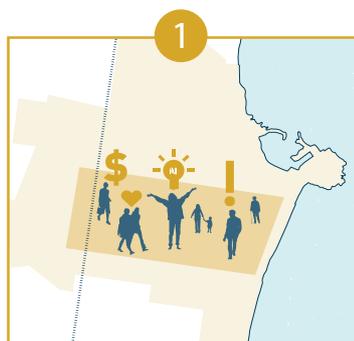


The city centre leverages off its world class foreshore, with strong visual and physical connections that reflect its coastal setting



The city centre's identity is revealed by celebrating its rich Indigenous, European and Industrial history

Develop a human scale city



A tightly defined city centre concentrates vibrancy and activity and guides priorities for investment



Building height and scale will be distributed appropriately to deliver a human scale city centre and promote city life at street level

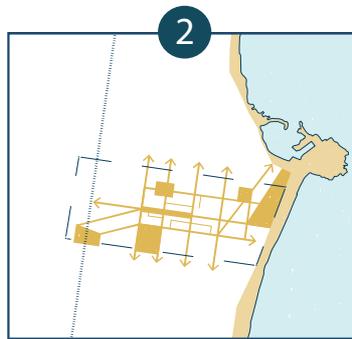


A culture of design excellence celebrates quality architecture, and recognise how each building contributes to the quality of the city

Grow a living city



The city centre invites a diverse resident population, creating lively streets day and night



The public space network is connected and designed to offer a range of unique experiences

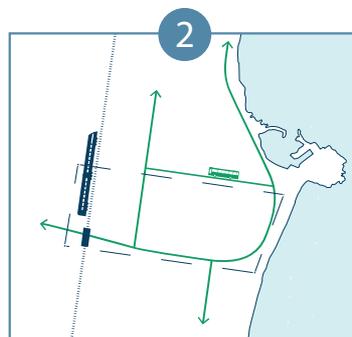


A diversity of functions are integrated throughout the city centre to deliver vibrancy day and night

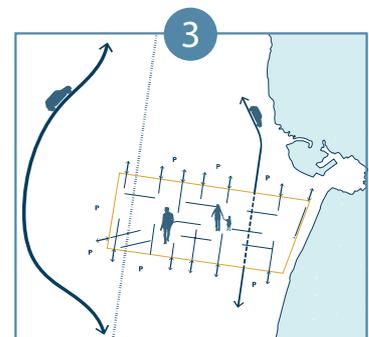
Create a pedestrian friendly city



Walking and cycling are prioritised throughout the city centre, providing high quality connections which are comfortable, enjoyable and safe



Reliable public transport links key city centre destinations and connects with the pedestrian and cycle network



Vehicle movements and car parking support city centre function, with street networks designed to prioritise pedestrians.

Creating a city for people

City centre wide projects

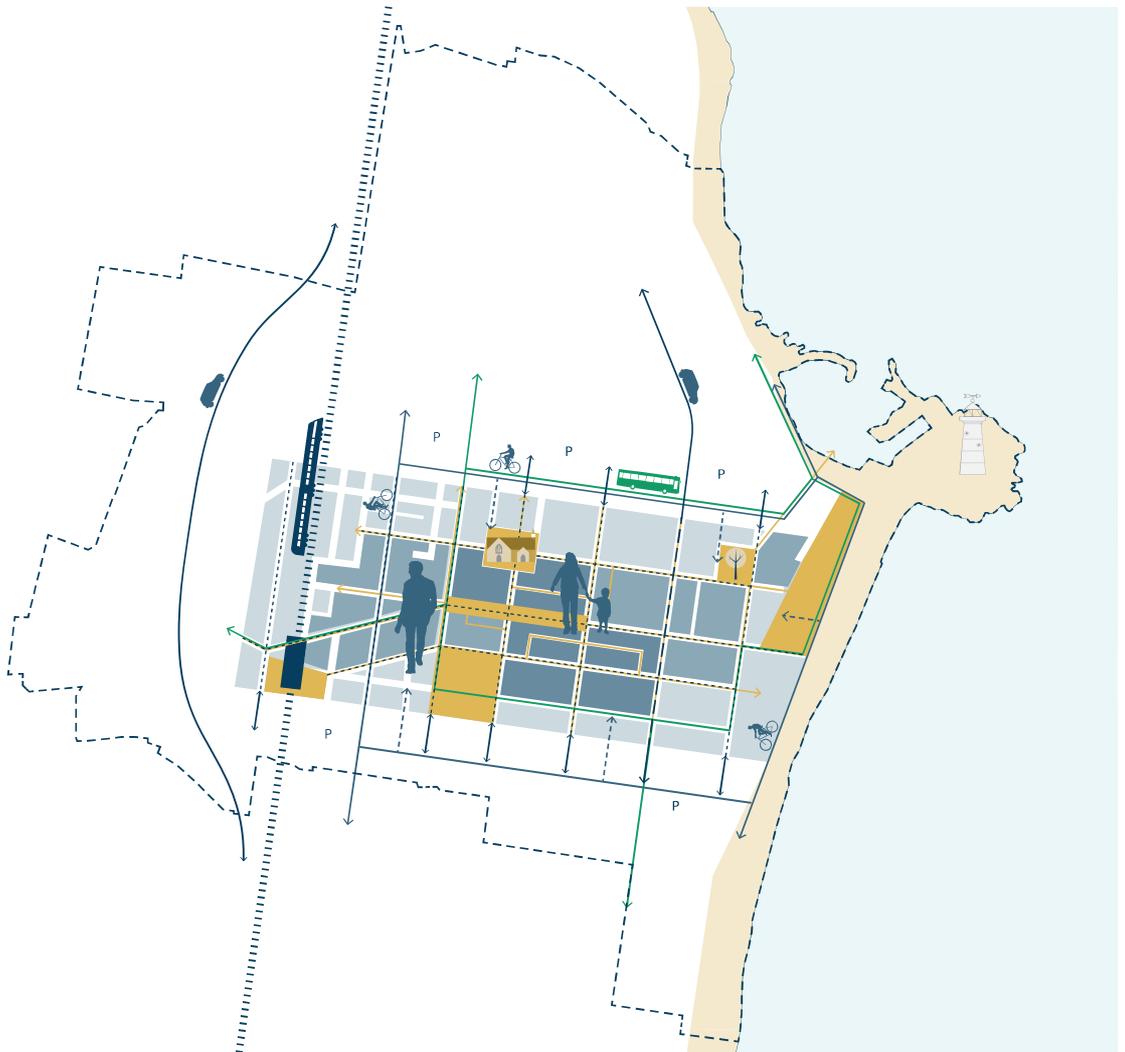
A collaborative approach committed to change

The City Vision sets out twelve aspirational goals for delivering the Wollongong City Centre of the future. The Vision is supported by a range of city wide and area specific actions to inform short to long term priorities for implementation. The Vision will only be realised when the city works collaboratively to implement change.

A range of future planning and policy actions require medium to long term timeframes. Providing a balance of shorter term and temporary actions through the six public life projects offers a flexible and achievable framework for delivering Wollongong City Centre as a city for people.

Medium to Long Term Actions

- Prepare an Access and Movement Strategy and continue to deliver against the Bike Plan.
- Investigate appropriate distribution of height & scale across the city centre.
- Refine the city centre boundary and investigate incentives for investment.
- Develop a design review process to guide high quality outcomes for all development in the city centre.
- Undertake a Heritage Interpretation Project to reveal - Indigenous, European and Industrial heritage across the city centre.
- Establish an Urban Greening Policy.
- Develop a street activation policy, to guide high quality facade design
- Undertake an open space review to guide the role and programming of city centre open space
- Develop a process for pilot project facilitation



Six unique public life projects

A balanced approach committed to change

With our city wide strategies and vision in mind, this chapter introduces six unique urban life projects. These projects begin to unwrap our vision in the form of short, medium and long terms actions.

With a focus on a connected city, Crown Street as the spine webs together a series of public spaces designed for visitors, workers and residents to enjoy and celebrate public life.

Public life projects bring together a range of high quality city experiences. Each project has a unique identity and role in the public life of Wollongong City Centre. The projects are supported by strategies that explore means to enhance the public life of these areas though offering quick, medium and long term actions.

01. Rail Arrival



CROWN STREET



02. Western Crown

03. Crown Street Mall



04. MacCabe Park

06. Foreshore



05. Arts Precinct

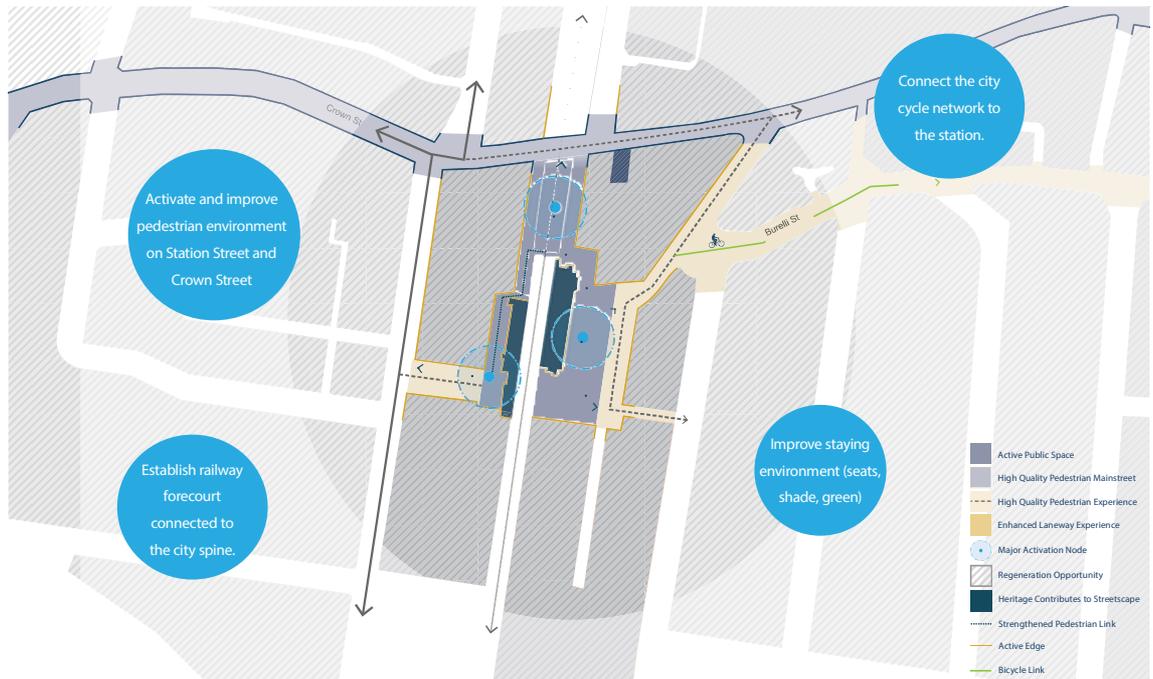
CROWN STREET



01. Rail Arrival

The city will offer an inviting, high quality and well connected rail arrival.

With strong pedestrian links to the city centre and hospital, it will greet visitors and locals with an exciting and safe arrival experience of vibrant, active, enhanced public spaces and lanes.



Key actions to achieve this are.....

Quick Wins

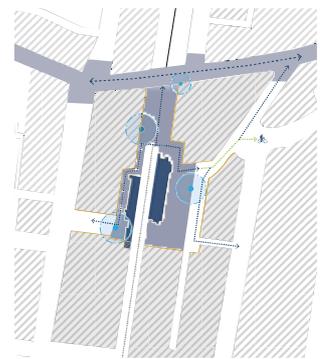
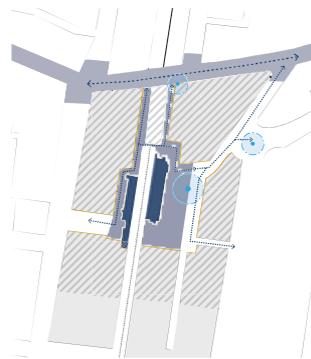
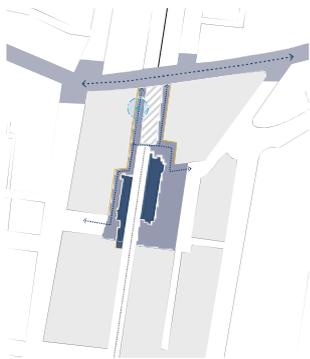
- Establish a collaborative working group to consider creative and temporary measures to deliver a high quality station arrival through art and activation.
- Deliver an innovative and artistic wayfinding campaign to connect Wollongong station to the city, foreshore and hospital.

Medium Term

- Design upgrade of Denison/Crown Street intersection.
- Investigate a range of improvements to the street network to improve pedestrian priority on Station Street, Burelli Street and Crown Street.
- Lobby State Government to invest in the upgrade of the station to establish an accessible Crown Street address.
- Develop a railway station master plan which investigates regeneration within a comfortable walking catchment of the station and transport interchange.
- Lobby state government for frequency of services.

Long Term

- State Government to construct a new and active Crown Street railway forecourt arrival for Wollongong Station with universal access.
- Council facilitates and incentivises the regeneration of surrounding properties through endorsed policy and improved infrastructure.
- Create a railway arrival with a strong and coordinated connection the city's public transport, bicycle and pedestrian network.



Hole in the wall coffee shop and seating enhances laneway.



Large scale temporary art to activate forecourt and help with local information.



Well defined, pedestrian friendly streets create a safe and legible access for commuters.



Artistic and innovative wayfinding solutions using the existing fabric.



Small businesses enhance lane-ways and provide passive surveillance.



A new and active Crown Street railway forecourt arrival .



Artistic and innovative wayfinding solutions.



Innovative art uses existing urban grain to enhance spaces.

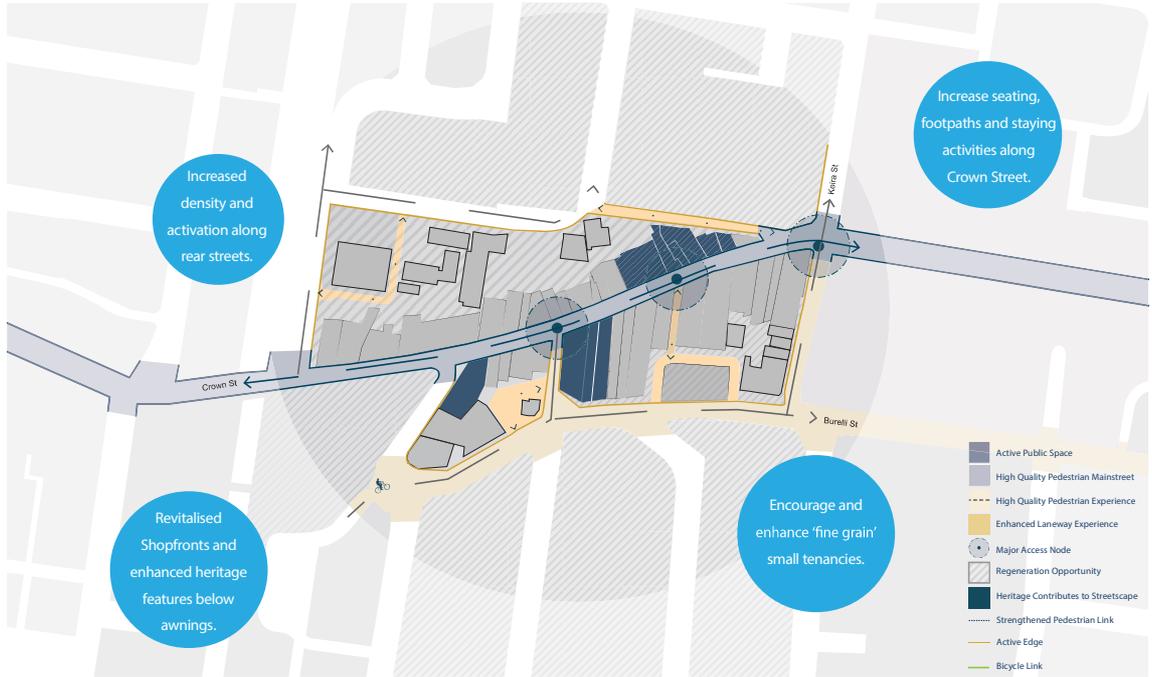


Regeneration of industrial sites for mixed use/residential development.

02. Western Crown

The city will have a pedestrian prioritised spine with plenty of spaces to stop and sit.

A thriving hub for local businesses, Western Crown's high quality revitalised shopfronts will establish a strong and active engagement with the street.



Key actions to achieve this are.....

Quick Wins

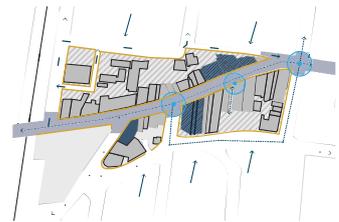
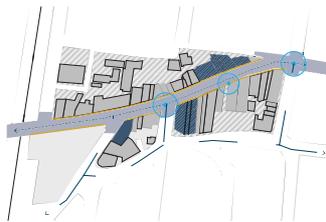
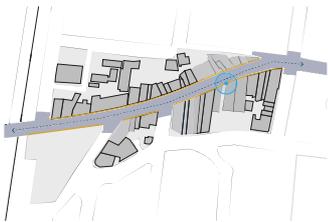
- Deliver a pilot project to enhance comfort for bus stop waiting area and city arrival experience.
- Establish a project team to work with building owners to encourage local creatives to activate vacant shops.
- Undertake a cleaning program to revitalise footpath treatments.
- Work with business owners to enhance the street appeal of existing shopfronts.

Medium Term

- Concept design for footpath upgrades between Atchinson Street and the railway bridge.
- Investigate regeneration opportunities, ensuring future built form reinforces the fine grain rhythm of the streetscape, and respects the scale and character of heritage and contributory buildings.
- Work with WIN Corp to develop a master plan for land bounded by Crown, Keira, Burelli and Atchinson Streets.
- Undertake an economic analysis to test the viability of future development.
- Undertake a concept design and associated traffic modelling of Western Crown between Keira and Atchinson Streets, focusing on enhancing the pedestrian experience by increasing footpath widths, staying activities and improving the public domain by introducing street trees.

Long Term

- Upgrade footpath between Atchinson Street and the railway bridge.
- Introduce appropriate incentives in planning policy to support regeneration opportunities.
- Encourage the adaptive re-use of heritage buildings/ spaces.
- Partner with RMS to declassify Western Crown Street.
- Upgrade streetscape between Keira and Atchinson Streets.



Temporary parklet provides places to sit and wait for public transport.



Legible, pedestrian-friendly crossing points.



Pedestrian prioritisation & street trees define the street edge.



Affordable arrangements for local creatives brings life to empty shopfronts.



Enhanced street address & night time programming keeps streets active during the day and at night.



Wider footpaths allow for on-street dining.



Shopfront revitalisation engages with the street.



Lighting and enhanced public domain create a legible streetscape.

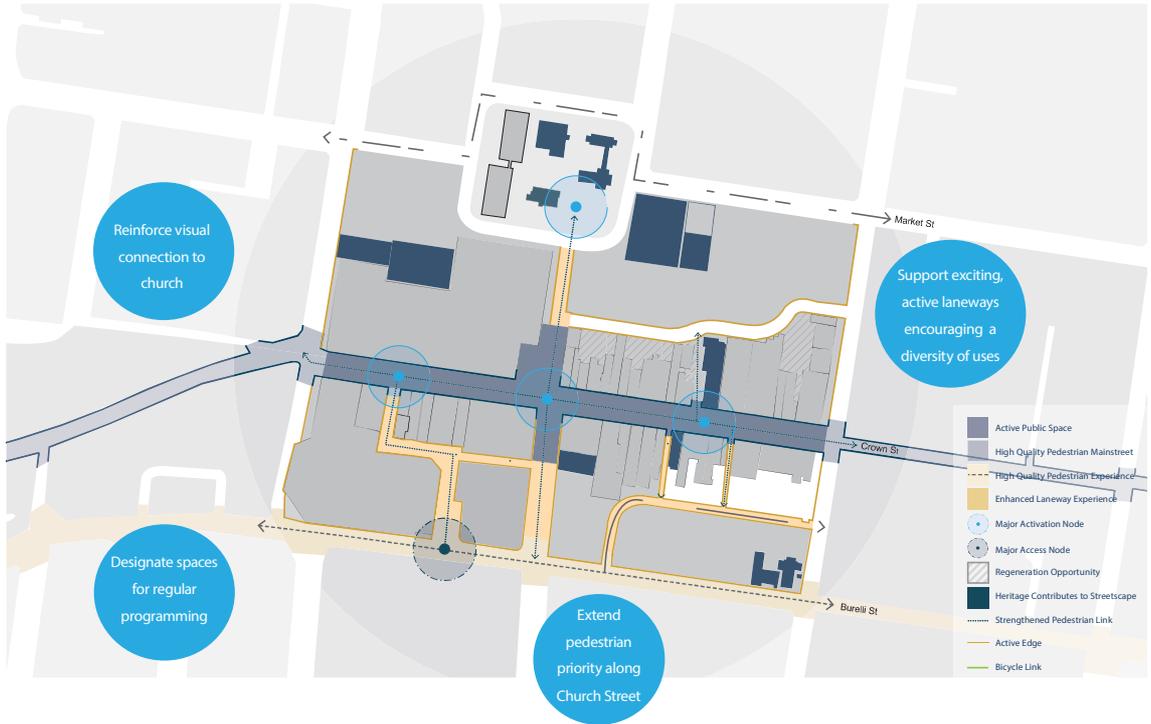


Increased density in surrounding areas supports local business.

03. Crown Street Mall

Crown Street Mall will be a dynamic activity centre for the city.

At the centre of the city, the Mall will be a destination with regular free programming and a diversity of functions both day and night. Flexible spaces will invite people of all ages to spend time in the Mall, creating a constant hive of activity. A vibrant and exciting network of laneways will support the Mall and connect it to surrounding areas.

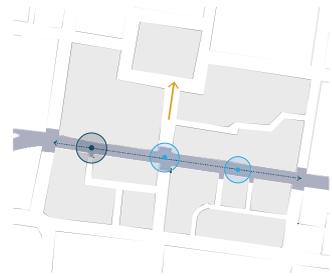


Short term strategies activate the mall with regular temporary programming.

Key actions to achieve this are.....

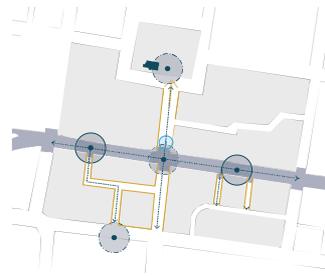
Quick Wins

- Deliver an activation project in the lower end of the Mall to offer a point of difference and invite people to spend time.
- Deliver a temporary play space in the Mall.
- Proactively encourage performances/use of the stage area to deliver a regulated and reliable program of activities.
- Celebrate the unique history of the Mall through a heritage interpretation project.
- Continue to support unique weekly markets which complement local business and promote evening activation.



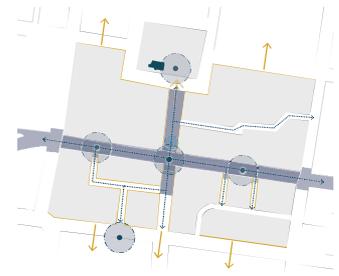
Medium Term

- Encourage buildings to open onto, and interact with laneways.
- Develop a laneway strategy to investigate role of lanes in the city and ways to enhance the identity and functionality of the laneway network.
- Deliver outstanding public art in the Mall which is of regional and international interest.
- Develop a Mall activation strategy to coordinate the physical and administrative requirements of programming the Mall.
- Introduce a temporary shade structure at the stage area to improve comfort in summer months.
- Introduce urban furniture in the bleacher seating area to encourage extended and flexible use.



Long Term

- Extend a strong pedestrian connection along Crown Street at the Keira and Kembla Street intersections, to improve the interface with the Mall.
- Investigate pedestrian prioritisation of Church Street, between Market and Burelli Streets.



Temporary regular programming to creates a sense of place and destination.



Permanent structures which can be used for a range of activities help define spaces.



Temporary pop up use of spaces encourages new visitors.



Busking of a variety of scales enhances the visitor experience.



Temporary installations bring play into the Mall.



Permanent structures which can be used for a range of activities help define spaces.



Quality outdoor displays & stalls strengthen Mall.



Temporary activities help to define place & space.

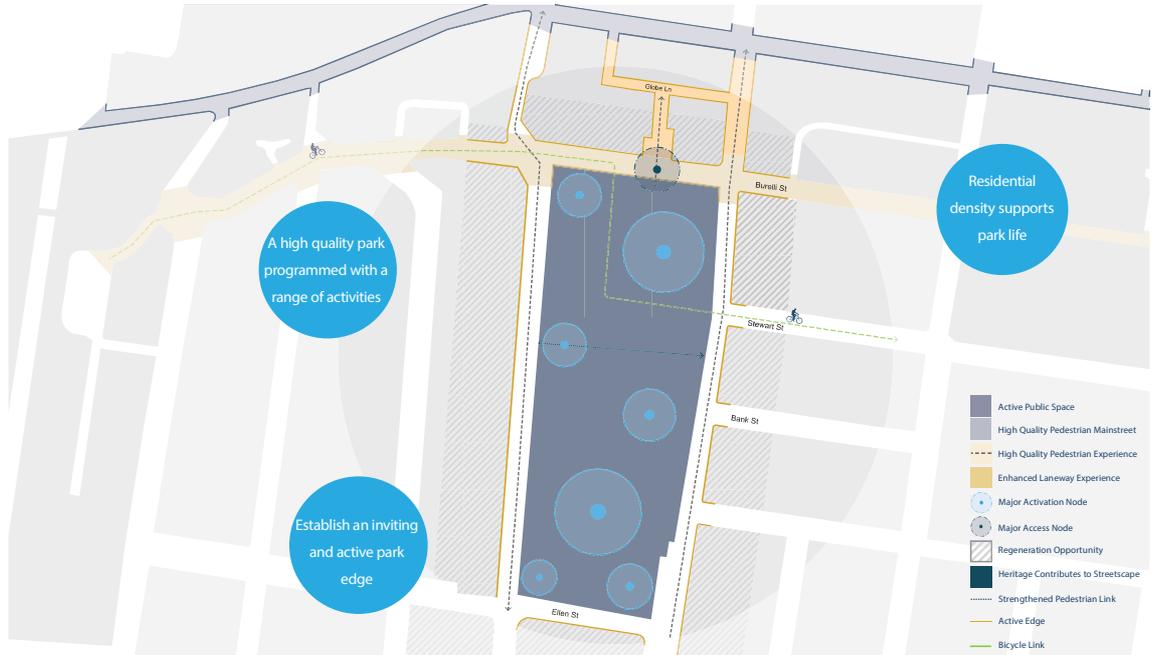


Frequent events such as markets create a sense of 'destination'.

04. MacCabe Park

A premier city park offering a range of activities for all ages.

MacCabe Park will be celebrated as a lively, high quality urban park supporting a balanced lifestyle for city residents and workers. A place of pride for the city, the Park will host a range of large scale events and festivals. Supported by activities, cafés, and public facilities, it will be an active space, with strong connections to the city centre.



Key actions to achieve this are....

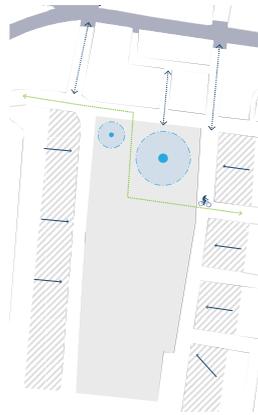
Quick Wins

- Introduce temporary play elements to invite youth to use the park.
- Facilitate temporary food vans to support and encourage people to stay and enjoy the park.
- Undertake an art project to rejuvenate the built walls and fences of surrounding properties.
- Encourage edge buildings to open onto and activate the park.



Medium Term

- Detailed feasibility analysis of the regeneration of MacCabe Park and surrounding opportunity sites.
- Undertake a built form review to investigate optimal development to support and complement the park.
- Extend the city bike network through the park. Tap into the park's velodrome history with unique cycle programming and links.
- Establish strong north/south physical and visual connections to the city via Globe Way, Church and Keira Streets.



Long Term

- Refine and deliver MacCabe Park Master Plan.
- Facilitate and encourage residential intensity around the edge of the park.
- Require all buildings which have an interface with the park to deliver an enhanced street edge.



Evening activities activate the park at night.



New cafes with park vistas activate the park edge and support busy playgrounds.



Improved youth services with integrated facilities.



Recreation space for children uses the existing typography.



Re-use can activate the park and work with park aims to enhance park activities.



Permanent play structures and community garden enhances the park's focus on youth and education.



Temporary businesses support park users.



Strong connections to the pedestrian network.



Active play offers spaces that cater to all age groups.

05. Arts Precinct

An active urban plaza will establish a home for Wollongong's creatives.

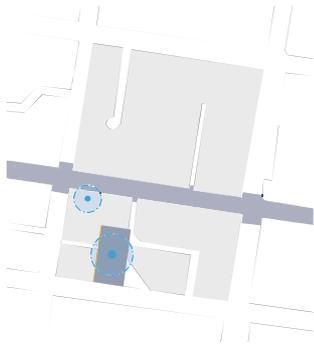
A network of interconnected buildings and spaces celebrating art, music and literature. The Arts Precinct establishes a focal point from which Wollongong's cultural expression can radiate through its city. Town Hall, City Gallery, and IPAC offer a range of creative spaces, galleries, civic and performance spaces which interact with, and extend into the central urban plaza. This dynamic space provides residents, workers and students places to sit, work, think, eat and meet, day and night.



Key actions to achieve this are....

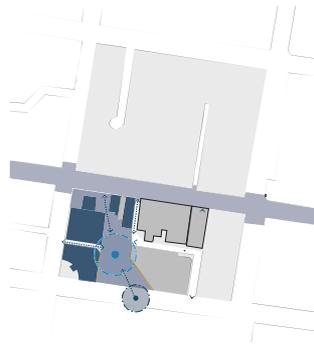
Quick Wins

- Temporary pods activate the building edge, allowing exhibition of local art work, artist workshops, or food offers to complement building functions.
- Introduce temporary seating to encourage residents, visitors and workers to use the urban plaza for lunch, work, relaxation and play.
- Build on the range of events and performances with an artistic/cultural point of difference.
- Establish a creative arts hub in the basement of the Town Hall. Extend the activities in the basement into the adjacent plaza.



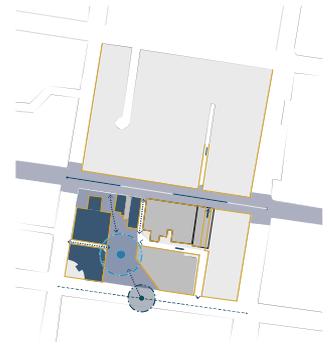
Medium Term

- Provide trees with a canopy to shade in summer, and maximise sunlight in winter.
- Strengthen linkages between Town Hall forecourt, Town Hall pocket park, laneways and the central urban plaza.
- Form an Arts Precinct Committee to oversee the integration and programming of all sites, spaces and events day and night.
- Enhance the Gallery entry from the plaza.
- Changing art and cultural displays create a focal point in the plaza.
- Public art master plan.



Long Term

- Strengthen pedestrian priority of the urban plaza by restricting vehicular access and parking.
- Encourage all buildings to open onto the plaza and offer a range of outdoor uses.



Temporary food trucks activate lanes during the evening.



Pop up galleries activate laneways during opening and closing hours.



Artist in residence programs/galleries.



Temporary outdoor public exhibition spaces offer a constant and changing attraction.



Improved public domain that caters to workers and students.



Cheap artistic strategies employed to create a sense of enclosure.



Temporary seating and structures create a sense of enclosure.



Art fair and stalls bring together local creatives.

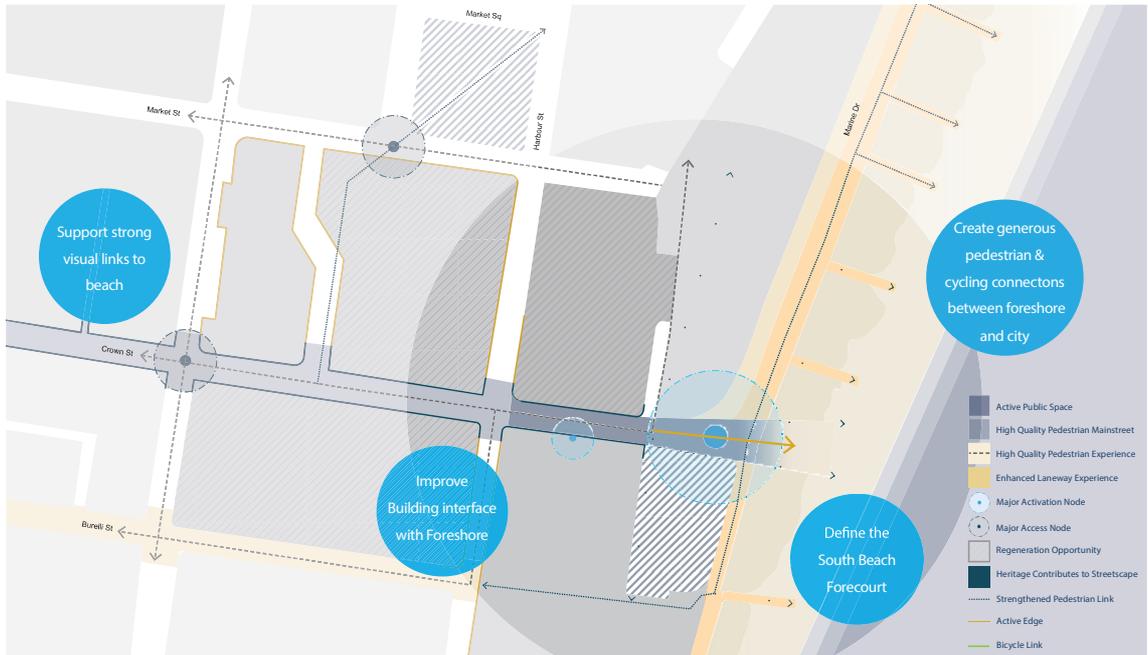


Improved building interface & local gallery.

06. Foreshore

A thriving outdoor culture will connect the city with its relaxed beach lifestyle.

The foreshore is recognised as an important part of the city centre, with its natural beauty informing the character and identity of the city. Strong visual and physical connections along Crown, Burrell and Market Streets will invite people to move easily between the built up city and its relaxed coastal setting. The city is anchored at the foreshore by South Beach forecourt, providing an exciting sense of arrival with a range of activities and programmed spaces to invite people to enjoy the city's natural setting.



Key actions to achieve this are....

Quick wins

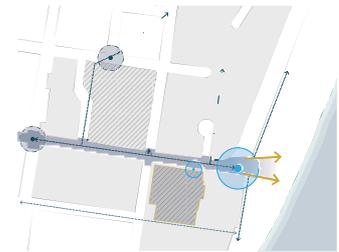
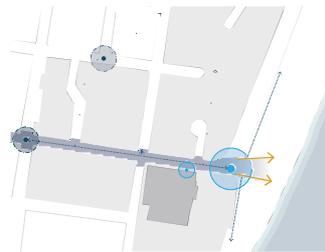
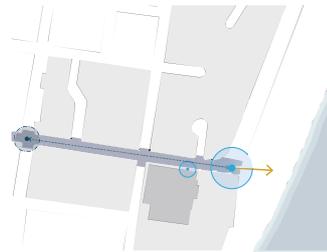
- Improve visual connection to South Beach through pruning of street tree and dune vegetation.
- Promote events and 'pop up' stalls to provide range of offers to invite people to stay and spend time.
- Implement a city to beach temporary wayfinding campaign for summer 2015-16.
- View analysis.

Medium Term

- Prepare a detailed master plan for the foreshore, defining the South Beach forecourt.
- Model options for pedestrian and cycle priority along Crown Street as part of the Access and Movement Strategy.
- Test opportunities to expand the South Beach access point at the end of Crown Street.
- Indigenous heritage recognition project.
- Develop a coordinated city centre event calendar.

Long Term

- As a key site, work with Diocese to develop a master plan for the future regeneration of the former St Francis Xavier School and cathedral site.
- Deliver South Beach Forecourt.
- Work with WEC to improve Crown Street building interface and a master plan for the future development of this site.



Outdoor dining improves streetscape.



Decking creates a strong visual and physical connection between the city and the beach.



Active street edges with ample room for dining, pedestrian and cycle movement connects the city with the foreshore.



Outdoor dining supports the growth of a restaurant corridor.



Sensitive architecture provides an urban engagement with the foreshore.



Public domain that responds to natural settings.



Wide footpaths to enable street alfresco.



Visual connections enhance engagement with the beach.



Mixed use development encourages street activity.

Inspiration

Innovative government design culture



Auckland, New Zealand

Once described as “the bad boy in the class” and “the city of cars”, Auckland’s remarkable short term turnaround has largely been a result of renewed, persistent and determined organisational and institutional cultures. A strong shared vision of “Creating the World’s Most Liveable City” has laid the platform for policies, processes, projects and people to flourish. Auckland Council has acknowledged that design leadership must be mandated from the top to act as a sustainable agent of change.

Mixed land use and transport integration



Cleveland, Ohio, USA

The ‘Connecting Cleveland 2020 Citywide Plan’ was introduced with the aim of shifting the city from a homogenous pattern of zoning to a focus on pedestrian prioritisation and diversity of uses. It is now dedicated to integrated transport solutions to connect downtown, harmonise traffic flow, improve the streetscape and allow for multi-modal uses. Their ‘Smart Zoning’ policies use innovative zoning techniques allowing for diversity in development. The improved links and diverse mixed use areas have led to a very considered series of accessible districts each with their own goals and identity, all celebrating Urban Life.

Sustained commitment by government to creating a world class city for people



Copenhagen, Denmark

The City of Copenhagen has had a sustained commitment to producing a high quality city for its residents, workers and tourists since the 1960s. Consistent and coordinated policies have produced a city that has been successful in catering to all facets of urban life. The city has ensured a coherent and holistic consideration of the relationship between transport, land use and urban form, with human experience at the forefront.

Recent reduction in height limits to reinforce human scale



Kyoto, Japan

Described by Mayor Yorikane Masumoto as “a major project looking a century ahead”, the 2007 Kyoto City Landscape Policy resisted the trend to ‘upzone’ cities and reduced their inner city building height limits. A more appropriate distribution of building height was enacted that sought to reinforce the Kyoto character as a point of difference to other competing Japanese cities. The policy also ensures that the supply of new development space is distributed more evenly around the city rather than being isolated by few sites.

Actively pursuing multifunctional outcomes



Melbourne, Australia

The City of Melbourne’s Postcode 3000 strategy is an exemplar of how to plan and execute an ambitious city direction. In 1992, the Postcode 3000 strategy was introduced with the aim of actively and quickly shifting from a city with a conventional ‘Central Business District’ (dominated by a 9-5 economy) to a ‘Central Activities District’ (with offices, retail, residents, events and arts and culture). The Council used a variety of levers at their disposal, including technical support, financial incentives and demonstration projects in what was a strong contributor in making Melbourne what it is today.

Making difficult decisions for long term benefits



Sydney, Australia

The City of Sydney Cycle Strategy and Action Plan 2007-2017 shows a commitment to making cycling as attractive a choice of transport as driving or using public transport within the city. The implementation of this large and costly infrastructure upgrade of this plan came with community concerns, leaving the Council to make costly decisions without community support to strive towards a liveable and cycling friendly city. Although met with many barriers, the persistence to strive for a long term goal has paid off, with the number of cyclists doubling over the past three years, with a push to introduce more cycling infrastructure and events.

Reflections

Wollongong city centre is a world class city enjoying a spectacular natural environment and a relaxed lifestyle offering great conditions for active public spaces and public life. Despite this, Wollongong city centre still appears dominated by vehicular traffic and has a lack of night time activity.

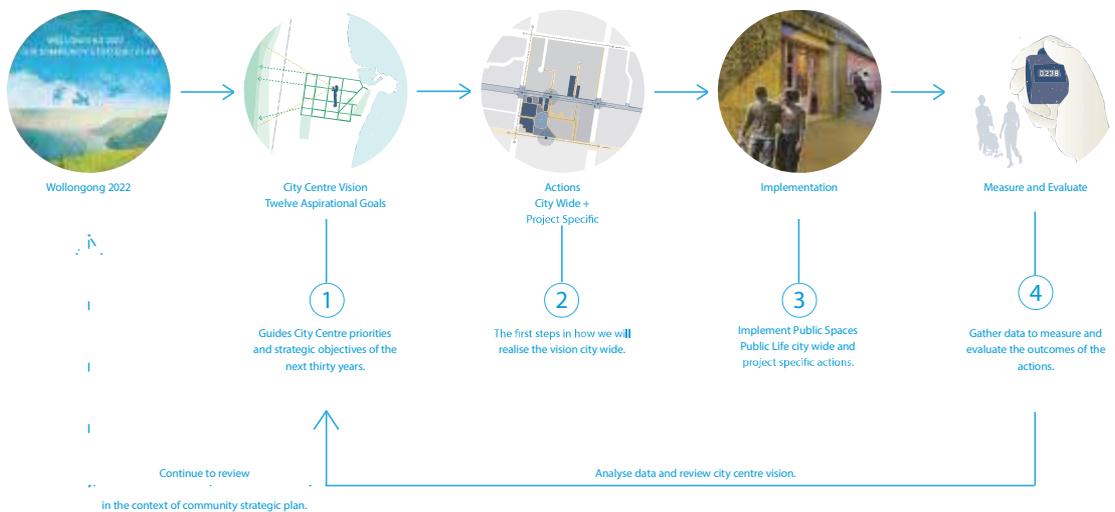
In 2014, Gehl Architects in partnership with McGregor Coxall were invited to cast a critical view on how the public spaces in Wollongong city centre were performing in terms of public life. A summary of the findings are presented in this document and in a separate "Public Life Data" report. The analysis undertaken revealed a city with a void of residents at its core, contributing to an absence of vitality both day and night. In addition, the analysis revealed an imbalance between transport modes, with pedestrians and cyclists at the bottom of the hierarchy. Similarly, the extraordinary physical qualities, such as the city's connection to the foreshore and escarpment are not celebrated.

Looking to other cities it is evident that change is possible. Common to all of them is a shift towards a more balanced traffic system, a prioritisation of public space and the development an urban environment that transforms the streets and squares into more people-friendly places.

Altering the present situation in Wollongong demands a change of attitude. A more integrated approach needs to be applied where infrastructure, planning and public spaces are thought of as one. Visions need to be developed looking at what ought to be achieved to celebrate Wollongong as one of the world's most liveable cities. Strategies need to be in place to gradually change the current course and deal with how the visions can be achieved in practical terms.

Wollongong will no doubt change dramatically during the coming years. The potential is certainly there, but how the city will transform is yet to be seen.

The Process of the Public Spaces Public Life Strategy



Public Life Data

Wollongong, 2014

DRAFT



Acknowledgements

Wollongong City Council would like to show their respect and acknowledge the Traditional Owners of the Land, Elders past and present, and extend that respect to other Aboriginal and Torres Strait Islander people.

The following people from University of Wollongong have participated in collecting data for a public life survey:

James Benning
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Kate Corbett
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Brady Gilchrist
Nannita Gyanehandau
Sarah Jacobson
Jocelyn McGarity
Darren Norman

Samira Noweoozipour
Issac Palmer
Dominique Pezzutto
Molly Porter
Sue Subedi
Ben Slattery
Bindi Reeves
Jessica Volkanovski
Katelin Volkanovski
Louisa Welland

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Amy Bottomley
Jon Bridge
Karen Brown
Maria Byrne
James Chappell
Will Coote
Roberta Costa
Mike Cowdy
Joel Di Fonzo
Luke Dorahy
Mike Dove
Sam Ebzery
Chris Flanagan
Chris Fuller
Lachlan Harris
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Bridget Jarvis
Peter Jones
Cathy Joukador
Hayden Knoble
Della Kutzner
Kiosha Gardener
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Marina Lamers
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Sarah Navarrete
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Michael Cowdy
Rebecca Jardim
Drew Pinazza
Sally Anderson
Jerah Fox
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Foreword

Need for people data

Most cities have traffic departments that collect data to investigate and manage traffic in a city. But very few have people responsible for collecting information on how people move through a city and the quality of city streets and places from the perspective of pedestrians.

Wollongong has a very unique setting, nestled between the escarpment and the sea, and is the Regional City supporting the Illawarra. It is very important to understand pedestrian activity to inform how the city should be shaped.

Public Spaces Public Life

In 2014 Wollongong City Council formed a partnership with Gehl Architects, and McGregor Coxall to undertake a Public Spaces, Public Life study. The study will inform the review of the *City Centre Revitalisation Strategy* endorsed by Council in 2007.

The report published, 'A City for People', Wollongong 2015, includes summaries of the public life survey conducted. The detailed data is published in this separate document.

Contents

Method	4
Pedestrian traffic	
Walking in the city centre	5
Weekday summary	6
Weekday counts	7
Weekend summary	13
Weekend counts	14
Stationary activities	
Survey of stationary activities	21
Weekday summary	22
Weekday counts	23
Weekend summary	27
Weekend counts	28

Method

Pedestrian Counts and Observations

This Public Spaces Public Life Study measures how cities function from the perspective of the people who use them. The study provides information on where people walk and stay, either as part of their daily activities or for recreational purposes. This information then informs future decisions about which streets and city spaces need improvement, to make them easy and pleasant places to visit, and not just act as traffic conduits. 'Staying' or stationary activities act as a good indicator of the quality of an urban space.

A large number of pedestrians walking in the city doesn't necessarily indicate a high level of quality. A high number of people choosing to spend time in the city indicates a lively city with an inviting urban quality.

How the data was collected

- Counting Pedestrians
- Surveys of stationary activities (behavioural mapping)

Method

The method for collecting this information has been developed by GEHL Architects and used in previous studies such as Melbourne, Sydney, Adelaide, Stockholm, Moscow and London.

- Pedestrian counts were carried out in selected streets for 10 minutes every hour between 8am -10pm during the week, and 10am-10pm on the weekends
- Stationary activities were mapped every hour between 10am and 8pm
- The surveys took place during March-May 2014
- The data was collected on weekdays (Tuesday/Wednesday) and on Saturdays
- Weather conditions were required to be fine/ sunny
- Additional data was collected during Friday Markets and Thursday Eat Street as case studies to demonstrate the impact of these activities on pedestrian activity. This data is not included in this report.

Study Area

The counting positions and areas for recording staying activities were chosen to provide the best overview of pedestrian activity through the city centre and along the foreshore.



Pedestrian traffic

Walking in the city centre

At some point we are all pedestrians in the city centre. Whether we arrive by car, bike or public transport, at some point in our journey we become pedestrians. As such, streets should be welcoming and enjoyable for all.

Walking is more than a mode of transportation, it is a way to experience the city streets and enjoy city spaces. When walking through the city at a comfortable pace, there is an opportunity to engage with the city environment, looking at shop windows, smelling the coffee or flowers as you walk past different shops, appreciating the buildings, enjoying interesting views and people watching. Walking also allows for planned and spontaneous social activities.



Counting positions

01. Crown Street A
02. Crown Street B
03. Keira Street
04. Gladstone Avenue
05. Station Street
06. Burelli Street A
07. Crown Street C
08. Globe Lane
09. Church Street A
10. Church Street B
11. Crown Street D
12. Kembla Street A
13. Kembla Street B
14. Ethel Hayton Lane
15. Crown Street E
16. Crown Street F
17. Corrimal Street
18. Harbour Street
19. Marine Drive
20. Cliff Road A
21. Cliff Road B
22. Burelli Street B

Pedestrian traffic

Weekday 8am - 10pm

Pedestrian activity over the day

The general walking pattern shows that the highest concentrations of pedestrians are found in Crown Street Mall and western Crown Street, followed by parts of Burelli Street. The number of people moving along Crown Street reduces east of the Mall (heading toward the foreshore)

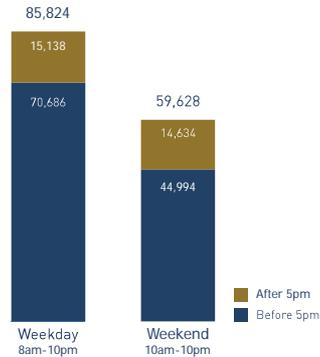
Low level activity in the evening

Pedestrian numbers drop dramatically from 2pm after the lunch peak, and as shops and offices close. Large sections of the city centre become more or less deserted after 6pm.

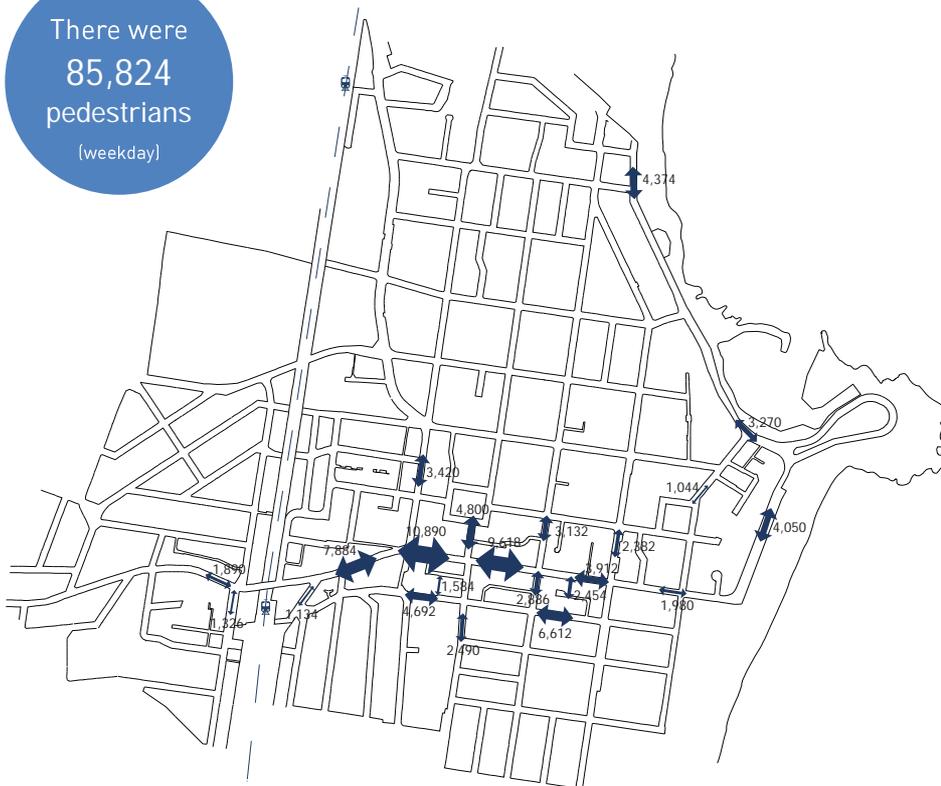
Key locations performing well

On a typical weekday night, areas that offer dining including Corrimal Street, Cliff Road and Keira Streets experience additional pedestrians traffic after 4pm.

The number of pedestrians during the week vs weekend

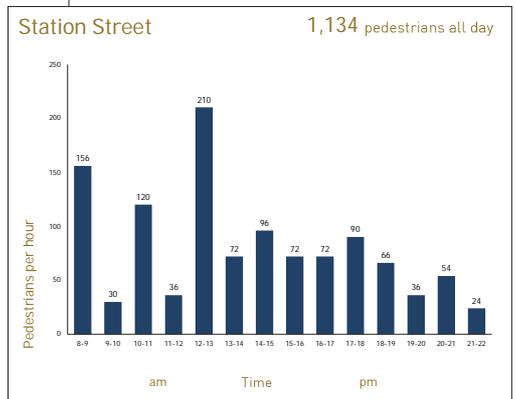
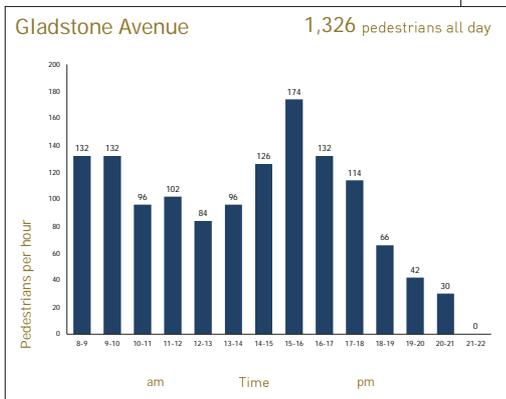
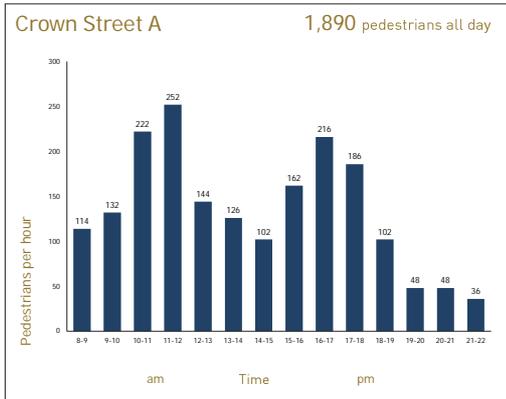


There were
85,824
pedestrians
(weekday)



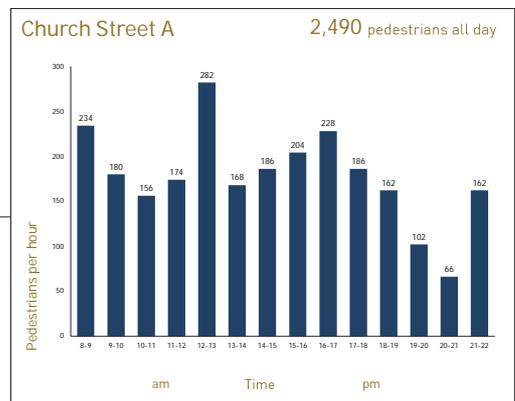
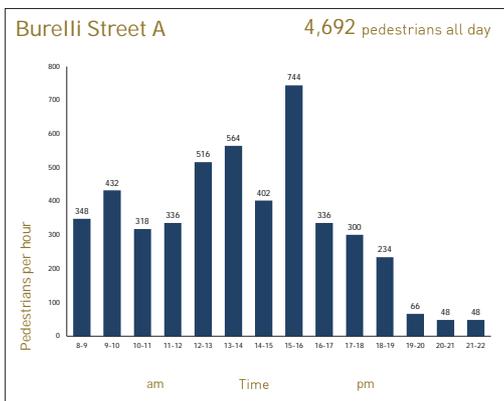
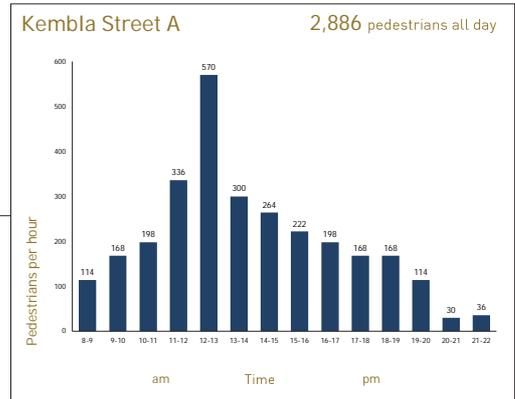
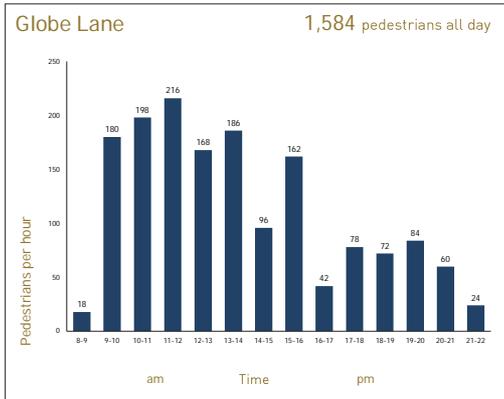
Pedestrian traffic

Weekday 8am - 10pm



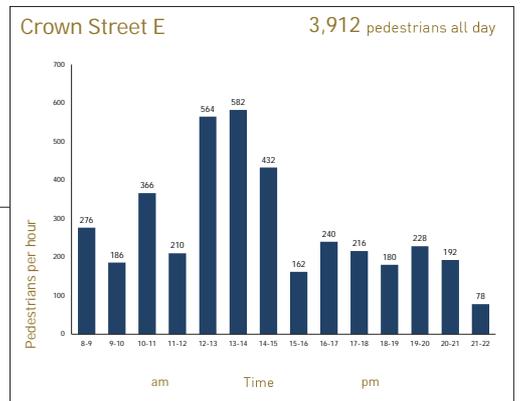
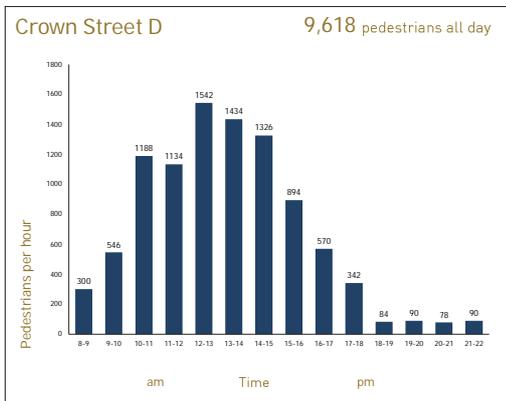
Pedestrian traffic

Weekday 8am - 10pm



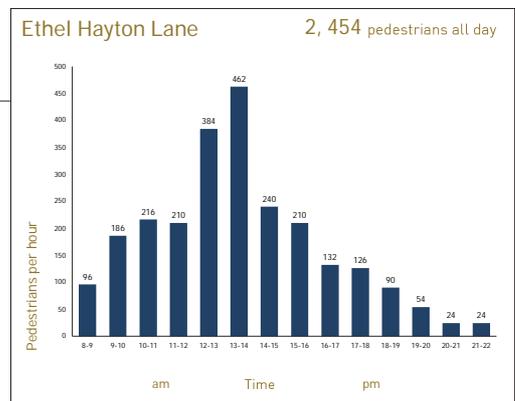
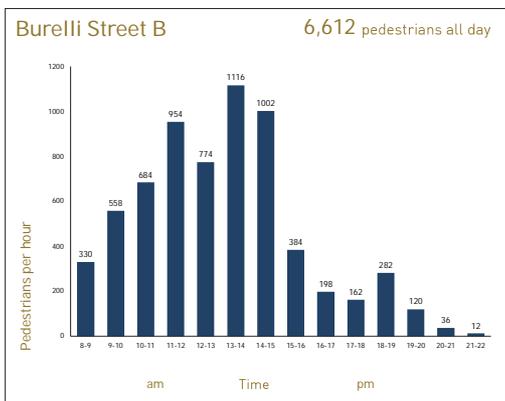
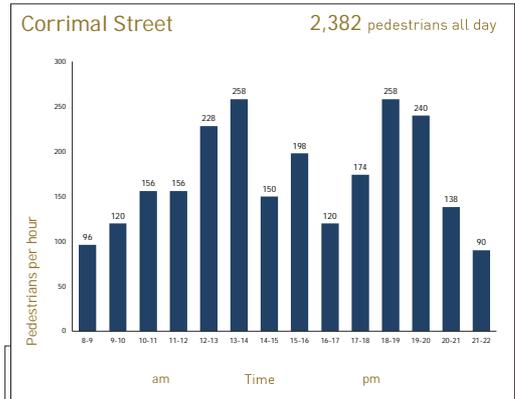
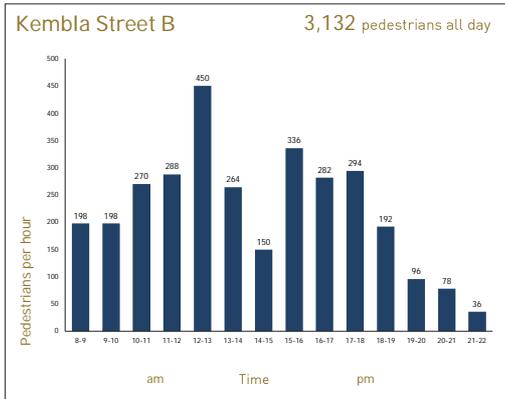
Pedestrian traffic

Weekday 8am - 10pm



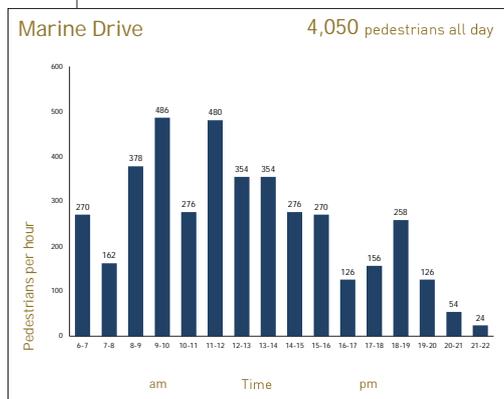
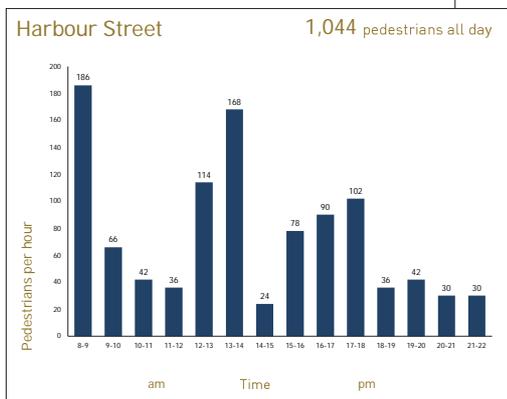
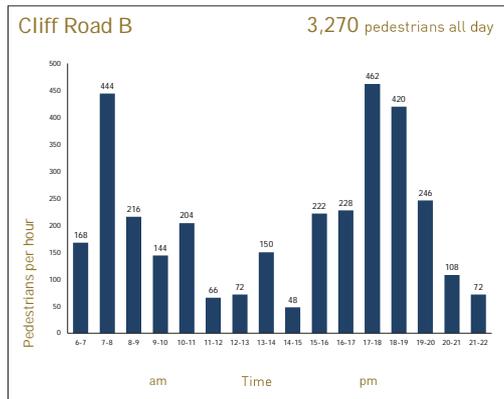
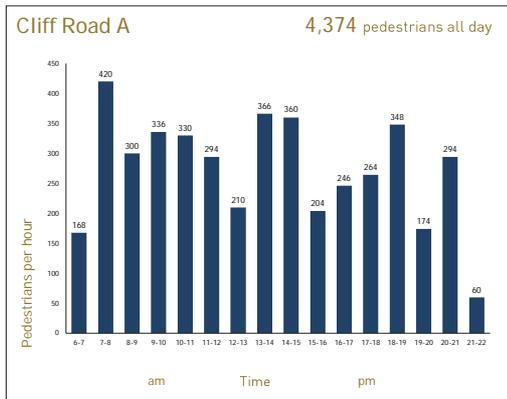
Pedestrian traffic

Weekday 8am - 10pm



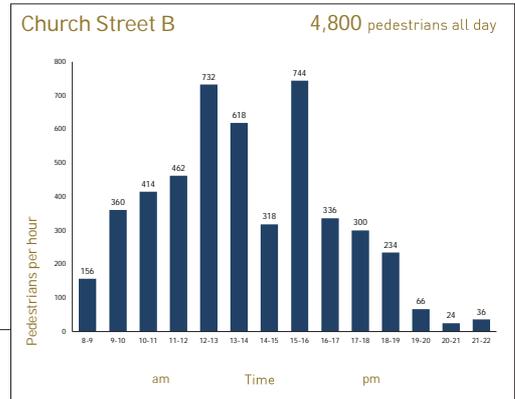
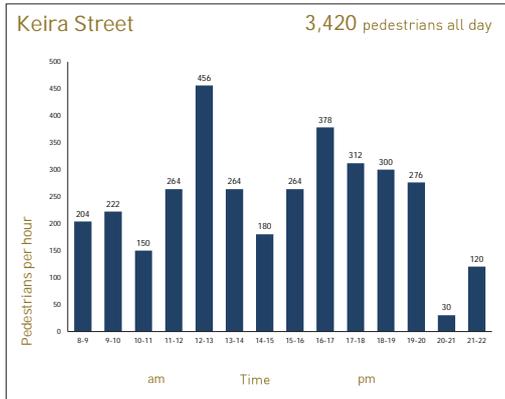
Pedestrian traffic

Weekday 8am - 10pm



Pedestrian traffic

Weekday 8am - 10pm



Pedestrian traffic

Weekend 10am - 10pm

Less pedestrian traffic on weekends

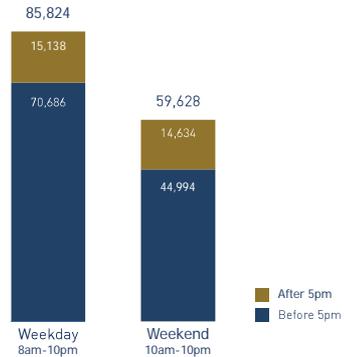
There is a significant drop (just over 30%) in pedestrian traffic recorded on weekends when compared to weekdays.

The overall trend in pedestrian traffic demonstrates that more people walk through the city during the day than at night, which remains consistent with weekday pedestrian counts.

Key locations performing well

On a typical Saturday night, only Corrimal Street, Lower Crown Street, Globe Lane and Keira Street experience a rise in footfall. Overall evening traffic is 18% of daytime traffic.

The number of pedestrians during the week vs the weekend

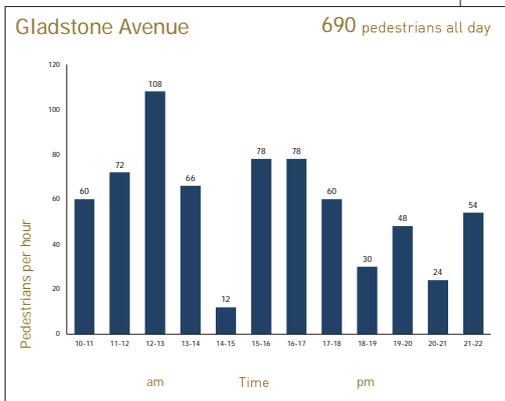
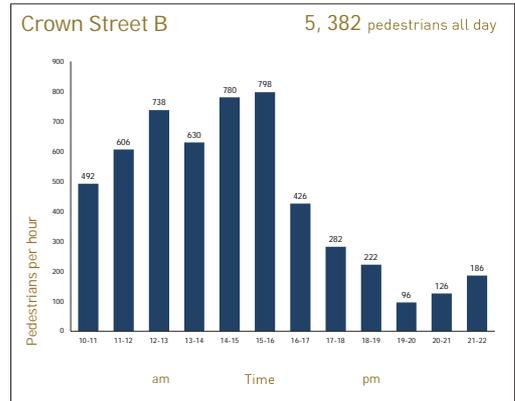
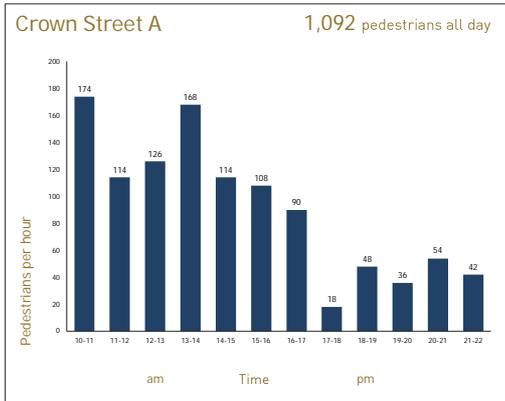


There were
59,628
pedestrians
(weekend)



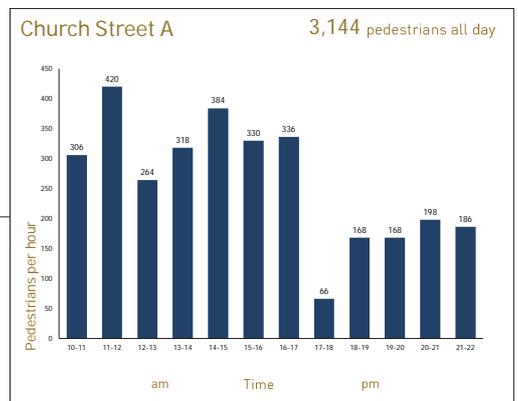
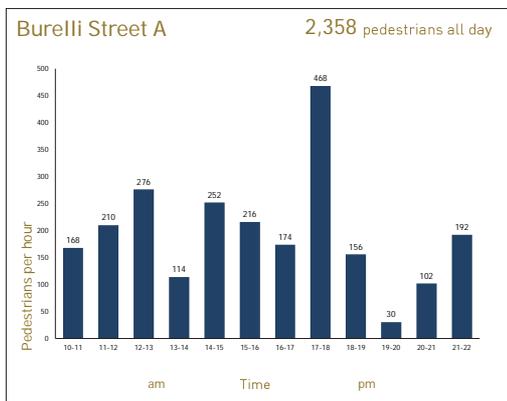
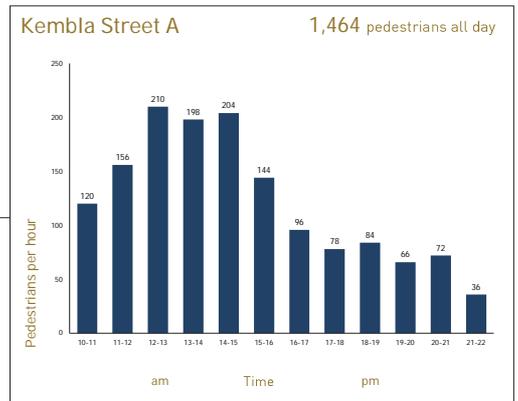
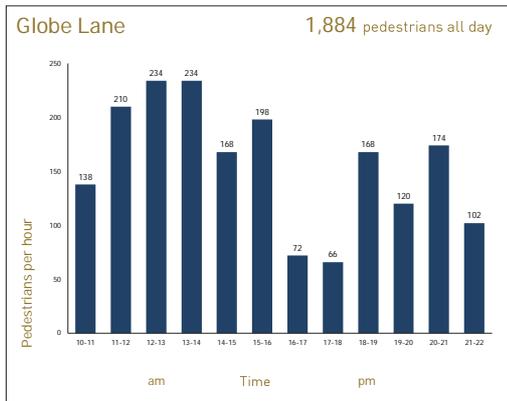
Pedestrian traffic

Weekend 10am - 10pm



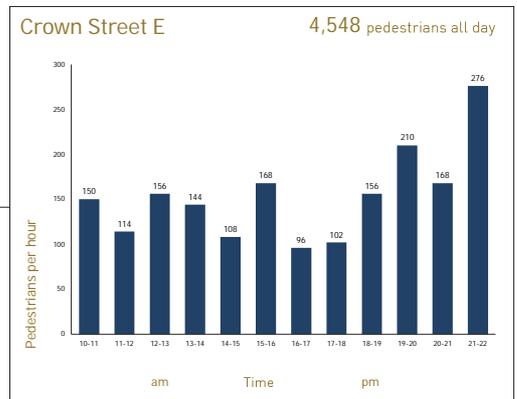
Pedestrian traffic

Weekend 10am - 10pm



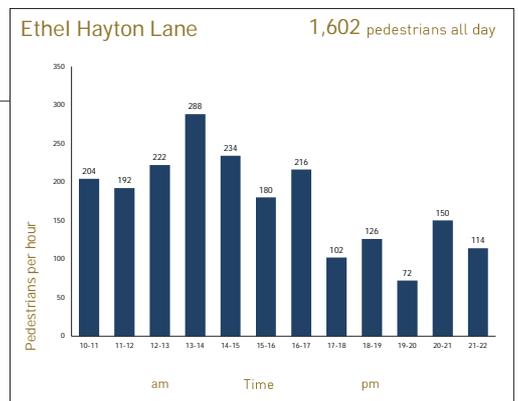
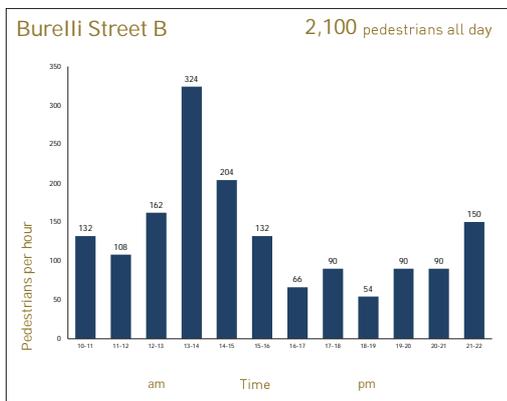
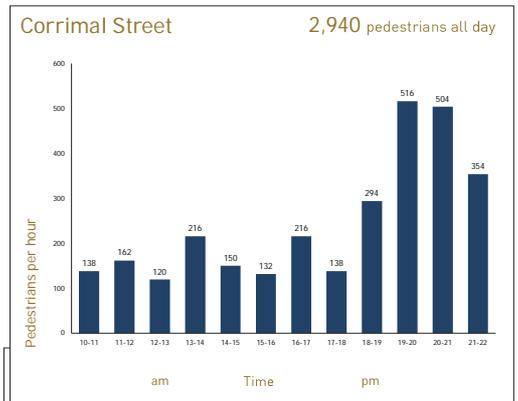
Pedestrian traffic

Weekend 10am - 10pm



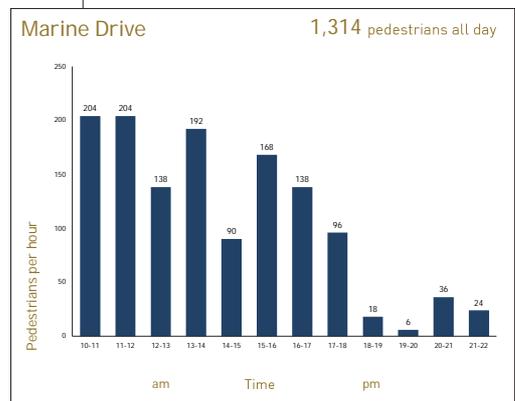
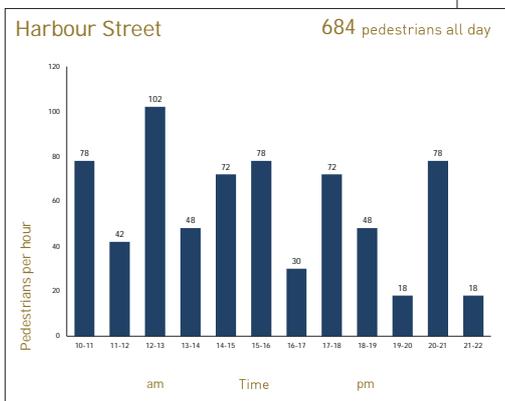
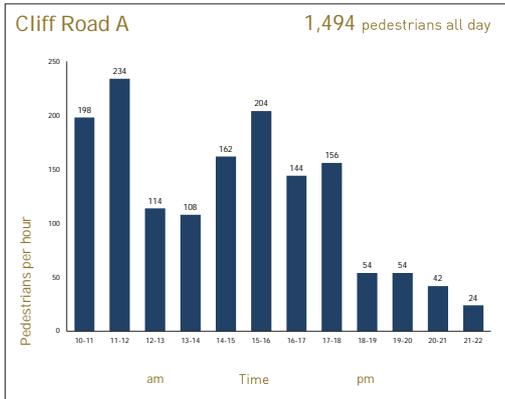
Pedestrian traffic

Weekend 10am - 10pm



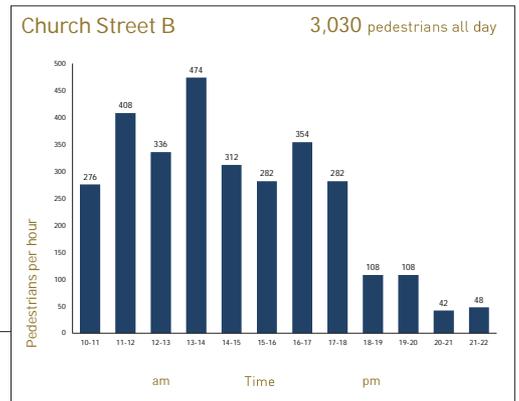
Pedestrian traffic

Weekend 10am - 10pm



Pedestrian traffic

Weekend 10am - 10pm





Stationary activities

Survey of stationary activities

To better understand the usage and role of the different public spaces across the city centre, a stationary activity survey was undertaken in a selection of public spaces.

The survey registers the number of people staying or spending time in a place and how they are using the space. The survey uses a series of categories to record activities which include: standing; sitting; lying down; as well as those who are engaged in cultural or commercial activities, such as vendors and street artists; and children playing.

Stationary activities were recorded in 13 locations across the City Centre between 8am and 9pm*. The survey recorded stationary activities each hour, recording the distribution of people using a space, and type of activity.

A high number of people engaged in stationary activities tell a story of a city with popular and inviting public spaces. The more diverse the types of activities people are engaging with in a space, the more 'complete' the space is considered to be.

*foreshore areas 6am-9pm

Where people
spend time is a
measure of city
quality



● Counting positions

- a. Railway Station
- b. MacCabe Park
- c. Crown Street Mall
- d. Lower Crown Street
- e. Corrimal Street
- f. Market Square
- g. Lang Park
- h. City Beach
- i. Belmore Basin
- j. Flagstaff Hill
- k. Blue Mile
- l. Arts Precinct
- m. Pioneer Rest Park

Stationary activities

Weekday summary

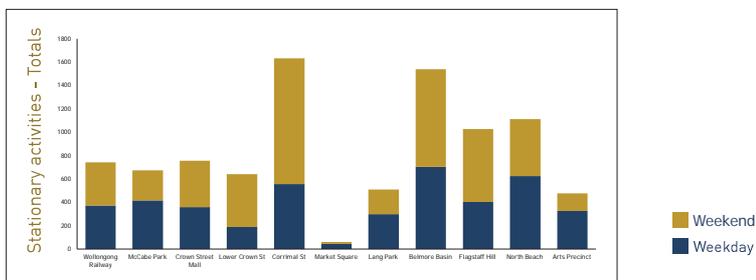
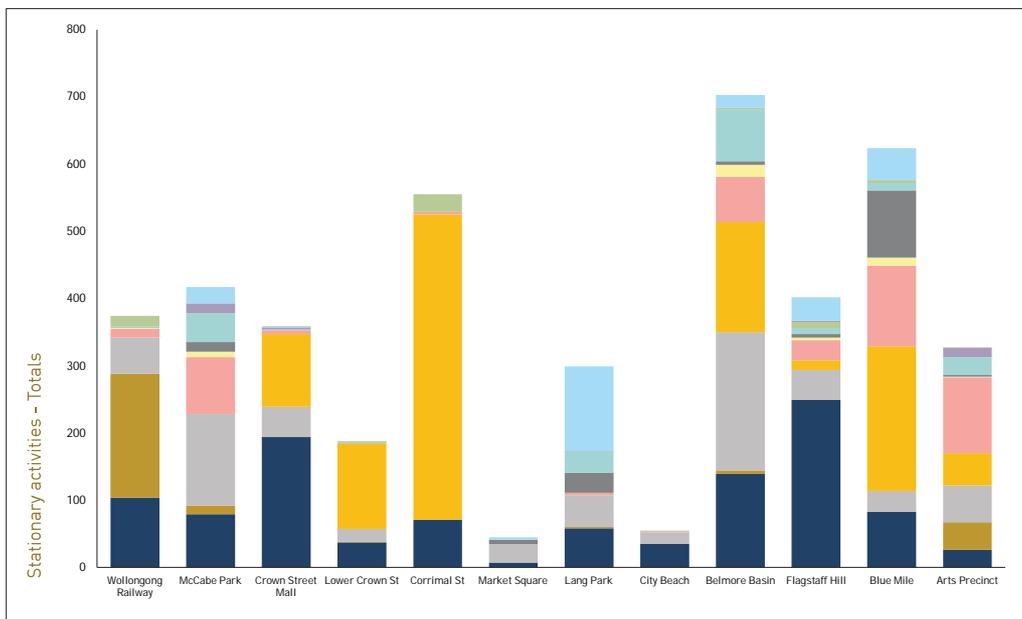
Overall, the location which supported the highest number of people stopping and spending time is Belmore Basin, followed by the Blue Mile and Corrimal Street.

The Arts Precinct and Belmore Basin, are recorded to have the most diversity in stationary activities. The least amount of diversity in activity is demonstrated in Corrimal Street, with the majority of recorded stationary activity being cafe seating.

Pioneer Rest Park, Market Square and City Beach recorded the least amount of stationary activities.

- Physical Active
- Folding Chair Seat
- Culture Active
- Secondary Seating
- Social Active
- Cafe Seating
- Commercial Active
- Bench Seating
- Children Playing
- Waiting for Transport
- Lying Down
- Standing

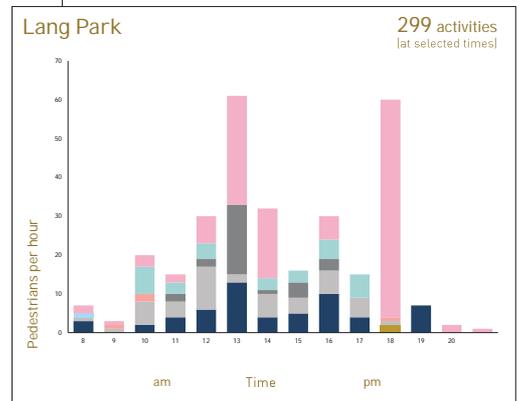
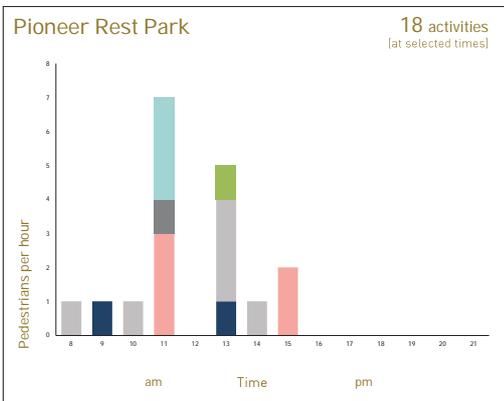
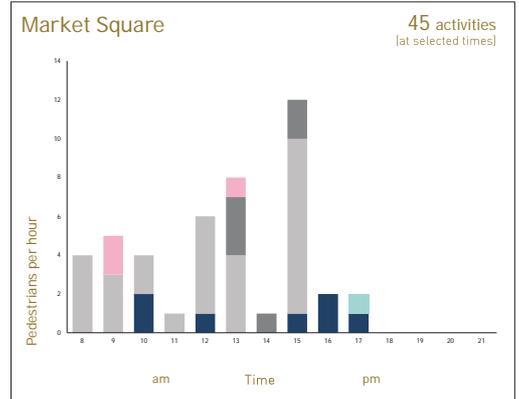
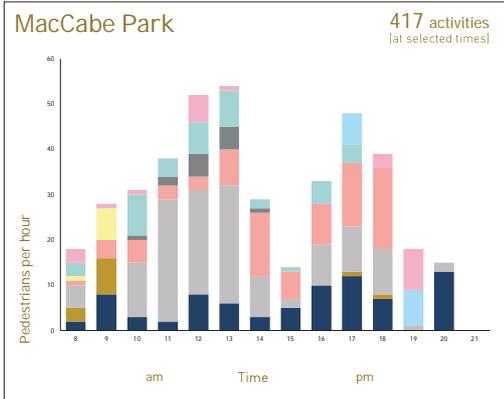
There were
4,664
staying activities
(weekday)



Stationary activities

Weekday 8am - 10pm

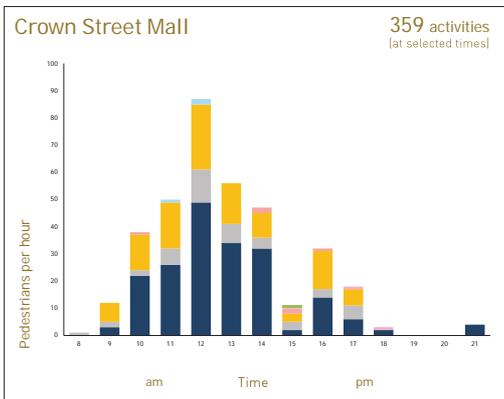
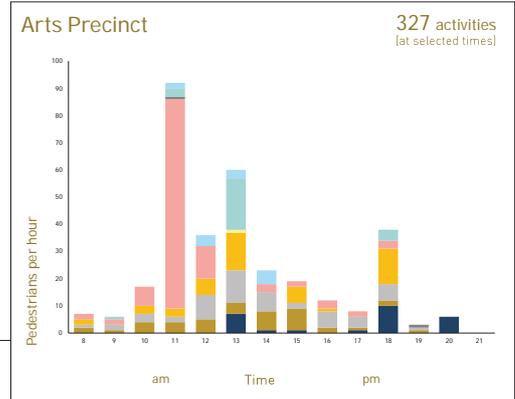
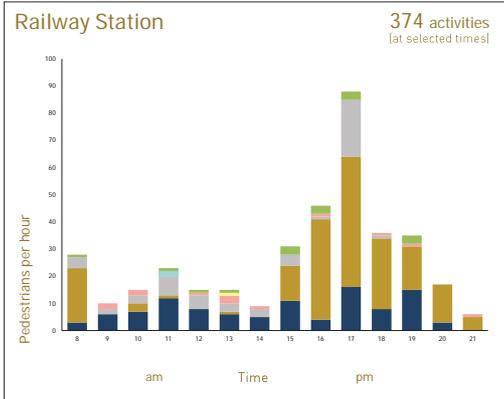
- Physical Active
- Culture Active
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- Commercial Active
- Children Playing
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- Bench Seating
- Waiting for Transport
- Standing



Stationary activities

Weekday 8am - 10pm

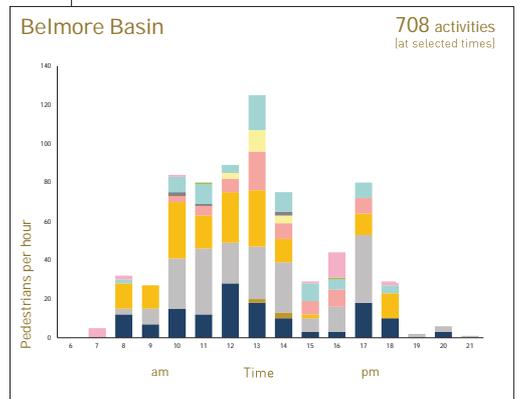
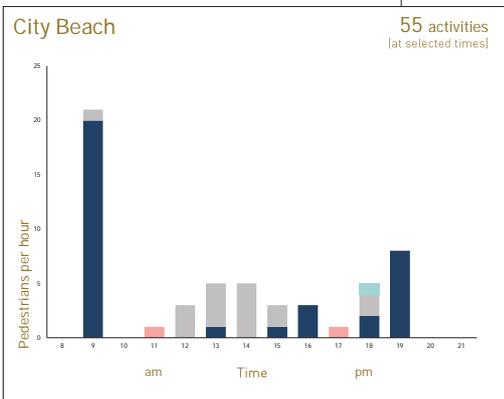
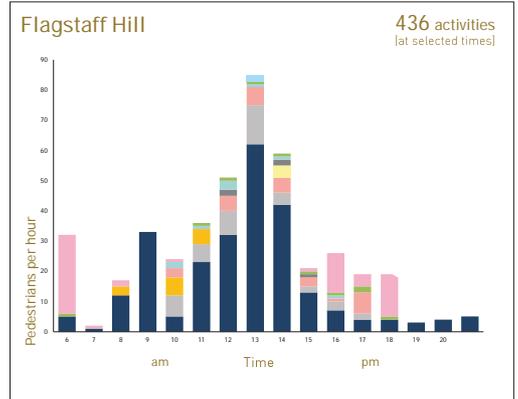
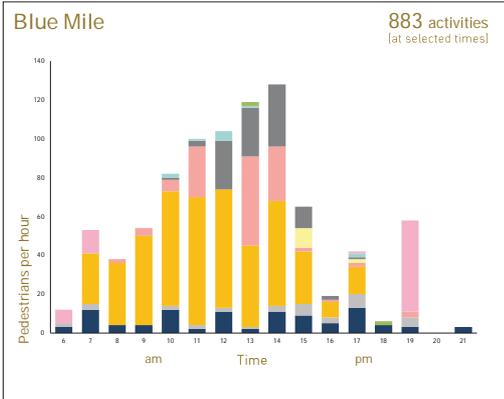
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Stationary activities

Weekday 8am - 10pm

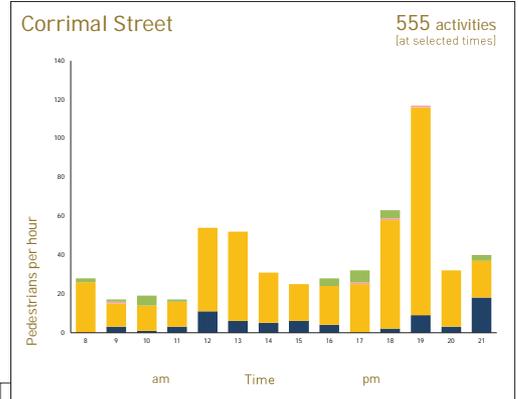
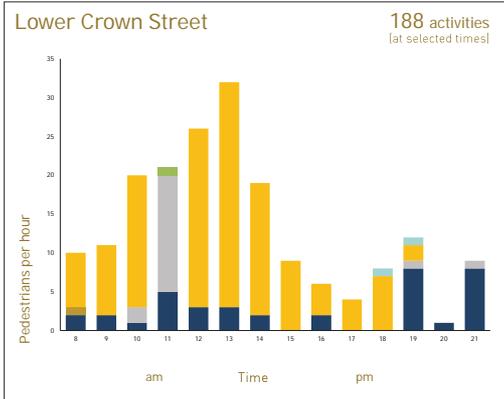
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- Commercial Active
- Bench Seating
- Children Playing
- Waiting for Transport
- Lying Down
- Standing



Stationary activities

Weekday 8am - 10pm

- Physical Active
 - Culture Active
 - Social Active
 - Commercial Active
 - Children Playing
 - Lying Down
- Folding Chair Seat
 - Secondary Seating
 - Cafe Seating
 - Bench Seating
 - Waiting for Transport
 - Standing



Stationary activities

Weekend summary

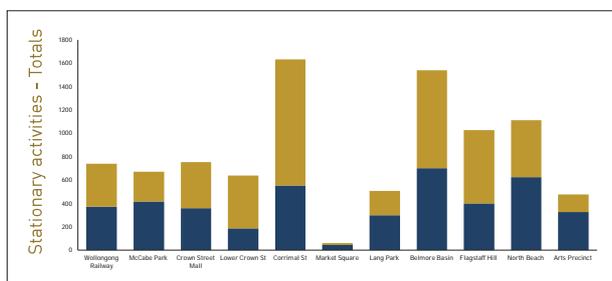
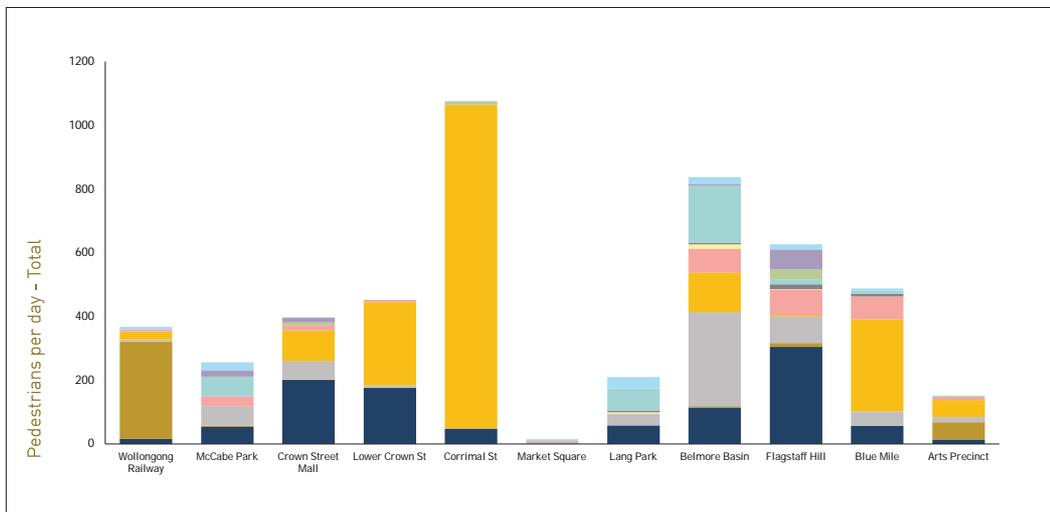
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 - Children Playing
 - Lying Down
- Folding Chair Seat
 - Secondary Seating
 - Cafe Seating
 - Bench Seating
 - Waiting for Transport
 - Standing

There are a similar number of staying activities recorded during the weekend as compared to weekdays.

Overall, the location which supported the highest number of people stopping and spending time is Corrimal Street. This is dominated by cafe seating. Belmore Basin and the Blue Mile recorded higher numbers of staying.

Belmore Basin is recorded to have the most diversity in stationary activities. Similar to the weekday, the least amount of diversity in activity is demonstrated in Corrimal Street, with the majority of recorded stationary activity being cafe seating.

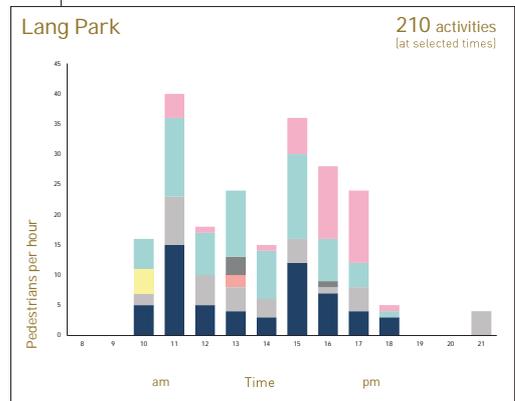
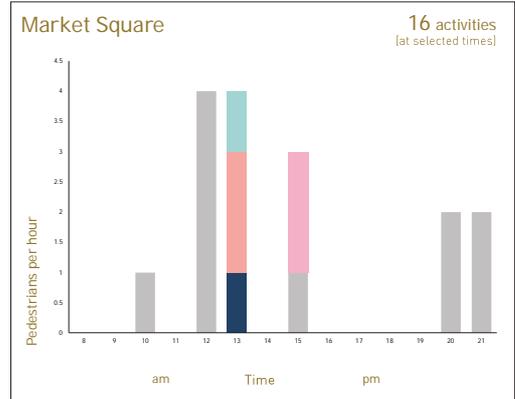
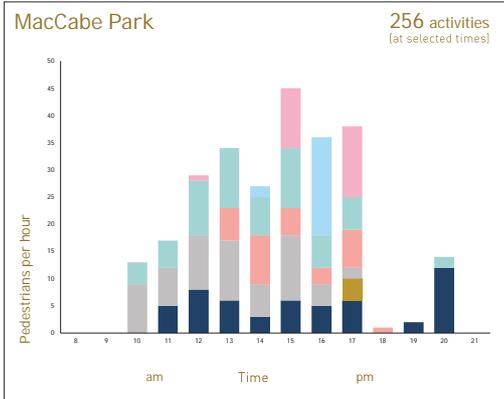
There were
4,888
staying activities
[weekend]



Stationary activities

Weekend 8am - 9pm

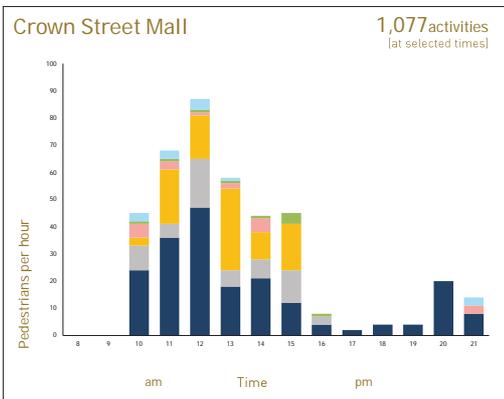
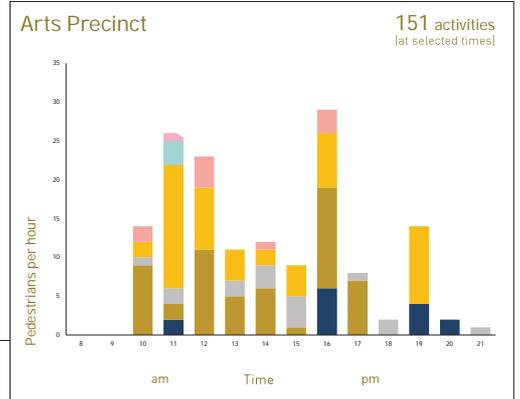
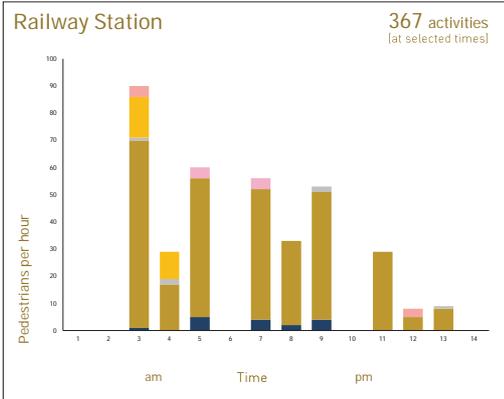
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 - Standing



Stationary activities

Weekend 8am - 9pm

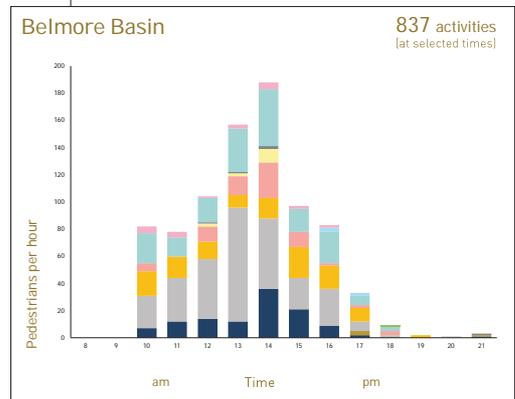
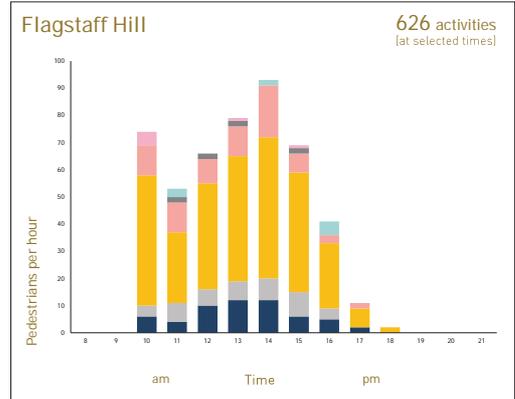
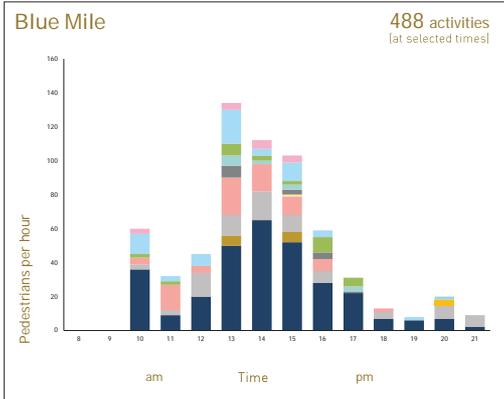
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Stationary activities

Weekend 8am - 9pm

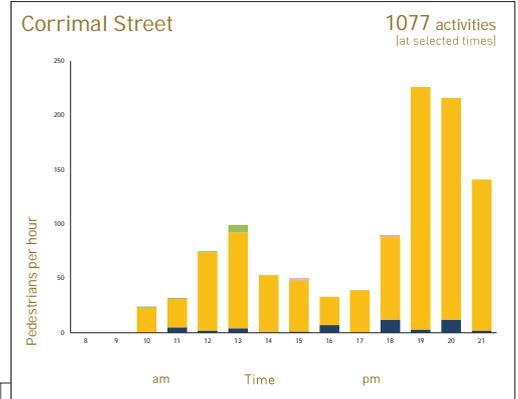
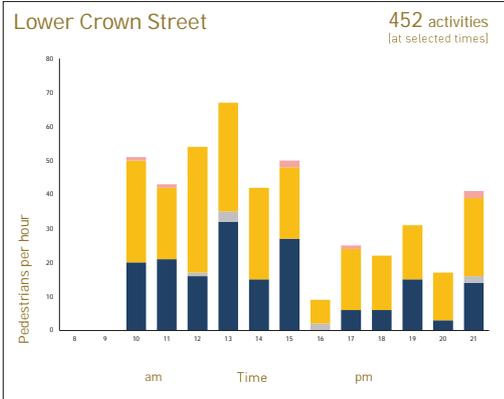
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Voluntary Waste Industry Protocol

for the handling of early collected carbon charges in the landfill sector

Background

The waste sector accounts for around 2 per cent of Australia's greenhouse gas emissions and is taking significant action to reduce emissions through improved diversion from landfills to recycling and increasing methane capture. Emissions from waste were around 20 million tonnes of carbon dioxide equivalence (MtCO₂-e) in 1990 and fell to around 13 MtCO₂-e in 2014. Going forward, waste emissions are expected to grow, driven by population growth, per capita waste generation and industrial production.

The waste sector faces particular circumstances due to the nature of emissions released overtime. Emissions from landfill facilities consist mainly of the release of methane from decomposing organic material, such as food, paper, garden waste and wood. This organic material decays over time and, unlike other industries, emissions associated with this material can be released for many decades.

Under the carbon tax, the waste sector faced significant cost increases as a result of the need to charge upfront for waste deposited which released emissions over many decades. Many landfill operators charged customers upfront for the anticipated future carbon tax liability for each tonne of waste deposited during 2012-13 and 2013-14. In estimating those forward liabilities, landfill operators took into account the gradual decay of waste and the forecast carbon prices per tonne over the years those emissions will occur.

The Australian Government acknowledges early collected carbon charges were appropriately collected during 2012-13 and 2013-14, in anticipation of future year carbon tax liabilities. Following repeal of the carbon tax, future year carbon tax liabilities associated with waste deposited during those two years were extinguished.

The landfill industry, through the Australian Landfill Owners Association and the Australian Local Government Association, has developed a protocol to ensure that the early collected carbon charges are returned for consumer benefit. Individual landfill owners will have the option to accept to be bound by the protocol. Those who accept shall be identified on the Department of the Environment's website. The protocol will not override contractual arrangements between landfill operators and their customers.

The Minister for the Environment has issued a statement supporting the protocol and calling for wide participation by the landfill industry and other groups in the protocol. The Australian Competition and Consumer Commission (ACCC) has also encouraged landfill industry participants to work with the Government to negotiate an appropriate solution for the handling of early collected carbon charges.

'Waste Industry Protocol'

This protocol sets out guidance on how landfill operators ('we') will handle early collected carbon charges.

1. Calculation and disclosure of early collected carbon charges held

We undertake to:

- Report in confidence to the Department of the Environment by the end of 2015 the total of early collected carbon charges we each held/hold prior to any refunds (i.e. a dollar figure). This calculated total amount, as well as any allowed deductions for administration costs (which will not be more than 10% of the early collected carbon charges), surrender costs and corporate tax (where already paid), will be verified by an independent auditor.

It is this total of early collected carbon charges, prior to any refunds but less allowed deductions, that will be subject to this protocol.

2. Acquitting early collected carbon charges

We undertake to:

- Refund carbon charges to our local government customers for their kerbside collected waste.
- Acquit any remaining non-refunded charges through either of the following options:
 - (a) Investing in abatement projects; or
 - (b) Purchasing carbon abatement credits and voluntarily transferring them to the Government.

3. Investment in projects

In relation to project investment, we undertake to:

- Invest any un-refunded charges only in projects that meet the following criteria:
 - (a) are additional to business-as-usual;
 - (b) have emissions reduction as one of their purposes, such as renewable energy, energy efficiency, fuel switching, landfill gas capture or waste diversion from landfill;
 - (c) not be registered as an ERF project, either at the time of investment or in the future, or generate offset units.
- Publically disclose the name, location and brief description of all projects.

4. Purchase of abatement credits

In relation to the purchase of abatement credits, we undertake to:

- Purchase high quality abatement credits – to be determined by agreement with the Minister for the Environment.
- Report in confidence to the Department of the Environment details of the purchase date, average purchase price and number of abatement credits purchased.
- Voluntarily transfer these credits to the Clean Energy Regulator.

5. Timeframes

We undertake to:

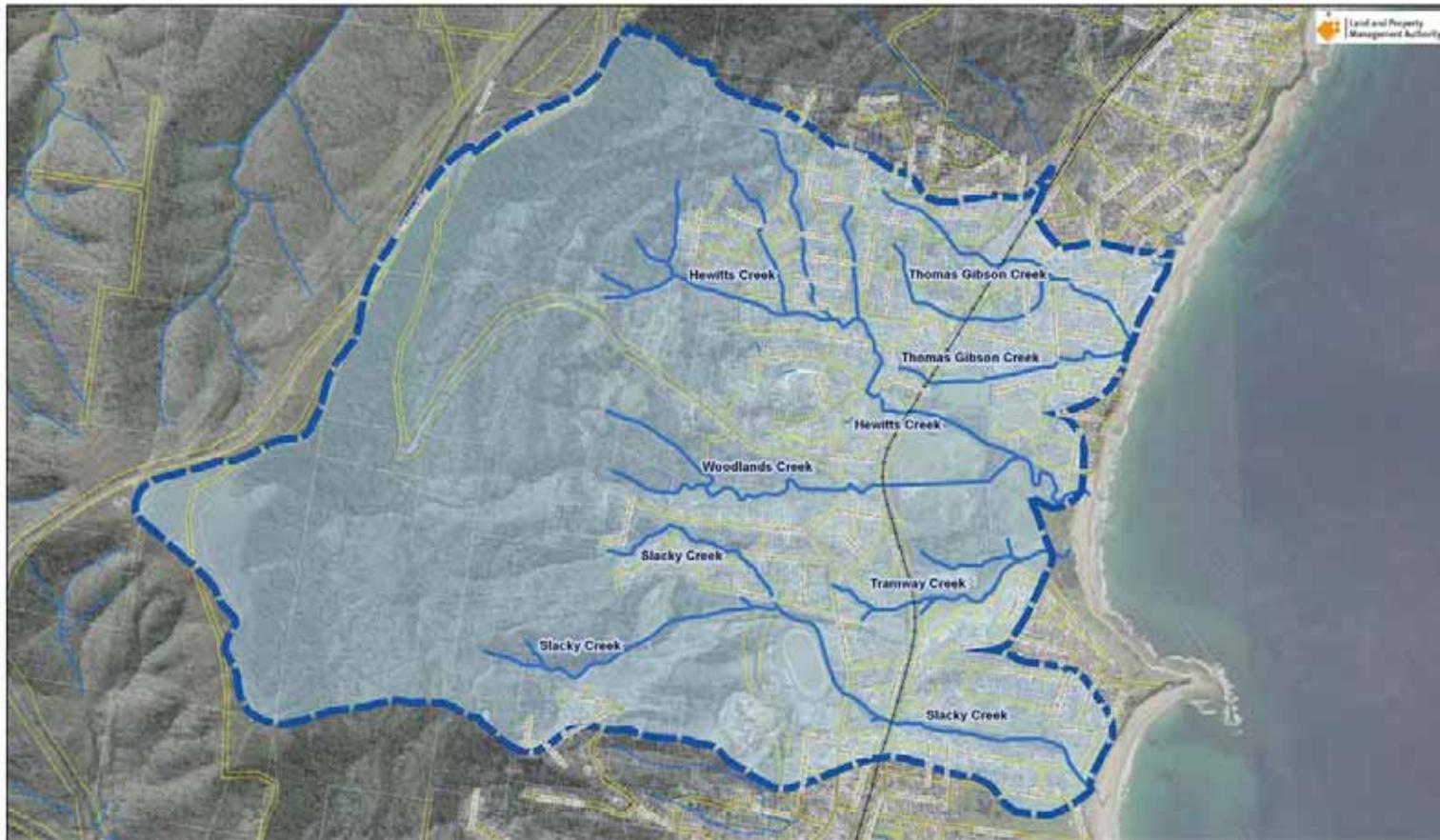
- Issue refunds to local government customers within 60 days of agreement being reached between each customer and landfill owner on the refund amount.
- Commit to the acquittal of all un-refunded carbon charges by 31 December 2016.
- Incur any expenditure, being either investment in projects or purchase of abatement credits, by 31 December 2017.

6. Verification reporting and disclosure

We undertake to provide the Department of the Environment with the following independent auditor reports, from each entity holding early collected carbon charges:

- By 31 December 2015: An auditor statement verifying that the total amount of early collected carbon charges subject to this protocol and any allowed deductions (as described in section 1 of this protocol) have been correctly calculated.
- By 31 December 2016, and annually thereafter until all funds are acquitted: an auditor statement setting out the percentage of the total charges held that have been acquitted through refunds, project investment and purchase of abatement credits.
- By 30 June 2017: An auditor statement verifying that each eligible project implemented using the un-refunded charges either has achieved, or can reasonably be expected to achieve, emissions reductions.

Auditor's statements may be published on the website of the Department of the Environment.



Land and Property Management Authority



Figure A2
Study Area



GIS ref. g09028-02
Printed: 20/09/2011
Aerial Photography: 2008
Scale 1:15,000 (A3)



While every effort has been made to ensure the highest possible quality of data, no liability will be accepted for any inaccuracy of the information shown. Copyright © Wollongong City Council & Mapping Services Division. This map may not be reproduced or in any form whatsoever without the express written permission of Wollongong City Council.

MINUTES

HEWITTS CREEK CATCHMENT FLOODPLAIN RISK MANAGEMENT COMMITTEE MEETING



HELD AT 4PM ON TUESDAY 18TH AUGUST 2015

PRESENT	
Cr Jill Merrin (Cr JM) - Councillor	Wollongong City Council
Mike Dowd (MD) – Manager, Infrastructure Strategy & Planning	Wollongong City Council
Peter Nunn (PN) – Manager, Transport & Stormwater Services	Wollongong City Council
Peter Garland (PG) – Civil Engineer Flood Mitigation	Wollongong City Council
Robert Dinaro (RD) – Floodplain Management Engineer	Wollongong City Council
David Green (DG) – Manager, Land Use Planning	Wollongong City Council
Paul Dunne (PD) Consultant	BMT WBM
Ray Laine (RL)	Office of Environment & Heritage
John Simpson (JS)	Wollongong City SES
Andrew Monk (AM)	Roads & Maritime Services
David Beswick (DB)	NIRAG Representative
Frank Cayley (FC)	Community Representative
John Pirrie (JP)	Community Representative

IN ATTENDANCE	
Debra Nicholls (DN) – Administration Officer	Wollongong City Council

- 1 APOLOGIES – Apologies were received and accepted on behalf of Cr Janice Kershaw (JK), Alex Dunstan (AD), Steve Cliffe (SC) and Community Representatives David Bateman (DB) and Alex Peterson (AP).
- 2 DECLARATIONS OF INTEREST – Community Representatives John Pirrie (JP) Frank Cayley (FC) and David Bateman and NIRAG Representative, David Beswick (DB) own property within the study area.
- 3 CONFIRMATION OF MINUTES OF MEETING HELD ON 17 SEPTEMBER 2014.
The minutes of the meeting held on 17 September 2014 were confirmed as true and accurate.
- 4 PRESENTATION BY BMT WBM COVERING:
 - Draft Flood Study Report (Sept 2014)
 - Consultation of the Draft Flood Study (Sept 2014)
 - Updates of the Flood Study following Consultation
 - Summary of Key Study Outcomes
 - *Hard copy of presentation by BMT WBM attached.*

5 DISCUSSION

- A lot of comments were received during public exhibition of the draft flood study report. Modelling has now been updated to take into account these comments. Please Refer to attached presentation for further details.
- JP asked why flood level for Scenario 5 was significantly lower than the 2002 model. Changes in flood level due to RMS barriers, culverts size. JP has issues with % blockage and questioned how ARR% was derived. MD indicated it was derived independently by BMT WBM.
- Both levels based on culvert being 25% blocked (WCC blockage policy). AR&R most likely blockage potential 20% - PD and MD advised that WCC Policy currently under review. JP may request a copy of the Technical Brief.
- PD advised there is a whole series of criteria to assess against. Confirmation by PN that Blockage Policy caters for various sizes and styles of culverts. 'No certainty in blockage policy as it stands now' between 20 and 25%, guesses JP. Cr Merrin confirmed we are working on 25%.
- Question from JP – 'Can members of community get access to copy of model?' PG advised not at this stage as still in draft. Once final, a copy can be purchased for fee of \$2K per ALS tile area.

RECOMMENDATION:

- Cr JM moved that Study be adopted. Moved JS and seconded Cr JM. No further discussion. Agreed to go to Council.
- 4.47pm - Arrival of FC with apologies. Brief reiteration of key points already discussed.
- Comments re minutes by FC – feels they have not been noted correctly from previous meeting. FC accepted that this meeting has now passed and requested that future minutes have a dedicated minute taker. MD introduced DN as the dedicated minute taker for this committee. FC advised it was his birthday and was congratulated accordingly.
- FC queried Figure B23 from PD's report. Site specific map next to FC's driveway shows flooding over his driveway however this may not be the case. FC questioned if this is only people who replied that water ran over their ground. He said there is a pipe that runs under the road, near his driveway which is a good 10ft above his driveway. Water came from Soudan Street into George Street. Pipe blocked (northern side of George Street) and ran down George Street.
- FC questioned if this is only people who replied that water ran over their ground. He said there is a pipe that runs under the road, near his driveway which is a good 10ft above his driveway. Water came from Soudan Street, into George St.
- PD confirmed all feedback from community was referenced and used in the maps, and then for modelling.
- FC said that he had sent in detailed information, including photos of washing machines, boats, cubby house which moved as a result of the flow near his property on the southern side of the creek. He reported that the water had jumped over the bank. PD confirmed that the detailed information was considered in the study and modelling undertaken.
- FC showed PD the documentation he had with him. PD confirmed he been to site and the modelling results validated the information within 100mm.

- Cr JM suggested that detailed discussion be continued between FC and PD outside the meeting.
- Thanks expressed by PG for the technical advice provided for this study by RD WCC, RL OEH and PD of BMT WBM.

The meeting concluded at 5pm.

EXECUTIVE SUMMARY

Introduction

The review of Hewitts Creek Flood Study has been prepared for Wollongong City Council (Council) to define the existing flood behaviour in the Hewitts Creek study area and consider the influence of potential climate change on future flood behaviour.

The review updates the previous Hewitts Creek Flood Study (Forbes Rigby Pty Ltd., 2002a), to account for the various recent changes within the study area and take advantage of innovations and improvements in computer flood modelling. The study provides a holistic assessment of historic, current and future flood risk and establishes the basis for the subsequent Floodplain Risk Management Study and Plan.

Flood risk has been assessed through the establishment of appropriate numerical models. The study has produced information on flood flows, velocities, levels and extents for a range of flood event magnitudes under existing catchment and floodplain conditions and considering the influence of potential climate change on future flood behaviour. Specifically, the study incorporates:

- Compilation and review of existing information pertinent to the study, and acquisition of additional data including survey as required;
- A community consultation and participation program to identify local flooding concerns, collect information on historical flood behaviour and engage the community in the on-going floodplain management process;
- Development and calibration of appropriate hydrologic and hydraulic models;
- Determination of design flood conditions for a range of design events - including the 20% Annual Exceedance Probability (AEP), 10% AEP, 5% AEP, 2% AEP, 1% AEP, 0.5% AEP, 0.2% AEP and Probable Maximum Flood (PMF);
- Examination of potential impact of climate change using the latest guidelines for the 1% AEP design event; and
- Presentation of study methodology, results and findings in a comprehensive report incorporating detailed flood mapping.

Figure ES-1 and ES-2 show the indicative extents, depths and elevations for the 1% AEP event and PMF.

Catchment Description

The Hewitts Creek study area includes the catchments of Slacky, Tramway, Woodlands, Hewitts and Thomas Gibson Creeks. The combined catchments drain an area of approximately 8.1km² and extend from the Illawarra Escarpment in the west to Thirroul Beach, McCauley's Beach and Bulli Beach in the east, where they discharge into the Tasman Sea.

The upper (western) areas of the study area are dominated by the Illawarra Escarpment which falls steeply from 400-500m AHD to approximately 250 m AHD. These steep upper reaches of the catchments are heavily vegetated. The middle portions of the catchments extends from the base of the Illawarra Escarpment to the Illawarra Railway, at approximately 15m AHD, and the land is more gently graded with residential developments being the dominant land use. From east of the Illawarra Railway to the coast, the land is generally quite flat with a mixture of residential and retail developments and parkland.

Historical Flooding

The Hewitts Creek study area has a history of flooding with the most recent significant flood event having occurred on 17 August 1998. An extensive record of historical flood levels and anecdotal evidence was captured following this flood event. Other flood events which occurred in the study area for which flood level data is available include events in April 1988, June 1991 and February 2013.

Following the August 1998 flood event, a significant amount of data on observed flood levels was captured in the study area from flood marks left by the flood. At that time, Council also issued questionnaires to residents in flood affected areas to gain further knowledge on the flood heights, flood mechanisms and damages to private and commercial property. In addition to the extensive survey of levels and information for the 1998 flood event, surveyed flood levels have also been provided by Council for the 1988, 1991 and 2013 flood events. The extent of these surveyed levels is significantly less than the data available for the 1998 flood event.

This observed flood information, coupled with recorded rainfall data, gauged water levels and recorded tidal data provided the data necessary for calibration and validating of the hydrological and hydraulic model.

Community Consultation

Community consultation undertaken during the study has aimed to collect information on historical flooding and previous flood experience, and inform the community about the development of the flood study. The key element of the consultation process involved the distribution of an information newsletter and questionnaire relating to historical flooding. The community were asked to provide relevant historical flood information, including dates of previous flood events, photographs, observed flood depths and descriptions of flood behaviour within the study area.

A total of 186 responses were received by post, email and via the online questionnaire. Of the 186 responses received, 82 identified flooding as an issue at their property and/or on their street.

The Draft Review of Hewitts Creek Flood Study was placed on public exhibition from 13 October 2014 to 10 November 2014 with two community information sessions held during the exhibition period. A total of 59 written responses were received from the community providing feedback on the draft Flood Study report.

Model Development

Computer models are the most accurate, cost-effective and efficient tools to assess a catchment's flood behaviour. Traditionally, for the purpose of a Flood Study, a hydrologic model and a hydraulic model are developed.

The WBNM (Watershed Bounded Network Model) hydrologic model has been selected for this study to simulate the catchment rainfall-runoff relationships. The model has been developed from the WBNM model developed as part of the 2002 Flood Study. The WBNM model schematisation and parameters have been updated to ensure that the level of detail is sufficient for modelling the required flooding mechanisms within the 2D model representing current day conditions in the study area.

With consideration to the available survey information and local topographical and hydraulic controls, a fully two - dimensional (2D) hydraulic model has been developed for the study area extending from the foothills of the Illawarra Escarpment to the Tasman Sea. The upstream limit of the 2D model corresponds with the western extent of the residential and commercial development within the study area. This model simulates flood depths, extents and velocities utilising the TUFLOW 2D software developed by BMT WBM. This 2D modelling approach is suited to model the complex interaction between channels and floodplains and converging and diverging of flows through structures and urban environments.

The channel and floodplain topography is defined using a hydraulic model grid resolution of 2m. The model grid has been developed from a high resolution digital elevation model (DEM) derived from LiDAR survey, ground survey data and "Works as Executed" drawings. This detailed model grid provides for greater accuracy in predicting flows and water levels and the interaction of in-channel and floodplain areas compared with previous studies.

Model Calibration and Validation

The APRIL 1988, August 1998 and February 2013 events have been selected for model calibration and validation. The August 1998 flood has been used as the principal calibration event, given the availability and completeness of rainfall data, tidal data and historical flood levels and anecdotal evidence on observed flood mechanisms. The August 1998 event is the largest of the three flood events and resulted in significant out of bank flooding across the study area. The use of this larger flood event allows calibration of the hydraulic model to both in-bank and out of bank flows and provides confidence in the model results for the less frequent flood event range. The February 2013 event has been chosen to allow validation of the hydraulic model to be used for the design model simulations (i.e. incorporating changes to the study area since the 1998 calibration event).

The calibration and validation results indicate that the TUFLOW model results correlates well with the vast majority of the observed flood marks and flood mechanisms. The developed hydrological and hydraulic models are thus considered to provide a sound representation of the flooding behaviour of the catchment.

Design Event Modelling and Output

The developed hydrological and hydraulic models have been applied to derive design flood conditions within the Hewitts Creek study area. Design rainfall depth is based on the generation of intensity-frequency-duration (IFD) design rainfall curves utilising the procedures outlined in Australian Rainfall and Runoff (AR&R) (Pilgrim, 2001). A range of storm durations using standard Australian Rainfall and Runoff temporal patterns, were modelled. The design results represent the maximum envelope of all the durations assessed for the given design event frequency.

The design events considered in this study include the 20% AEP (5-year Annual Return Interval (ARI)), 10% AEP (10-year ARI), 5% AEP (20-year ARI), 2% AEP (50-year ARI), 1% AEP (100-year ARI) 0.5% AEP (200-year ARI), 0.2% AEP (500-year ARI) and Probable Maximum Flood (PMF) events. The model results for the design events considered have been presented in a detailed flood mapping series for the catchment. The maps present the peak value across all scenarios for each design event simulated. Maps have been produced showing water level, water depth and velocity. Provisional flood hazard categories, hydraulic categories, flood emergency response classification and preliminary residential flood planning area and levels are derived from the hydrodynamic model results and are also mapped. The mapping outputs are presented in Appendix D.

Climate Change

On 8 September 2012, the NSW Government announced its Stage One Coastal Management Reforms which no longer recommends State-wide sea level rise benchmarks for use by local Councils. Instead Councils have the flexibility to consider local conditions when determining future hazards of potential sea level rise. Council's adopted sea level rise projections are 0.4m for 2050 and 0.9m for 2100 which are in line with the NSW Chief Scientist and Engineer's Report (NSW Government, 2012). Given that there is currently significant uncertainty around rainfall projections as a result of climate change, increases in rainfall intensities have been assessed as part of sensitivity tests.

The model results for the sea level rise projections have been translated into 0.4m and 0.9m flood planning levels and areas, provided as flood planning maps in Appendix D. Impacts on flood levels and areas resulting from projected sea level rise is confined to the downstream reaches of the study area. These impacts are relatively low for both the 0.4m and 0.9m sea level rise. Future planning and floodplain risk management in the catchment will need to take due consideration of the increasing flood risk under possible sea level rise conditions.

Sensitivity Testing

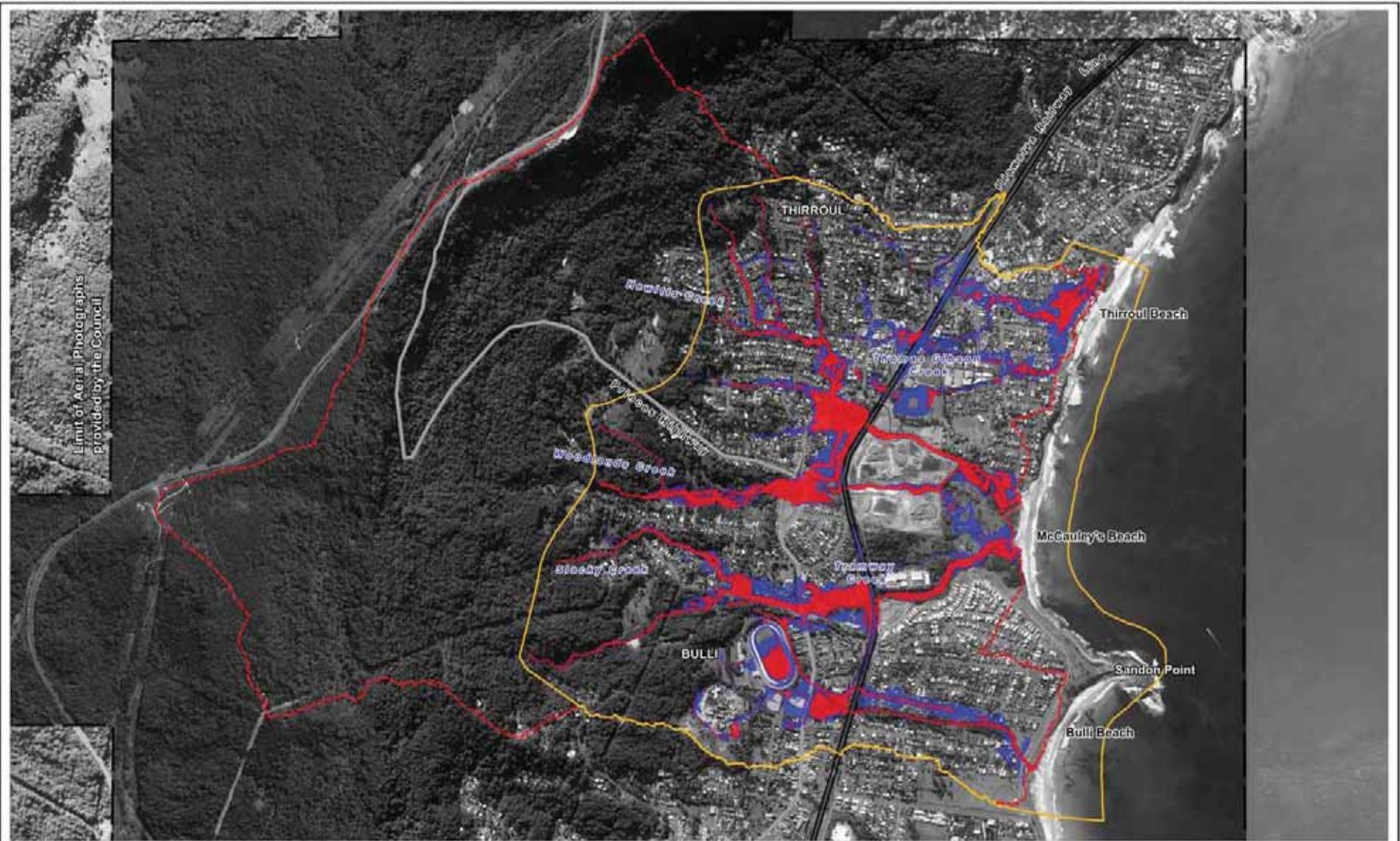
A series of sensitivity tests have been undertaken on the modelled flood behaviour of the Hewitts Creek study area. The tests provide a basis for determining the relative sensitivity of modelling results to adopted parameter values. The tests undertaken included:

- WBNM Lag Parameter;
- Rainfall intensity;
- Hydraulic roughness; and
- Channel sedimentation.

Results are shown to be generally insensitive to the values adopted for deriving the design flood levels and extents for the WBNM Lag Parameter, hydraulic roughness and channel sedimentation tests. Higher sensitivity was exhibited for changes to the rainfall intensity.

Conclusions

The primary objective of the Review of Hewitts Creek Flood Study has been to define the flood behaviour in the Hewitts Creek study area through the establishment of appropriate numerical models. The principal outcome of the flood study is the understanding of flood behaviour in the catchment and in particular the design flood level information that will be used to set appropriate flood planning levels. The flood study will form the basis for the subsequent floodplain risk management activities, being the next stage of the floodplain management process. Accordingly, the adoption of the flood study and predicted design flood levels is recommended.



LEGEND

-  TUFLOW Model Boundary
-  Catchment Boundary

- Provisional Hydraulic Flood Hazard
-  Low
 -  High

Title:
Review of Hewitts Creek Flood Study
Provisional Flood Hazard Categories: 1% AEP Event

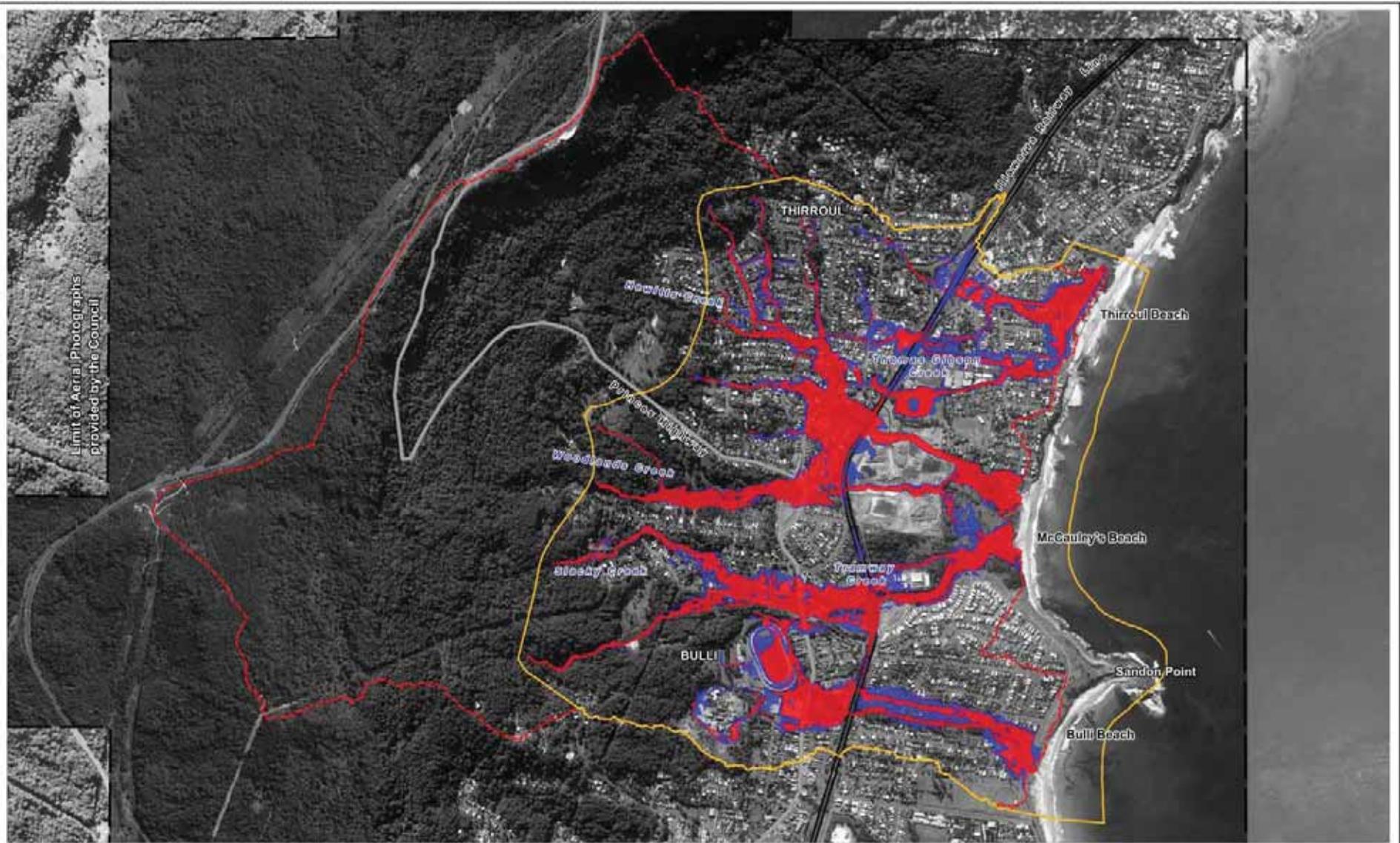
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Limit of Aerial Photographs provided by the Council

LEGEND

- TUFLOW Model Boundary
- Catchment Boundary
- Provisional Hydraulic Flood Hazard - High
- Provisional Hydraulic Flood Hazard - Low

Title:
Review of Hewitts Creek Flood Study
Provisional Flood Hazard Categories: PMF

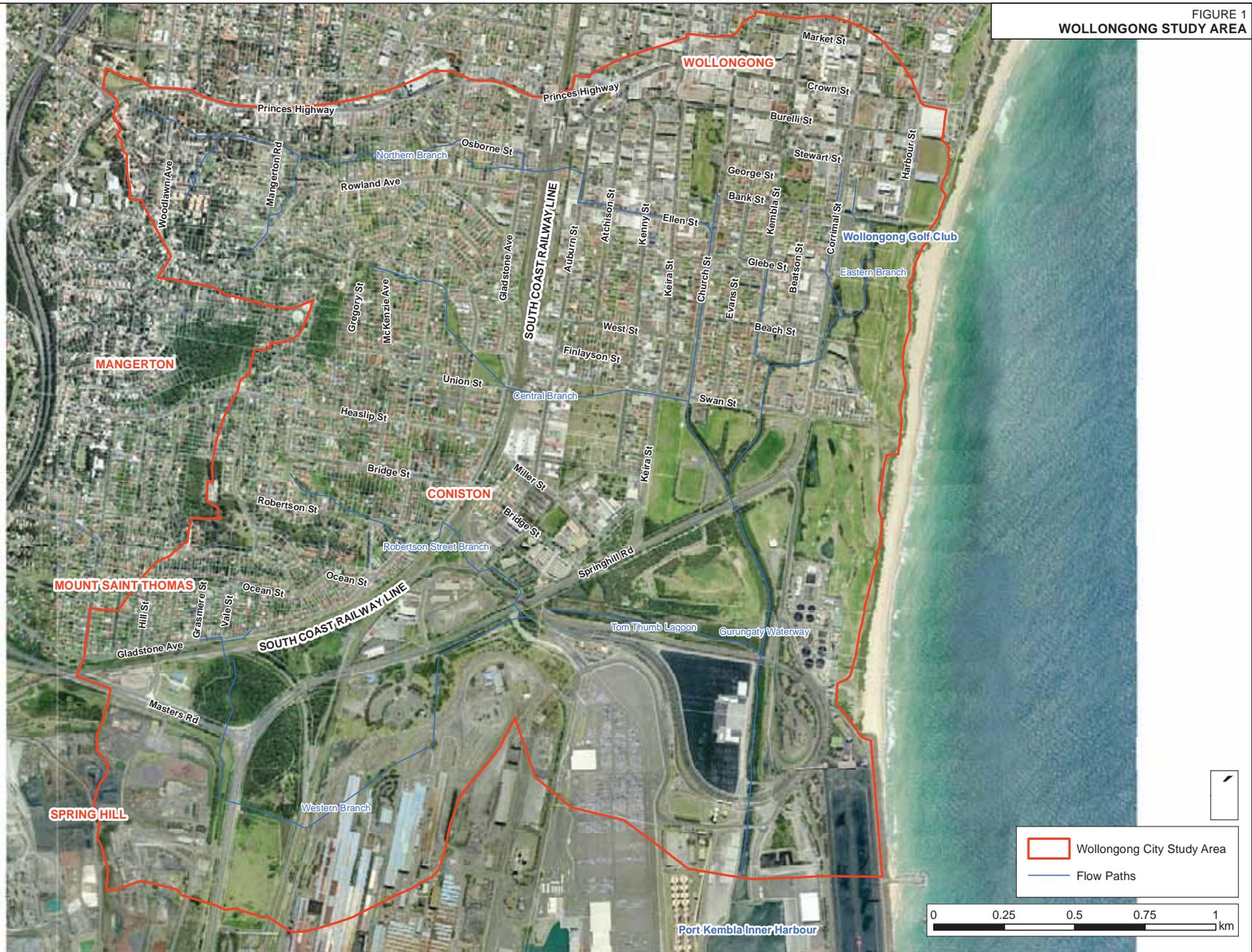
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Figure: **D-23** Rev: **1**



FIGURE 1
WOLLONGONG STUDY AREA



MINUTES

WOLLONGONG CITY FLOODPLAIN MANAGEMENT COMMITTEE MEETING

HELD AT WOLLONGONG CITY COUNCIL ON TUESDAY 2 SEPTEMBER
2015



PRESENT	
Councillor John Dorahy (Chair)	WCC
Councillor George Takacs	WCC
Alex Dunstan	RMS
John Peedom	Wollongong Golf Club
Rhys Hardwick Jones	WMAwater
Peter Garland	WCC
Petar Milevski	WCC
David Green	WCC

- 1 APOLOGIES – Apologies were received and accepted on behalf of Trevor Brown (NSW Ports), Raymond Laine (OEH), James Cockrem (IRT), Peter Nunn (WCC) and Mike Dowd (WCC). Vic Watts and Alex Filceski (Ward 2 Community Representatives), Darryl Crosland (Rail Corp) and Alana Hansell (SES) representatives did not respond to the meeting invitation and were not present at the meeting.

- 2 DECLARATIONS OF INTEREST – None

- 3 BUSINESS ARISING FROM PREVIOUS MINUTES - None

- 4 PRESENTATION FROM WMAWATER (REFER TO ATTACHED PRESENTATION)
 - Rhys from WMAwater went through the final draft Wollongong City Floodplain Risk Management Plan. The following points summarises the presentation:
 - Rhys summarised the findings of the public exhibition of the draft Wollongong FRMS&P which was held between 11 May and 5 June 2015. 57 questionnaires were returned as part of the community consultation process. Most respondents endorsed the outcomes of the study. Others were worried about increases in flood insurance as a result of being flood coded. Several complaints were received regarding lack of creek maintenance and clearing of vegetation and others did not understand the difference between mainstream and overland flooding. These mechanisms are discussed in detail the Flood Study and Floodplain Risk Management Study. This clearly shows more targeted and ongoing community education is required which is one of the mitigation measures in the Floodplain Risk Management Plan (See Table 27 in the draft Wollongong City Floodplain Risk Management Study and Plan).

- Rhys discussed the climate change impacts, namely impacts of increased rainfall on the catchment and impacts of sea level rise. Rainfall increases of 10% to 30% are expected in the future. Rhys explained that these impacts have been modelled in the study and the results are presented in the final report. Sea level rises of between 400mm (by 2050) and 900mm (by 2100) are also expected. For the Wollongong City catchment, a 400mm sea level rise does not create major impacts in the low lying areas of the catchment (ie Swan and Kembla Streets and Springhill Road) but a 900mm rise creates significant issues in these areas.
- Rhys also discussed the flood planning area mapping process and the difficulties with mapping. Due to the urban nature of the catchment (there no continuous creeks) the roads carry flows to the catchment outlet. The roads in this catchment are the creeks when the minor piped system is exceeded.
- Rhys then went on to describe the cost of some of the larger mitigation measures and how sensitive the costing is to the handling and disposal of soil. For example the lowering of JJ Kelly Park; if the soil is not contaminated and can be relocated and compacted elsewhere on site (western part of JJ Kelly Park), to implement the mitigation measure will cost about \$1.5M. If the soil is contaminated in any way (there are indications that this area was a rubbish tip in the past and may contain asbestos) costs may blow out to \$15M. Such a high construction cost will render the project unfeasible.

General Discussion Notes

- John Peedom asked if it was possible for the Wollongong Golf Club to get the flood models to do additional modelling. Peter Garland explained that it was. The process to do this was to purchase a single ALS (survey) tile for a cost of about \$2000 which would give permission to the Golf Club to use the model (licencing fee).
- John Peedom asked if it was possible for the Wollongong Council to create detention basins in the creek system between Corrimal and Swan Streets to try to alleviate the flooding issues in this area. Rhys explained that there was not enough volume in this area for any benefit.
- Cr Dorahy asked if Council had discussed trunk drainage (culverts) under the railway lines with Rail Corp. Peter Garland explained that Council is in constant talks with representatives from Rail Corp regarding options to mitigate upstream flooding as a result of poorly designed and under capacity railway trunk drainage. But they are uncommitted and difficult to deal with and change their minds which makes it difficult to actually implement any works on their land. Alex Dunstan explained that the Department of Transport now manages RMS, RailCorp etc. so that Council should liaise with Department of Transport instead of the individual departments.
- Alex Dunstan also raised the issue of using road and rail embankments as retarding structures. His concern was that these sorts of embankments were never design to take the load of ponded waters behind them. Also the trunk drainage asset is old and may be about to fail and adding additional flow will cause a failure sooner. PG explained that this was true but ponding only occurs because the trunk drainage used in the location was of insufficient size in the first place. Design and rainfall standards have changed and as Rhys explained, storm events are getting more intense, so the old systems cannot cope. Being old, failure is inevitable and this is why upgrading of these structures (by the owner of the asset) to current standards will eventually be required.

- **Business Item**– Cr Takacs explained that he had attended a workshop about East Coast Low Pressure Systems (ECLPS) by Macquarie University. He explained that there were two types of ECLPS; Cool season ECLPS which tend to come from the south east and replenish the sand along the coastline and Warm season ECLPS which tend to come from the north east and these erode the coastline. What the university study has shown is that the most eastward progression (Cool Season ECLPS pattern) in the last 1000 years of the coastline has occurred in the 1950's, which is when most of the development along the coastline has occurred. Now we are returning to a pattern which is more like Warm Season ECLPS pattern which tends to erode the coastline. So there will be significant impacts on all development which has occurred along the eastern coastline as it is being eroded and this needs to be considered for all future coastal development by Planning divisions.

5 Committee Vote for Council to adopt the final draft Wollongong City Floodplain Risk Management Plan.

John Peedom moved the motion for the Committee to vote for the final draft Wollongong City Floodplain Risk Management Study and Plan to be adopted by Wollongong City Council.

Cr Takacs seconded the motion.

The meeting concluded at 6.15pm

EXECUTIVE SUMMARY

Overview

This report presents outcomes of a Flood Risk Management Study (FRMS) and Plan (FRMP) for the Gurungaty Waterway catchment (the study area is shown in Figure 1). The catchment is generally encompasses the suburb of Wollongong south of Crown St, as well as parts of Coniston, Mangerton and Mt Saint Thomas, but is referred to as the Gurungaty Waterway catchment to make a distinction from the broader Wollongong City government area.

The overarching objectives of the FRMS&P are to identify and compare various flood risk management options, including an assessment of their social, economic and environmental impacts. These management options have the primary aim to reduce the flood hazard and risk to people and property in the existing community and to ensure future development is controlled in a manner consistent with the flood hazard and risk.

The main body of the report is the FRMS (Sections 1 to 11), which includes documentation of:

- A historical overview of catchment development and flood behaviour (Section 2);
- community consultation (Section 2.6);
- model verification (against observed flooding in February 2012 and March 2014) – see Section 3;
- identification of “hot spots,” areas of higher flood risk to people and/or property (Section 4);
- collection of floor level survey and estimation of flood damages and flood affectation of properties (Section 5);
- review of planning controls (Section 6);
- discussion of potential climate change impacts; and
- assessment of potential flood risk mitigation measures including (Sections 8 to 11):
 - flood modification measures;
 - planning controls and property modification measures; and
 - flood preparedness and response measures.

The FRMP (Section 12) is a relatively short addendum to the FRMS. The FRMP provides a list of recommended actions and responsibilities for implementation, derived from the FRMS investigations and community consultation.

Key Areas of Flood Risk

The area north of JJ Kelly Park, where Swan Street intersects the southern parts of Church Street, Evans Street, Kembla Street and Corrimal Street, was identified as the primary priority area for the FRMS. This is due to frequent above floor flooding of residential property that has occurred in recent years, as well as closure of Swan Street and other major roads. Above floor level flooding has been recently experienced in this area as a result of storm events in February

2012 and March 2014.

Other key priority areas identified include:

- Springhill Road, which is a major arterial road and has several low-lying sections subject to relatively frequent inundation. This road potentially poses a significant risk to life from people driving through floodwaters.
- Low lying areas upstream of the railway line, where there is a concentration of risk for above floor inundation, and a risk of flooding being exacerbated by blockage.

Assessment of Flood Risk Management Measures

A range of possible management measures were identified and evaluated based on the following criteria (in no particular order):

- Potential to reduce flood damages, particularly above floor inundation;
- Potential to reduce flood risk / hazard for people and vehicles;
- Social and environmental impact;
- Cost and feasibility; and
- Potential to exacerbate flood problems elsewhere.

This process eliminated a number of flood risk management measures for further consideration (refer to Section 8.3) including:

- Construction of a realigned ocean entrance to Tom Thumb lagoon;
- Flood mitigation dams and major detention basins;
- Levees, flood gates and pumps;
- Raising of existing dwellings;
- Voluntary purchase of flood liable buildings;
- Catchment specific flood warning; and
- Flood insurance.

Other measures were evaluated in detail from Section 9 to Section 11. The measures recommended for adoption and implementation as part of the Floodplain Risk Management Plan are summarised in Table 27 and Diagram 13 (see Section 12).



Google Earth Pro V 7.1.4.1529. (19/11/2013). CNES / Astrium 2015 [10 July 2015]

REPORT

Whartons Creek

Entrance Management Study and Plan

Client: Wollongong City Council

Reference: M&W8A0530R001D03

Revision: 03/Draft

Date: 08 October 2015

Document title: Whartons Creek

Document short title: Whartons Creek Entrance Study

Reference: M&W8A0530R001D03

Revision: 03/Draft

Date: 08 October 2015

Project name: Whartons Creek Entrance Management Study and Plan

Project number: 8A0530

Author(s): H Nelson, G Blumberg, B Morgan

Drafted by: H Nelson

Checked by: G Blumberg

Date / initials: GPB 08/10/15

Approved by: G Blumberg

Date / initials: GPB 08/10/15

Classification

Project related



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Table of Contents

1	Introduction	1
1.1	Background	1
1.2	Study Objectives	2
1.3	Scope of Work	3
1.4	Acknowledgements	3
1.5	Consultation	3
1.6	Relationship to Council's Strategic Planning	4
1.7	Other Relevant Plans and Strategies	4
1.7.1	Coastal Zone Management Plan	4
1.7.2	Estuary Management Plan	5
1.7.3	Floodplain Risk Management Plan	5
1.7.4	Dune Management Strategy for the Patrolled Swimming Areas	5
1.7.5	Waniora Point Restoration Plan	5
2	Description of Site	6
2.1	Historical Changes	6
2.2	Foreshore Use	9
2.3	Zoning and Tenure	9
2.4	Topography and Geology	10
2.5	Water Quality	10
2.6	Ecology	11
2.7	Infrastructure	11
2.8	Entrance Condition and Training Works	13
2.9	Entrance/ Beach Management	13
3	Coastal and Estuarine Processes	15
3.1	Coastal Evolution and Morphology	15
3.2	Wave Climate	15
3.3	Water Levels	16
3.4	Nearshore Coastal Processes and Sediment Transport	18
3.5	Salinity Regime	18
3.6	Entrance Behaviour	20
3.6.1	Fluctuations in Beach Berm Levels	20
3.6.2	Entrance Orientation	22
3.6.3	Factors Influencing Creek Openings and Orientation	24
3.6.4	Potential Impacts of Climate Change on Entrance Behaviour	27

4	Entrance Management Options	28
4.1	Do Nothing/ Reshape Beach after Breakout	28
4.2	Manage Berm Height/ Dry Notch	29
4.2.1	Build-up Northern Side of Entrance	29
4.2.2	Regular Berm Shaping	30
4.2.3	Event-Based Dry Notch Excavation	30
4.3	Northern Creek Training Wall Extension	31
4.3.1	Geotextile Bag Trial Extension	31
4.3.2	Rock Training Wall	32
4.3.3	Gabions	33
4.4	Pipe/ Culvert Outfall	34
5	Options Assessment	35
5.1	Summary of Options, Costs and Potential Impacts	35
5.2	Preferred Approach for Entrance Management	37
6	Entrance Management Plan	39
6.1	Monitoring	39
6.2	Triggers	40
6.3	Procedure	40
6.3.1	Works	40
6.3.2	Notification	42
6.4	Reporting	43
6.4.1	Works	43
6.4.2	Annual Reporting	43
6.5	Action Plan	43
7	References	45

Table of Tables

Table 1	Summary of Beach/ Entrance Management Practices at Whartons Creek	14
Table 2	Extreme Elevated Water Levels at Fort Denison, Sydney Harbour (CLT 2010)	17
Table 3	Mean Monthly Long Term (1997-2015) and June 2014-May 2015 Rainfall Totals .	25
Table 4	Summary of Entrance Monitoring and Wave and Rainfall Data.....	26
Table 5	Probability of Various ARI Storm Events Occurring Over 15 Years	35
Table 6	Summary of Options Assessment.....	36
Table 7	Entrance Management Strategy Implementation Plan	44

Table of Figures

Figure 1 Whartons Creek Locality.....	1
Figure 2 Whartons Creek Features and Infrastructure	12
Figure 3 Annual Average Wave Climate Port Kembla (1992-2005) (CLT 2010)	16
Figure 4 Whartons Creek Water Levels and BoM Bellambi Station Rainfall Records December 2013-April 2015.....	19
Figure 5 Whartons Creek Salinity Levels December 2013-April 2015	19
Figure 6 Location of Shore-Normal Cross Sections	20
Figure 7 Cross Sections July 2014 to April 2015	21
Figure 8 Training Wall Extension Concept Plan [100 year ARI immediate Zone of Slope Adjustment line shown CLT (2010)].....	32
Figure 9 Conceptual Training Wall Cross Section.....	33
Figure 10 Typical Sand Relocation for Case 1 or Case 2	41
Figure 11 Typical Mechanical Breakout for Case 2.....	42

Table of Plates

Plate 1 Breakout channel scour (WCC 28/6/2014)
Plate 2 Steep scarp near SLSC (WCC 19/11/2013)
Plate 3 Closed beach accessway (WCC 19/11/2013)
Plate 4 Damaged beach access (WCC 27/12/2013)
Plate 5 Sandstone wall early 1950s (Bulli SLSC)
Plate 6 Sandstone wall and steps 1958 (Bulli SLSC)
Plate 7 1948 Aerial photograph showing area largely devoid of vegetation and original rock pool (WCC)
Plate 8 1986 Aerial photograph showing back beach devoid of dune vegetation (WCC)
Plate 9 1986 photograph showing recent dune planting and breakout to north (OEH 1986)
Plate 10 1993 Aerial photograph showing established dune vegetation (WCC)
Plate 11 Flagged swimming area north of creek (WCC 23/1/2015)
Plate 12 Northern side of Whartons Creek entrance
Plate 13 Southern side of Whartons Creek entrance
Plate 14 Stormwater pipe headwall
Plate 15 Gabion wires on beach (WCC 20/02/2015)
Plate 16 2013 major breakout to the northeast (Google Earth Pro V 7.1.4.1529. (19/11/2013). CNES / Astrium 2015)
Plate 17 Entrance flowing southeast (WCC 3/4/2014)
Plate 18 Seas washing over berm into creek (WCC 4/9/2014)

- Plate 19** Open entrance after heavy rain (WCC 11/1/2015)
- Plate 20** Entrance open and flowing north (WCC 6/2/2015)
- Plate 21** Reshaping of beach/ dune following entrance scour (WCC Feb 2014)
- Plate 22** Entrance following 2014 works (WCC 16/5/2014)
- Plate 23** Entrance following 2015 works (WCC 19/3/2015)

Appendices

- Appendix A** Coastal Hazards and Catchment Flooding
- Appendix B** Entrance Surveys
- Appendix C** Stakeholder Feedback on Management Options

Executive Summary

Whartons Creek is located at the northern end of Bulli Beach. The entrance is trained by gabion walls on both sides and is intermittently closed and open to the ocean. Migration of the entrance breakout channel to the north towards Bulli Surf Life Saving Club (SLSC) can result in the development of a steep erosion scarp and back beach scour over a lateral distance of up to 150 m. This results in beach safety and amenity issues and impacts on beach accessways and dune vegetation.

This study sought to develop an affordable, low-key management strategy to prevent or reduce the likelihood of creek entrance migration to the north through: analysing available data to identify factors influencing entrance breakout and orientation; assessing past entrance management practices; and consulting with stakeholders with local knowledge of Bulli Beach and the behaviour of the Whartons Creek entrance.

Based on an assessment of likely costs, effectiveness, advantages and disadvantages (including potential environmental impacts), six feasible options were identified comprising sand relocation/ beach reshaping, mechanical breakout of the entrance and two options for extension of the existing northern training wall. Following consultation with Bulli SLSC, the Wollongong Estuary and Coastal Zone Management Committee and Council staff, a combination of options was selected for entrance management.

This report incorporates the subsequent Entrance Management Plan for Whartons Creek based on the preferred management strategy:

- of periodical relocation of sand from the south side to the north side of the entrance in conjunction with cleaning/ regular removal of sand from the Bulli ocean pools, once certain triggers are met; and
- very infrequent event-based relocation of sand or mechanical entrance breakout prior to/ at the commencement of an intense rainfall event.

This management strategy would be evaluated after three years, based on a comprehensive monitoring program. Should this strategy be considered unsuccessful in terms of effectiveness in preventing periodical issues associated with beach safety, amenity and access or with regard to benefit-cost, an alternative management strategy would be implemented comprising a geotextile sand-filled bag extension of the northern gabion entrance training wall.

1 Introduction

1.1 Background

Whartons Creek is located within the Wollongong Local Government Area (LGA) and flows from its headwaters in the Illawarra Escarpment through Bulli to the northern end of Bulli Beach, see **Figure 1**. The creek entrance is trained by gabion walls on both sides and is intermittently closed and open to the ocean. Migration of the entrance breakout channel to the north towards Bulli Surf Life Saving Club (SLSC) can result in the development of a steep erosion scarp and back beach scour over a lateral distance of up to 150 m. This results in beach safety and amenity issues and impacts on beach accessways and dune vegetation. This project, to reduce impacts from creek breakouts to the north, was identified in the *Dune Management Strategy Implementation Plan*, endorsed by Wollongong City Council (WCC) in August 2013.



Figure 1 Whartons Creek Locality

Plates 1 to 2 illustrate the severity of erosion due to breakout channel scour. **Plate 3** shows closed beach accessways and warning signage installed by Wollongong City Council (WCC) when there is a risk to public safety and **Plate 4** shows damage to a board and chain beach access.



Plate 1 Breakout channel scour (WCC 28/6/2014)



Plate 2 Steep scarp near SLSC (WCC 19/11/2013)



Plate 3 Closed beach accessway (WCC 19/11/2013)



Plate 4 Damaged beach access (WCC 27/12/2013)

1.2 Study Objectives

To address the impacts of breakout channel scour to the north, WCC commissioned this study with the objectives being to:

- Provide Council with an affordable and more effective solution for management of entrance breakouts than current beach management practices.
- Develop a formal Entrance Management Plan so Council can obtain one approval/ licence covering ongoing entrance management.
- Prepare a Review of Environmental Factors (REF) for entrance management which can be periodically updated as required.

1.3 Scope of Work

The scope of work for this study comprised:

- Review of relevant reports including coastal and estuary processes studies, and plans and strategies including entrance plans/ policies for other Wollongong LGA intermittently closed and open lakes or lagoons (ICOLLs) for the purpose of informing this study.
- Site inspection and discussions with WCC, Office of Environment and Heritage (OEH) staff and Bulli SLSC members on current/ past entrance/ beach management practices.
- Data review and analysis including records from an OEH automatic recorder in Whartons Creek (water level and salinity), rainfall (Bureau of Meteorology (BoM) Bellambi Station), offshore wave data (Port Kembla directional waverider buoy), topographical surveys and photomonitoring.
- Options Identification, taking into account WCC's objectives for the study.
- Options Assessment with regard to likely effectiveness in managing creek breakout channel direction, estimated costs and potential impacts e.g. on beach amenity and creek ecology.

1.4 Acknowledgements

The Entrance Management Plan was developed with input from Council staff including the Project Manager and works and beach services staff; Bulli SLSC, OEH and Wollongong's Estuary and Coastal Zone Management Committee (ECZMC). The study was prepared with funding assistance from OEH's Coastal Management Program.

1.5 Consultation

Issues associated with northern entrance channel migration, identified in correspondence to WCC and as illustrated in **Plates 1 to 4** are:

- impact on beach use and access to and from the beach
- temporary closure and damage to beach accessways
- stagnant water from Whartons Creek ponding on the beach.

The Bulli SLSC in a letter to WCC in support of the grant application for this study, provided the following information on the impacts of creek scour to the north and associated restricted beach access.

- Patrol equipment (flags, rescue boards etc) needs to be carried around Bulli Rock Pool and over the rock platform and the Club's All Terrain Vehicle (ATV) has had to tow the trailer with Inflatable Rubber Boat (IRB) to Woonona Beach (south of Bulli Beach) to launch the IRB for patrols.
- Patrol members need to monitor the dune in case of scarp collapse, as well as monitoring the rock pool and surf.
- Lack of beach access impacts on training and surf skis have to be carried over the rock platform to launch at Bulli Beach.
- Nipper activities have to be relocated to a wider section of the beach several hundred metres to the south.
- The steep scarp is a hazard to SLSC junior members as well as the general public.

The SLSC President also advised that:

- The creek entrance channel seems to deviate north nearly every summer (there are no specific records of this apart from photos provided for the study) and that it has a long history of going north.

The study findings and potential management options were presented to representatives of Bulli SLSC, WCC works and beach services staff, and the ECZMC on 14 July 2015. A working draft of this document was then circulated to these stakeholders with an invitation to comment on the study and management options. Questions raised following the presentation are addressed in this report and feedback on the preferred options was used to develop the Entrance Management Plan.

1.6 Relationship to Council's Strategic Planning

This document has been prepared as a deliverable of the WCC Annual Plans 2014-15 and 2015-16. The specific action to develop this plan fits within the Integrated Planning and Reporting (IPR) Framework:

Wollongong 2022 Community Strategy Plan Community Goal: *1 We value and protect the environment.*

↳ Wollongong 2022 Community Strategy Plan Objective: *1.1 The natural environment is protected and enhanced.*

↳ Wollongong 2022 Community Strategy Plan Strategies:
1.1.3 The potential impacts of natural disasters, such as those related to bushfire, flood and landslips are managed and risks are reduced to protect life, property and the environment.
1.2.1 A suite of actions to manage and protect against the future risk of sea level rise is enacted.

↳ Delivery Program 2012-2017 5 Year Actions:
1.1.3.2 Implement a coordinated approach to floodplain and stormwater management
1.2.1.1 Finalise and Implement the Coastal Zone Management Plan

↳ Annual Plan 2014-15 and 2015-16 Annual Deliverables:
Commence the Whartons Creek Entrance Management Plan
Continue implementation of priority actions from the Dune Management Strategy.

Within WCC's IPR, this document can be described as a Supporting Document – Implementation Plan Proposal. Supporting Documents include long, medium and/ or short term outcomes which support the development of IPR legislated documents, such as the Community Strategic Plan, Delivery Program and Annual Plan.

1.7 Other Relevant Plans and Strategies

A brief summary of relevant coastal, estuary and dune management plans follows. Further information on coastal hazards, catchment flooding and entrance management studies can be found in **Appendix A**.

1.7.1 Coastal Zone Management Plan

The *Wollongong Coastal Zone Management* (BMT WBM Draft 2012) identified a number of public assets at risk from coastal hazards at Bulli Beach, including the SLSC and pedestrian/ cycle path. It was recommended that, prior to any future asset upgrades/ redevelopment, assessments be made to

determine whether the asset should be relocated, or redesigned to withstand impacts from coastal hazards.

1.7.2 Estuary Management Plan

Management Actions identified for Whartons Creek in the *Estuary Management Plan for Several Wollongong Creeks and Lagoons* (GHD 2007a) included to:

- establish and maintain a well vegetated riparian zone using locally indigenous plant species
- investigate re-grading of the creek banks to provide a less steep and wider riparian corridor
- stabilise the dune at the entrance and revegetate behind the gabions which form the entrance training walls.

1.7.3 Floodplain Risk Management Plan

The *Combined Catchments of Whartons, Collins and Farrahars Creeks, Bellambi Gully and Bellambi Lake Floodplain Risk Management Study and Plan* (Lyll & Associates 2014) made the following recommendations for the Whartons Creek catchment:

- construction of a flood deflection levee on the western (upstream) side of Franklin Avenue near the railway corridor (see **Figure 1**)
- replacing the existing Franklin Avenue culverts with a bridge
- upgrading the retarding basin near Gordon Hutton Park (west of the railway corridor).

These recommendations were to address overland flooding to the northeast. Overbank flooding from Whartons Creek downstream of Franklin Avenue was not identified as an issue.

1.7.4 Dune Management Strategy for the Patrolled Swimming Areas

The *Wollongong Dune Management Strategy for the Patrolled Swimming Areas of 17 Beaches* (GHD 2014) considered actions to improve sight lines for surf lifesaving patrols while also maintaining recreational amenity and beach access. Options identified were to build an observation tower, build a tower and remove vegetation from the frontal zone, or raise the level of the observation area at the Bulli SLSC. It was noted that removal of stabilising dune vegetation increases the risk of impacts from coastal hazards.

The *Dune Management Strategy Implementation Plan* (2013) included the following options in relation to Bulli Beach: assess status of seawall for protection against coastal hazards; build a tower; removal of vegetation from the frontal zone and reshaping; and the preparation of an entrance management policy for Whartons Creek (this project).

1.7.5 Waniora Point Restoration Plan

The *Coastal Processes and Restoration Plan for Waniora Point, Bulli* (WorleyParsons 2008) concluded that erosion of the Waniora Point Headland is predominantly a surficial process and that the rock pools (children's pool and main pool) at Waniora Point are unlikely to be causing significant effects on sediment transport processes. Development of a landscape master plan was recommended incorporating fencing and vegetation to control access at the headland. To reduce the frequency of works to remove sand from the children's pool a number of pool modifications were provided for consideration, along with other suggestions such as relocation and/ or demolition of the existing children's pool.

2 Description of Site

2.1 Historical Changes

The following information is summarised from WorleyParsons (2008), with additional information provided from WCC and with reference to available historical aerial photographs.

- The first rock pool, constructed in 1903, was located to the south of the current pool which was built in 1935.
- Heavy mineral mining for titanium was undertaken at Bulli Beach from 1953.
- A retaining wall/ seawall (now buried in the vegetated dune) is located in front of the SLSC and extends south for about 70 m. An early 1950s photo (**Plate 5**) provided by Bulli SLSC shows the sandstone wall in the background, and a 1958 photo shows the wall and steps in front of the SLSC (**Plate 6**). WCC excavated two test pits in front of the SLSC in 2014 that revealed the wall was constructed of hand-packed sandstone with rendered face. It was founded on beach rounds/ armour layer without a lower footing bed or piling evident. WCC's geotechnical engineer concluded that the wall appears too low and is of a construction that falls well short of current engineering standards for seawalls.
- Excavation through the dunes and Waniora Headland for the sewer main occurred in the 1970s.
- The 1948 aerial photo (**Plate 7**) shows the Whartons Creek entrance in its current position with limited riparian vegetation and minimal dune vegetation. The 1986 aerial photo (**Plate 8**) shows the alignment of the 1950s wall with Norfolk Island Pines directly behind this. The 1986 photo (**Plate 9**) shows recent dune planting. The 1993 aerial photo (**Plate 10**) clearly shows the gabions on the northern side of the creek entrance and establishment of dune vegetation and beach accessways seaward of the now buried sandstone wall.
- From a review of historical aerial photographs between 1948 and 2006, when Whartons Creek was open it generally meandered to the north or directly southeast on Bulli Beach, although the entrance was usually closed.
- As shown in the aerial photographs, the sand/ vegetation interface at the northern end of Bulli Beach is more seaward than in 1948, with dune rehabilitation works in the mid-1980s leading to substantial seaward migration.



Plate 5 Sandstone wall early 1950s (Bulli SLSC)



Plate 6 Sandstone wall and steps 1958 (Bulli SLSC)



Plate 7 1948 Aerial photograph showing area largely devoid of vegetation and original rock pool (WCC)



Plate 8 1986 Aerial photograph showing back beach devoid of dune vegetation (WCC)



Plate 9 1986 photograph showing recent dune planting and breakout to north (OEH 1986)



Plate 10 1993 Aerial Photograph showing established dune vegetation (WCC)

From Bulli Beach photogrammetry (1961 to 2005) and a 2013 onground survey, GHD (2014) calculated that at the northern end of the beach the:

- beach width ranged from 15 to 50 m prior to the dune rehabilitation works, and from 30 to 40 m in the period after these works
- beach volume ranged from 70 to 180 m³/m before the works, and from 160 to 190 m³/m after the works
- dune volumes ranged from 60 to 90 m³/m in the pre dune works period, and from 120 to 130 m³/m in the post works period
- dune height ranged from 2 to 3 m AHD before the works, and from 4 to 5 m AHD after the works.

A plot of the 2 m contour from available photogrammetry between 1961 and 2005 by CLT (2010) shows the seaward migration of the shoreline between these dates and the impact of beach erosion as a result of the 1974 storms (see **Appendix A**). The most seaward position of the 2 m contour (1972, 1993 and 2005), i.e. when the beach was in an accreted state, is approximately 40 m out from the end of the northern gabion wall. Sections produced from WCC surveys in 2014/2015 indicated the position of the 2 m contour was between about 30 to 40 m out from the end of the northern gabion wall, hence the beach is currently in a similarly accreted state.

2.2 Foreshore Use

The Bulli SLSC and Bulli Beach Café are located at Waniora Point as well as the children's and main rock pools, see **Figure 2**. The northern end of Bulli Beach is a popular patrolled area for locals and tourists, with the Bulli Tourist Park and Ruby's Kiosk located on the southern side of Whartons Creek. The flagged swimming area can be anywhere between the SLSC and up to 100 m south of Whartons Creek, depending on conditions. **Plate 11** shows the flagged area near the SLSC in January 2015, with the creek channel meandering to the northeast.

The beach has a gentle grade to the vegetated dunes at the rear. There are two formal beach accessways through the dune between the creek entrance and SLSC, plus a sand access ramp for the SLSC's ATV. Grassed open space with a playground is located behind the dunes. A shared pedestrian/ cycle path provides access along the beach through the grassed open space. Carparks are located on the northern side of Waniora Point and the northern side of Whartons Creek.

2.3 Zoning and Tenure

Under the *Wollongong Local Environmental Plan 2009*, downstream of the railway corridor, the creek is zoned IN2 General Industrial where it crosses Franklin Avenue, E2 Environmental Conservation, RE1 Public Recreation either side of Artis Street, then R2 Low Density Residential through the Waniora Public School and Bulli High School grounds to Farrell Road. East of Farrell Road, the creek and entrance area are zoned RE1 Public Recreation. The RE1 zone along the foreshore extends about 75 m seaward of the shared pedestrian/ cycle path creek crossing (footbridge) and cuts through the vegetated dune system. The creek entrance and beach/ dune seaward of this are unzoned.

The foreshore RE1 zoned land is Community Land and the unzoned foreshore land is Crown land. The Whartons Creek entrance channel and beach are within Crown land reserved for recreation (Reserve 81722), land reserved for future public requirements (R1011268), and land below Mean High Water Mark reserved from sale or lease generally (R56146) (NSW Trade & Investment 2015).



Plate 11 Flagged swimming area north of creek (WCC 23/1/2015)

2.4 Topography and Geology

East of the railway corridor, the Wollongong Geological Sheet (Bowman 1974) shows alluvium, gravel, beach and dune sand to the north of Whartons Creek, with levels rising up to 15 m AHD. Australian Height Datum (AHD) is approximately equal to Mean Sea Level (MSL). South of the creek and west of the Bulli Tourist Park is fine to medium grained, bioturbated andesitic sandstone with interbedded quartz-lithic sandstone grey mudrock, carbonaceous mudrock coal and laminates. Ground levels rise more steeply on the southern side of the creek, up to a high point of 27 m AHD near the railway corridor. Dune crests are about 4 m AHD to the north of the creek entrance and up to 6 m AHD to the south.

2.5 Water Quality

WCC monitored water quality at 36 sites in 23 creeks and lagoons on approximately a monthly basis between August 2002 and March 2006. One site was located within the freshwater reach of Whartons Creek. Monitoring results were compared to ANZECC (2000) guidelines for fresh and marine waters, using the trigger values for the protection of aquatic ecosystems in slightly to moderately disturbed systems. Faecal coliform results were assessed against trigger values for recreational activities. Results were presented in five categories, e.g. meeting guideline criteria for less than 10% of the time over the monitoring period, ranging to at least 75% of the time.

Results for Whartons Creek indicated dissolved oxygen saturation values were low (met the guidelines only 10 to 25% of the time), nutrient concentrations were elevated (nitrate concentrations met the guidelines only 10 to 25% of the time) as were copper and zinc (copper only met the guidelines 10 to 25% of the time). Faecal coliform counts met the guideline criteria for primary contact recreation 25 to 50% of the time.

A water quality snapshot at four sites undertaken by GHD (2007b) during ecological surveys in March 2007 also found low dissolved oxygen concentrations (4.2 to 5 mg/l), turbidity ranging from 11 to 17 NTU,

pH of 7.6 to 7.9 and electrical conductivity of 706 to 795 $\mu\text{S}/\text{cm}$ indicating freshwater conditions. It was noted that water quality sampling took place during a period of wet weather when the entrance was open which would have resulted in higher turbidity levels due to catchment runoff.

2.6 Ecology

Estuarine vegetation along Whartons Creek is confined to an area approximately 200 m long and 10 m wide, largely surrounded by mown Kikuyu Grass. Dense Common Reed and Sea Rush (approximately 2 to 5 m wide) line both sides of the creek and grade into terrestrial vegetation west of the Bulli Tourist Park bridge. Swamp Oak and the introduced Lantana are also scattered along the creekline. Beach grasses including Hairy Spinifex, Sea Rocket, Beach Daisy and Beach Pennywort fringe the entrance bar. Beach grasses grade into coastal dune vegetation which includes Coastal Tea Tree, Coastal Wattle, Coastal Rosemary and the introduced Lantana and *Senna pendula* (GHD 2007b).

The estuarine reaches of Whartons Creek provide limited habitat for fauna but do provide potential foraging opportunities for species such as common microchiropteran bats, insectivorous birds and reptiles. The entrance bar and shallow areas of the creek provide potential foraging habitat for a range of common coastal species. A number of common bird species were recorded within the estuarine reaches including the Welcome Swallow, Australian Raven and Silver Gull. Although the threatened Sooty Oystercatcher was recorded near the entrance berm, there is limited foraging habitat available for this species within the creek itself (GHD 2007b).

A fish survey for Whartons Creek in March 2007 returned 263 individuals comprising six species. Whartons Creek was the least diverse of the four Wollongong LGA creeks/ lagoons sampled, with 85% of the fish being Flathead Gudgeon and 10% Sand Mullet. The remaining 5% comprised Sea Mullet, Longfinned Eel, Smallmouth Hardyhead and the introduced Mosquito Fish. A macroinvertebrate survey indicated generally lower overall diversity compared to other creeks (GHD 2007b).

GHD (2007b) attributed the low diversity and abundance of aquatic fauna to:

- limited tidal flushing
- lack of suitable nursery habitat (mangroves, seagrasses, saltmarsh) and tidally inundated mud flats
- poor water quality and riparian habitat condition.

2.7 Infrastructure

East of the railway corridor, Whartons Creek flows via culverts under the Franklin Avenue bridge crossing at Artis Street, culverts under Farrell Road and bridge crossings at the Bulli Tourist Park and creek entrance. Stormwater system information provided by WCC indicates approximately 13 pipelines discharge to Whartons Creek in this reach.

Just to the west of the tourist park bridge, a 370 mm diameter pipe discharges to the creek, between the footbridge and the tourist park bridge a 600 mm diameter pipe discharges to the creek and further east a 750 mm diameter pipe discharges into the northern side of the entrance, downstream of the footbridge, see **Figure 2**. WCC records indicate that the vertical distance to the invert of this pipe is 1.09 m. The creek bank height (top of gabion baskets) in this location is 2.86 m AHD, therefore the invert level of the outlet is approximately 1.77 m AHD. The level of the concrete plinth under the pipe is 1.43 m AHD.



Figure 2 Whartons Creek Features and Infrastructure

As shown in **Figure 2** a 1200 mm diameter sewer main traverses Bulli Beach east of the shared pedestrian/ cycle path and the tourist park. A pit and vent is located immediately to the north of where the main crosses Whartons Creek. The level of the sewer main is estimated to be at around MSL or 0 m AHD (WorleyParsons 2008).

The pedestrian/ cycle path links to the beach accessways either side of the creek. The footbridge deck level is 4.0 m AHD on the northern side and 4.5 m AHD on the southern side (bridge slab is 0.66 m thick). The width of the creek channel (waterline width) under the bridge at 11.15 am on 13 March 2015 was 10.4 m and the distance from the underside of the mid-point of bridge to the waterline was 1.82 m. The entrance was closed. The gauge immediately upstream of the bridge recorded a water level of 1.69 m AHD at this time.

The bridge to the tourist park is about 90 m to the west of the footbridge and is about 10 m wide. The channel width under the bridge around 11.15 am on 13 March 2015 was 7 m. The distance from the underside of the bridge to the waterline was 1.85 m (bridge slab depth 0.35 m, so bridge deck level about 3.9 m AHD). Inquiries with the Tourist Park manager indicated the creek water level was about 0.9 m under the bridge during the last major flood (31 January 2008), a level of about 2.65 m AHD. Modelling by Lyall & Assoc. (2011) indicated a creek water level of 3 m AHD on the upstream side of the tourist park bridge for a 100 year Annual Average Recurrence Interval (ARI) flood event.

2.8 Entrance Condition and Training Works

As noted in **Section 1.1**, rock filled gabions line the creek on each side of the entrance below the footbridge, see **Plates 12** and **13**. The gabions appear to have slumped slightly on the northern side of the creek, leaving a gap between the stormwater headwall and creek bank (see **Plate 14**). At the beach end the gabions have collapsed, rocks have been removed, and at times broken wires protrude through the sand (see **Plate 15**).

GHD (2007b) noted that the estuarine section of Whartons Creek is relatively stable with only the left (north) bank between the footbridge and tourist park exhibiting moderately active erosion.



Plate 12 Northern side of Whartons Creek entrance



Plate 13 Southern side of Whartons Creek entrance



Plate 14 Stormwater pipe headwall



Plate 15 Gabion wires on beach (WCC 20/02/2015)

2.9 Entrance/ Beach Management

Based on discussions with WCC staff and review of recent monitoring data, **Table 1** provides a summary of past entrance management activities and artificial breakouts. Beach raking is also carried out at the northern end of Bulli Beach in summer.

Table 1 Summary of Beach/ Entrance Management Practices at Whartons Creek

Entrance Management Activity	Description and Date*	Estimated Frequency
Berm height management	Prior to 2009, WCC kept the berm low at the entrance in conjunction with pool maintenance activities. This management technique ceased following a review of work procedures.	Every 1-2 months
Entrance channel realignment and beach restoration	Following two breakouts to the north, one in 2009 and in late 2013, the beach did not re-establish naturally and major reshaping work was undertaken in October 2009 and on 7 February 2014 involving excavation of a channel straight out from the creek and moving excavated sand to the north to fill in the remnant creek scour channel at the toe of the dunes.	Every 2-5 years
Mechanical breakout (dry notch)	WWC has excavated a dry notch a couple of times in recent years to direct the pending natural creek breakout straight out to the ocean. Mechanical breakouts are not required for flood mitigation purposes, see Appendix A for more information.	Once per year
Unauthorised channel excavation	Members of the public have also been observed digging a channel across the beach berm to let creek waters flow straight out to the ocean when the channel has turned to the north. Correspondence to Council notes one such occurrence on 1 June 2014 and another attempt was evident in photos taken on 25 July 2014.	Up to 2 times per year
Build-up sand on north side of entrance channel	WCC builds up sand on the northern side of the creek entrance to block potential northern migration of the breakout channel. This work was undertaken just prior to 16 May 2014 and on 18 March 2015.	About 4 times a year

* Based on photomonitoring 21/2/2015-11/6/2015, other photographic records and discussions with WWC

As WCC has no adopted plan for management of Wharton Creek entrance, each time it is necessary to undertake major work, an environmental impact assessment and application has to be prepared to obtain a licence from the land owner (Crown Lands). The current licence, issued on 13 July 2014, is valid for two years. Previous licences were issued for shorter periods (January to June 2014) and for October 2009.

Building up sand on the northern side of the creek entrance to block potential northern migration of the breakout channel is undertaken in conjunction with removal of sand from the rock pools at the northern end of the beach, as well as the previous berm height management. Sand is removed from the children's section of the pool about every 4 weeks in summer and 6 weeks in winter when the pool is cleaned, with sand removed from the main pool about three to four times per year (WorleyParsons 2008). Sand removed from the pools is not used to build-up the northern side of the entrance but placed to the north at the base of Waniora Headland. This is considered an appropriate practice to maintain a sand buffer around Waniora Headland. Choosing to relocate sand southwards from the pools to the entrance would also increase the need for sand removal from the pools which is not desirable. Sand used to build-up the northern side of Whartons Creek is taken from the beach berm to the south.

3 Coastal and Estuarine Processes

3.1 Coastal Evolution and Morphology

The Illawarra escarpment produces steep stream profiles with a rapid gradient transition to the coastal plain. This results in decreased downstream channel capacity and large floodplains to accommodate floodwaters. This is reflected in the geomorphological characteristics of the Illawarra streams, which display compound channel morphologies as a result of the common recurrence of high magnitude flood events. Compound channel streams typically have an inner 'active channel' formed and maintained by frequent small flows and a larger 'macro channel' related to the higher and more infrequent flood volumes. Whartons Creek rises in the Illawarra escarpment and then flows in a channelised form through the coastal plain to the ocean. The creek is 3.4 km long and has a catchment area of 210.8 ha (GHD 2007b).

The Wollongong coastline illustrates the influence of the Illawarra escarpment with a higher occurrence of rocky headlands and protected short beaches compared to the longer beach and sand dune systems to the south (GHD 2007b).

Bulli Beach is a relatively straight 950 m long, south-southeast facing beach that extends south from Waniora Headland to the lower Flat Rock. The entire beach is exposed to nearshore waves averaging 1.5 m, which usually maintain 4-6 rips, including permanent rips against the rocks at either end, and 2-4 shifting beach rips. The intervening bars are usually attached to the beach, but are separated by a trough during and following periods of high waves - conditions that can also generate a second outer bar running the length of the beach (Surf Life Saving Australia 2015).

The dominant process influencing the morphology of the NSW coast is the action of waves, particularly during storm events. Tidal influence is minimal as the coast is characterised as a micro-tidal zone. As a result, the majority of estuaries along the NSW South Coast are wave-dominated in their form, with fluvial input being the variable factor in determining their final morphology and functioning.

ICOLLs (intermittently closed and open coastal lakes and lagoons) fall under the wave-dominated barrier estuary classification. ICOLLs periodically open to the ocean during rainfall events and subsequently close through the action of tides and waves moving sand onto, and building the beach berm. ICOLLs and coastal creeks are generally narrow, shallow water bodies that develop on prograding coastal sequences formed from beach ridges, dunes and barriers (GHD 2007b).

Whartons Creek is a very small ICOLL, with an estimated volume of 1880 m³, based on an adopted water depth of 0.8 m and estuary area of 2350 m². Tidal processes would very rarely penetrate any distance upstream of the entrance, except during king tides and large ocean storm events. Wave action may bring sand into the creek during storm events. Fluvial processes are small in the estuary due to the limited catchment area, with no fluvial delta present (GHD 2007b).

3.2 Wave Climate

The dominant offshore wave direction along the Wollongong coast is from the SSE. The average annual wave climate from the Port Kembla waverider buoy is shown in **Figure 3**.

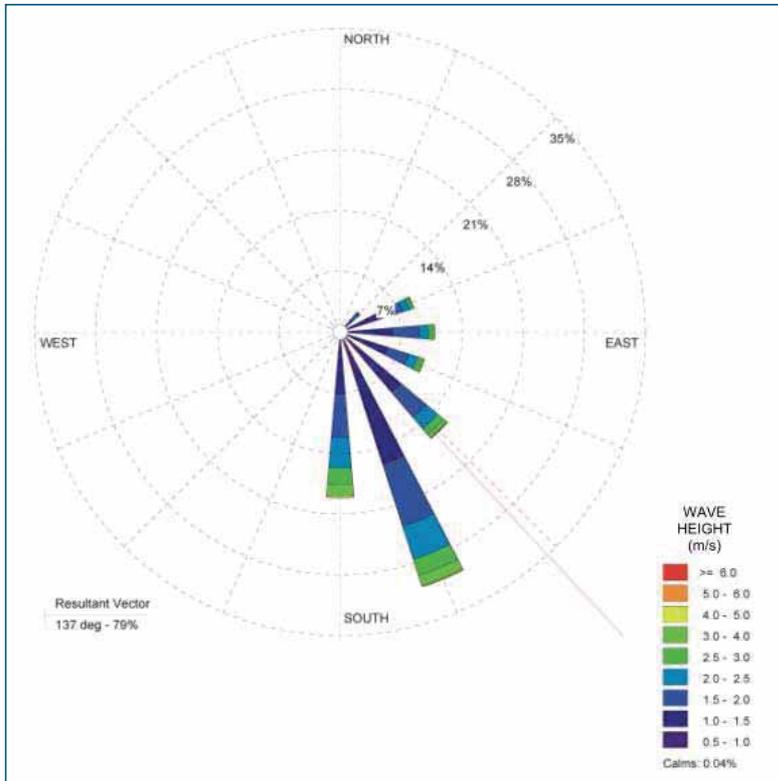


Figure 3 Annual Average Wave Climate Port Kembla (1992-2005) (CLT 2010)

CLT (2010) modelled nearshore wave heights in 6 m depths for a range of ARI storm events at two locations along Bulli Beach, immediately south of Whartons Creek entrance and at the southern end of the beach. Significant wave heights (H_s) near the entrance ranged from 4.03 m for a 5 year ARI event to 4.33 m for a 100 year ARI event, and at the southern end of the beach from 4.51 m for a 5 year ARI event to 4.89 m for a 100 year ARI event. Back-beach breaking wave heights for severe storms along the NSW open coast would typically vary between 2 and 3 m.

3.3 Water Levels

Water levels along the Wollongong LGA coastline vary mainly in response to tides. Other processes that can affect coastal water levels include storm surge, wave setup and sea level rise due to climate change. Water levels inside the entrance of Whartons Creek respond to freshwater flows within the catchment.

Predicted tides for the Wollongong area note respective mean spring and neap tide ranges of 0.7 and 1.2 m. Highest Astronomical Tide (HAT), the highest tide due to the gravitational effect of the moon, sun and planets, is 1.13 m AHD, or 0.5 m above Mean High Water Springs (MHWS). HAT is predicted to occur approximately once every 19 years on average.

Storm surge is due to the combined effect of inverse barometric setup and setup due to the wind shear pushing up water levels along the shoreline. Storm surge in severe events can reach 0.5 m, as it did in the Sydney region in the May-June storms of 1974.

Extreme elevated water levels predicted for Fort Denison in Sydney Harbour are representative of extreme still water levels for the Wollongong area and are summarised in **Table 2**.

Table 2 Extreme Elevated Water Levels at Fort Denison, Sydney Harbour (CLT 2010)

Average Recurrence Interval ARI (years)	Level (m AHD)
10	1.35
20	1.38
50	1.41
100	1.44

Sea level rise is predicted to occur as a consequence of climate change due to the thermal expansion of the oceans and melting of the polar and glacial ice sheets. Sea level in the Sydney region has risen by approximately 0.15 m over the past century. Over the last 20 years or so, sea level has been rising at 3 mm/year (CLT 2010). The former NSW Government sea level rise benchmarks of 0.4 m and 0.9 m above 1990 MSL, by 2050 and 2100 respectively, were adopted in previous WCC coastal zone and flood risk management studies. WCC is yet to adopt a formal sea level rise policy.

Whartons Creek water levels are measured at an OEH gauge operated by Manly Hydraulics Laboratory (MHL) just upstream of the footbridge, or approximately 130 m from the Mean Tide Line. Over the 16 month period from December 2013 to April 2015, measured water levels fluctuated between 0.7 m AHD and 2.5 m AHD. The mean water level over this period was 1.35 m AHD. A plot of the measured water levels is presented in **Figure 4**. Salinity levels are shown in **Figure 5**.

The water level response in the entrance is indicative of whether the entrance is open or closed to the ocean. The creek was closed for at least 2 months before February 2014, after which it broke out and remained open for about 1.5 months. The water level gauge was damaged in mid-March 2014 and not reinstated until the beginning of May 2014 during which a severe rainfall event of 115 mm in 24 hours occurred (such an event is predicted to occur up to once a year on average). The gauge was re-established at the beginning of May 2014 and remained operational though to the end of the analysed record in late April 2015. Other observations from the water level record are:

- At breakout the creek water level immediately drops to around 1 m AHD.
- The largest water level fluctuation associated with a breakout occurred in mid to late August 2014 when the mean water level in the creek fell over 1 m (water level prior to breakout was about 2.3 m AHD).
- The entrance remained essentially open and tidally ventilated from August 2014 to about the end of April 2015, a period of 8 months except for a brief period in early January 2015.
- During periods when the entrance was closed the sustained water level in the entrance did not drop below 1.5 m AHD, and on occasions was as high at 2.0 m AHD or even slightly higher.

3.4 Nearshore Coastal Processes and Sediment Transport

The interaction of tidal excursion, breaking waves on the beach, shoreline composition and morphology drive nearshore coastal processes.

The swash face slope at the creek entrance is typically 1V in 15H as indicated by surveys completed by WCC between July 2014 and April 2015, see **Appendix B**. The mean tidal excursion at the water line is therefore about 8 m. Typical offshore wave heights of 1.5 m with mean wave period of 6 s (CLT 2007) will shoal, break and runup the beach face for a distance of approximately 20 m. From time to time, the wave runup level will exceed the beach berm level which is typically around 2 m AHD, and overtop into the creek entrance. Furrows may form across the berm from the swash action and if the water level is sufficiently charged in the creek entrance, this process of water delivery into the creek and localised lowering of the berm could precipitate a minor breakout.

The water line position opposite the entrance is essentially a response to waves, currents and water levels, and supply of sand. During storms, waves will erode sand off the beach face leading to a landward translation in the water line. This action is reversed in subsequent fairweather periods when low height swell acts to rebuild the beach. Wave runup increases during storms, and the opportunity for overflow into the creek entrance also increases.

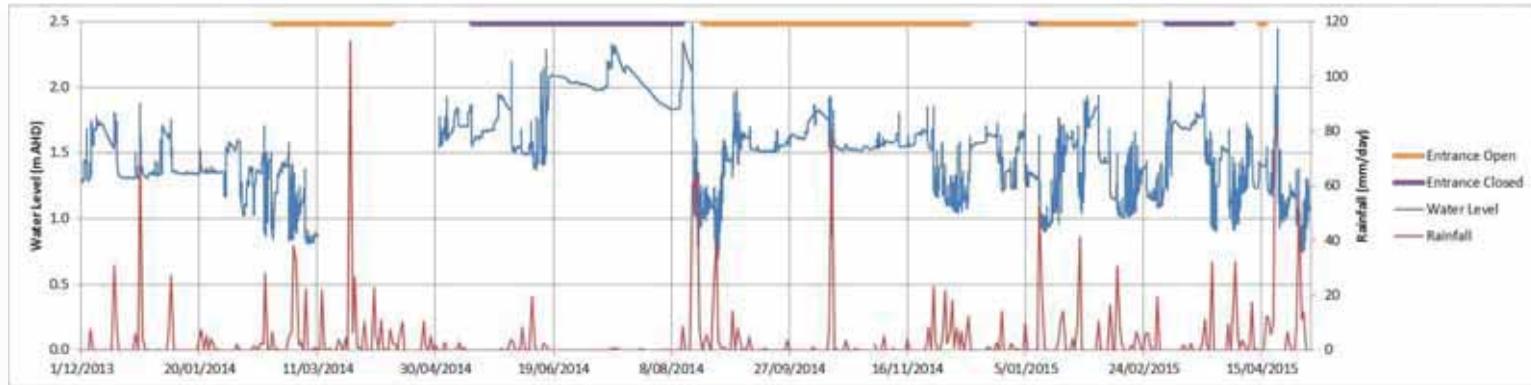
Net northerly longshore sand transport is expected at Bulli Beach due to the dominant SSE wave direction. However, there is no evidence of extensive net longshore transport as the beach is essentially compartmentalised between rocky reefs. As noted in WorleyParsons (2008), there may be some transport of sand from Woonona Beach around Flat Rock into the compartment.

In the case of cross-shore sand transport, an analysis of photogrammetric data between 1961 and 2005 found that Bulli Beach became flatter near MSL in 1974, presumably as a result of the major ocean storms, and it took until 1993 for the former beach slope to 'recover' (WorleyParsons 2008). CLT (2010) noted that the southern end of Bulli Beach experienced heavy erosion as a result of the 1974 storms, losing over 200 m³/m of sand in some areas. At the northern end of the beach some erosion was also experienced, but the extent of this was significantly less due to the wave protection offered by rocky outcrops that surround the headlands. Between 1974 and 1993, there was considerable accumulation of sand above the mean water level.

3.5 Salinity Regime

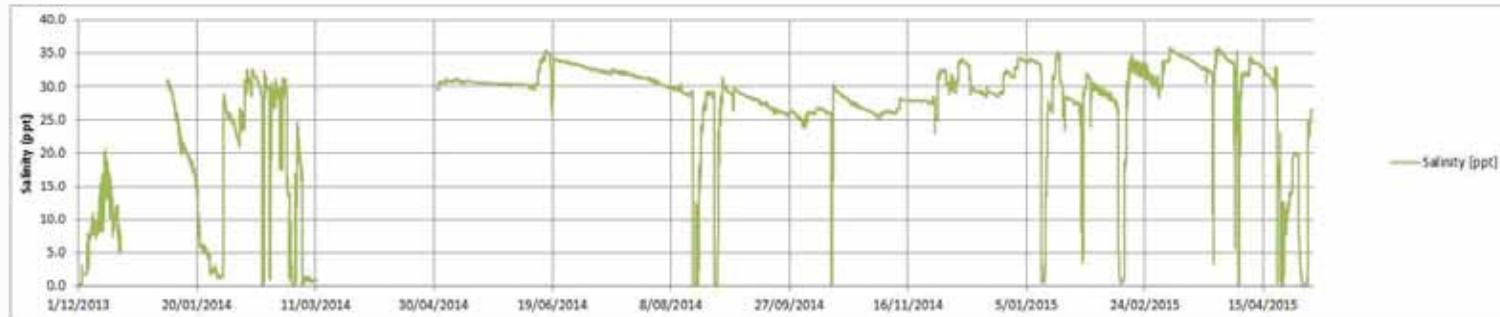
Salinity is also measured at the Whartons Creek entrance gauge. A plot of salinity concentration from December 2013 through to April 2015 is presented in **Figure 5**.

Salinity in the creek appears to approximate ocean salinity (> 25 ppt), except at particular times when the concentration drops significantly to almost zero. It is interesting that the periods of low salinity were very short lived, with ocean salinity levels rapidly re-established. It is noted that the entrance was open for long periods during the period of record. About 15 occasions can be counted over the 16 month period when salinity dropped in excess of 20 to 25 ppt. These marked salinity changes are due to freshwater inputs associated with relatively high rainfall events or wet periods of sustained lower rainfall as indicated by the rainfall records shown in **Figure 4**, associated with a breakout during which saltwater is purged from the entrance and lower creek. A sustained entrance opening would clearly lead to rapid re-establishment of oceanic salinity levels inside the entrance.



Notes: gaps in water level data due to gauge damage, where creek is not shown open or closed relates to times when the entrance was shoaled or just closing or gaps in photomonitoring.

Figure 4 Whartons Creek Water Levels and BoM Bellambi Station Rainfall Records December 2013-April 2015



Note: gaps in salinity data due to gauge damage.

Figure 5 Whartons Creek Salinity Levels December 2013-April 2015

3.6 Entrance Behaviour

3.6.1 Fluctuations in Beach Berm Levels

Surveys of the entrance area and adjacent beach were carried out by WCC monthly between July 2014 and April 2015. Survey plans are included in **Appendix B**. Shore-normal cross sections were extracted through the entrance throat, and 30 m north and south along the beach as shown in **Figure 6**.

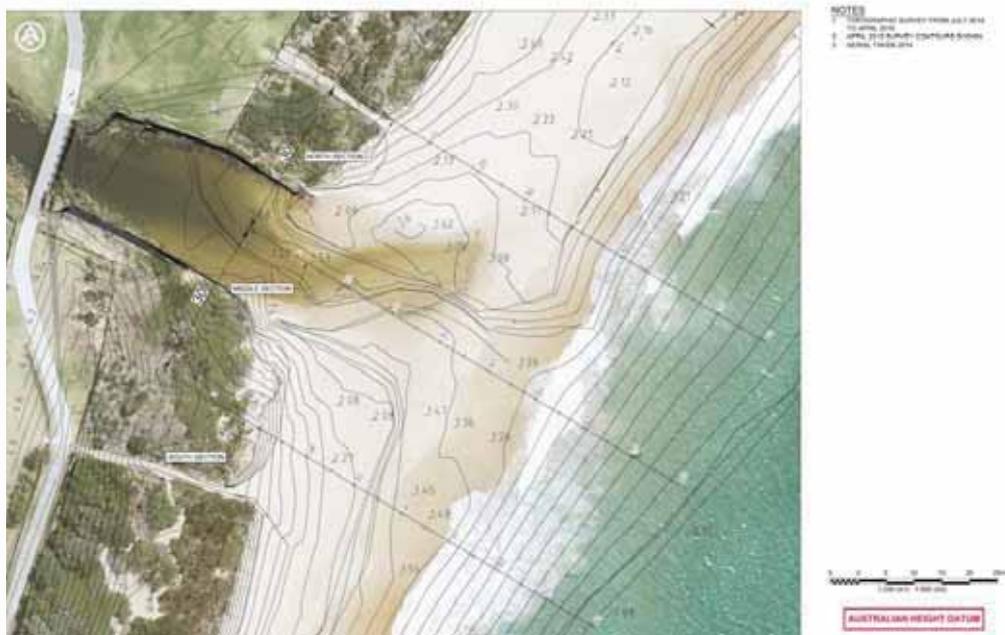
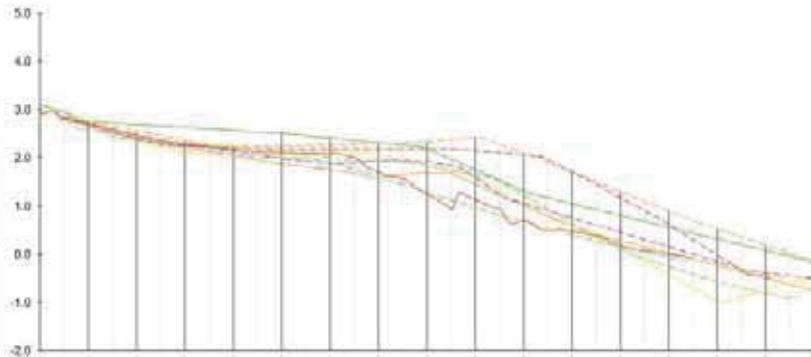


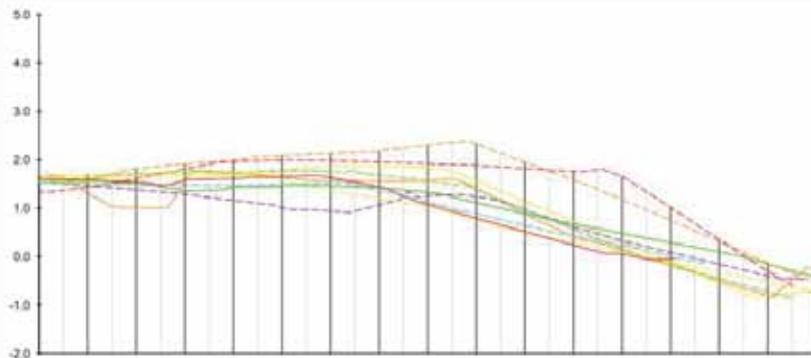
Figure 6 Location of Shore-Normal Cross Sections

The surveys show an accreted beach berm crest between 2.3 and 2.4 m AHD located about 30 m from the mean water line. The fluctuation in beach level at this crest point ranges up to 1.5 m (minimum depleted berm level approximately 0.9 m AHD), with the major breakout clearly shown between August and September 2014, and a lesser breakout shown between March and April 2015.

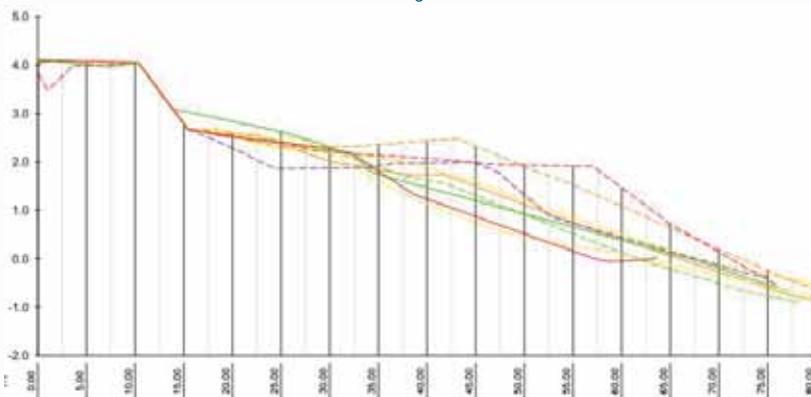
As expected, the recovery of the berm was delayed over the period the creek was open (August 2014 to February 2015). The cross sections show little bias in beach width or berm height variation overall between the sections north and south of the entrance throat.



Section North of Entrance



Section through Entrance



Section South of Entrance



Figure 7 Cross Sections July 2014 to April 2015

3.6.2 Entrance Orientation

A close inspection was made of the monitoring photos taken by WCC to characterise the condition of the entrance as being open or closed, and to gauge what general orientation the entrance throat held in those conditions. Reference was also made to WCC's monthly surveys. A summary of the monitoring and rainfall data is provided below. **Plate 16** shows the entrance on 19 November 2013.



Plate 16 2013 major breakout to the northeast (Google Earth Pro V 7.1.4.1529. (19/11/2013). CNES / Astrium 2015)

- Following excavation of the creek channel directly out from the entrance on 7 February 2014 and using the sand excavated from this to fill the northern scour channel, the entrance channel remained open to at least mid-April with the orientation varying from south to southeast, see **Plate 17**. The data suggests the directional basis was more easterly through this two month period to early May 2014. Rainfall was relatively high during this period, up to a daily average of 22 mm between 21 and 28 March.
- From early May 2014 it appears the entrance started tracking northeast and action was taken by WCC on 16 May to prevent this by mounding sand on the northern side of the entrance, after which the entrance remained closed during a period when there was no rainfall.
- The entrance started flowing northeast again and on the 1 June 2014, two children dug a channel through the beach berm directly out from the creek allowing pooled water to flow directly to the ocean. This easterly opening was short lived and the entrance channel re-established to the north within a few days. By 13 June 2014, the entrance had closed and remained so for about 2 months when very little rain fell.

- The entrance was open again by 22 August 2014 after an average daily rainfall of 19 mm from 12 August 2014 and essentially remained so for 6 months. The entrance orientation first tracked east, then northeast. Overwash into the entrance during high seas was observed at the end of September, see **Plate 18**. Entrance shoaling was noted in late October 2014.



Plate 17 Entrance flowing southeast (WCC 3/4/2014)



Plate 18 Seas washing over berm into creek (WCC 4/9/2014)

- From early November the entrance tracked east, then northeast. Entrance shoaling was noted in early January 2015.
- After average daily rainfall of 27 mm between January 9 and 11, the entrance opened and tracked east, northeast and then north, see **Plates 19** and **20**. Entrance shoaling was noted in early March 2015.
- On 18 March 2015, WCC mounded sand across the channel north of the entrance to direct flow to the east, after which entrance shoaling was noted.
- Following an average daily rainfall of 28 mm between 16 and 23 April 2015, the entrance was flowing to the northeast before shoaling around mid-May 2015.
- The entrance was open again by 28 May and flowing to the northeast before shoaling by 11 June 2015.



Plate 19 Open entrance after heavy rain (WCC 11/1/2015)



Plate 20 Entrance open and flowing north (WCC 6/2/2015)

3.6.3 Factors Influencing Creek Openings and Orientation

Factors influencing creek breakouts, time over which the entrance remains open and entrance channel orientation include:

- **Rainfall intensity and duration:** Whartons Creek has a relatively small catchment and water volume, hence water levels within the creek respond relatively rapidly to rainfall events.
- **Exposure to swell waves:** the proximity of creek entrances to headlands and reefs affects their exposure to waves. Whartons Creek is located at the northern end of Bulli Beach which faces southeast and hence the entrance is directly exposed to waves from this direction. Waniora Headland and associated reefs provide some protection from swell waves from the northeast.
- **Wave climate:** as noted in **Section 3.4** the dominant offshore wave direction is from the SSE. However, swell waves reaching the shoreline are modified by refraction due to nearshore bathymetry and nearshore wave-induced currents (e.g. rips and longshore currents). Typically, nearshore wave action (onshore currents) and tidal currents act to rebuild the entrance berm after breakout (NSW Government 1990). However, extreme waves would erode the beach berm and major ocean storms are typically accompanied by high rainfall leading to entrance breakout.
- **Longshore currents:** these currents drive sediment transport along the beach and hence are responsible for differentials in beach berm height. Longshore currents are generated by waves breaking at an angle to the beach, by feeder currents to rip cells, and from longshore variations in water level resulting from nearshore wave conditions and wind stress. Discharges from small coastal creeks often flow alongshore within a nearshore channel before crossing the offshore bar at a rip location (NSW Government 1990).
- **Water level differential:** spring low tides can increase the intensity of an entrance opening (greater velocities and scour) due to the relatively large difference in water levels between the ocean and creek.

Analysis of Available Data from December 2013 to April 2015

The monitoring tasks undertaken by WCC have permitted an improved understanding of the morphological behaviour of the entrance. As discussed below, rainfall largely dictates the occurrence of entrance openings. Typical minor to moderate waves are of little consequence, and there was no evidence from analysis of data between December 2013 and April 2014 that the wave direction plays a part in entrance channel orientation. In addition, management interventions by WCC and others over this time did not result in a sustained redirection of the creek entrance channel once it had tracked to the north.

A sustained opened condition it would seem requires a sustained period of wet weather which is attributed to the relatively small catchment and waterway volume. If the entrance is closed during a period of low rainfall, it is unlikely to reopen and there is no suggestion from the data that a sustained opening can be triggered solely by a coastal (wave) storm event.

The average rainfall encountered over the August 2014 to April 2015 opening period (8 months) was slightly lower than during the February to April 2014 opening period (2.5 months), although there were short high rainfall intensity periods, specifically between the 9 and 11 January 2015, and between the 16 and 23 April 2015. The major creek opening event that occurred around the 23 April 2015 due to the East Coast Low only lasted about one week before the beach berm was re-established. Monthly rainfall totals for March 2014 (290.4 mm), August 2014, January 2015 and April 2015 were well in excess of long term (1997-2015) averages as shown in **Table 3**.

Table 3 Mean Monthly Long Term (1997-2015) and June 2014-May 2015 Rainfall Totals

Mean Rainfall	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May
2014/2015	42.0	2.6	279.8	37.4	93.8	47.4	110.4	170.8	96.2	71.8	301.8	113.2
1997 - 2015	112.7	80.4	88.3	57.9	78.2	97.5	74.4	78.4	142.4	104.6	105.1	88.2

Using a water balance model and rainfall records (University of Wollongong station) from May 2006 to the end of April 2007, GHD (2007b) estimated the frequency of Wollongong coastal creek and lagoon openings. For this 12 month period there were seven rainfall events with a high probability of causing major estuary breakouts (24 hour rainfall exceeding 30 mm and/ or several smaller consecutive events), and a further nine events with the potential to generate minor breakouts (≥ 25 mm total rainfall in a three day period).

No correlation was evident from the available data between offshore wave direction and entrance channel breakout bias. An inspection was made of the wave climate during the monitoring period, with specific reference to average wave directions. Directional deepwater waverider buoy data for Port Kembla was available up to the end of 2014 and for Sydney to the end of April 2015. The Port Kembla data is representative of conditions at Bulli Beach. An attempt was made to correlate the offshore wave direction records between Sydney and Port Kembla in order to extend the wave information to cover the 2015 monitoring window, however a low correlation was observed and this was omitted. Accordingly, this limited the wave direction-entrance behaviour correlation assessment to a 10 month period ending December 2014, as shown in **Table 4**.

Mounding sand on the northern side of the entrance and artificial breakouts appear to do relatively little to prolong an easterly to southerly bias. Within a fortnight of mounding sand on the northern side of the entrance on 16 March 2014, the channel had largely re-established to the northeast. This was also essentially the case for similar work in March 2015.

The action of two children on 1 June 2014 may well have drained the pond which had formed at the entrance behind the berm, but did nothing to encourage or prolong an easterly bias in the entrance channel across the beach as noted in **Table 4**. The water level as recorded inside the entrance on 1 June 2014 was 2.19 m AHD at 10.00 am, dropping 0.5 m in about an hour and by up to 0.7 m by 5.00 pm.

Although relatively short lived, the most significant entrance modification affecting directional bias of the entrance was the beach reshaping work carried out by WCC on the 7 February 2014. Over the February through to April 2014 period the channel alignment was south to southeast, quite different from that observed over between August 2014 and April 2015 when the entrance retained an easterly to north easterly bias.

Table 4 Summary of Entrance Monitoring and Wave and Rainfall Data

WCC monitoring event	Photo monitoring/ survey dates	Available wave data between monitoring dates (Port Kembla buoy)				Average daily rainfall between photo dates (mm)	Entrance Condition					Shoaled/ Closing/ Just closed	Closed	Comments: green shading indicates management intervention by WCC or others	
		Average Hso (m)	Average Tp (s)	Average wave direction (deg TN)	Max Hso (m)		Open	Open	Open	Open	Open				
		S	SE	E	NE		N								
1 photo	21-Feb-14						X	X							Reshaped beach to N on 7 Feb to make safe after severe northerly excursion of entrance
2 photo	28-Feb-14					2	X	X							
3 photo	7-Mar-14	0.9	10.7	139	2.0	14	X								
4 photo	21-Mar-14	1.0	9.9	107	2.1	2	X	X							
5 photo	28-Mar-14	1.4	10.2	125	2.4	22	X								
6 photo	3-Apr-14	1.1	8.4	133	1.9	4		X	X						
8 photo	11-Apr-14					6	X	X							
9 photo	16-May-14					0			X			X	X		Mounded sand on N side
10 photo	30-May-14					0						X	X		
	1-Jun-14								X				X		Northerly pond on beach breached by kids
	3-Jun-14							X							Pond emptied and entrance reestablished to north in few days
survey	8,9,10,14-Jul												X		
11 photo	13-Jun-14	1.6	9.0	148	3.0	3							X		
12 photo+surv	27-Jun-14	1.4	10.5	165	4.1	0							X		
13	11-Jul-14	1.3	10.4	149	2.5	0							X		
14	25-Jul-14	1.2	9.8	134	3.4	0							X		Unauthorised attempt to breakout entrance
15	12-Aug-14	1.2	11.9	153	3.1	0							X		
16	22-Aug-14	1.8	12.4	157	2.5	19			X						Wave data missing 16-23 Aug
17	4-Sep-14	1.6	10.2	112	2.1	8			X	X					Wave data missing 3-4 Aug
survey	9-Sep-14								X	X					
18	19-Sep-14	1.3	9.4	141	2.7	1			X	X					Wave data missing 4-7 Aug
19	2-Oct-14	1.4	9.0	121	2.9	0			X	X	X				
survey	2,7-Oct-14								X						
20	16-Oct-14	1.4	8.6	93	2.2	6			X						Wave data missing 14-16 Oct
21	31-Oct-14					0			X			X			Large wave data gaps
survey	5,6-Nov-14								X						
22	13-Nov-14	1.5	8.9	145	2.9	0			X						
23	28-Nov-14	1.5	9.6	135	2.4	3			X						Wide opening - 23mm on 27 Nov
survey	3-Dec-14								X						
24	12-Dec-14	1.8	9.2	104	4.3	6			X	X		X			
25	9-Jan-15					2			X	X		X			
26	11-Jan-15					27			X	X					Recent opening, deep channel through berm, 53mm on 11 Jan
survey	19-Jan-15								X						
27	23-Jan-15					4			X	X		X			
28	6-Feb-15					5			X	X		X			
survey	18-Feb-15								X						
29	20-Feb-15					4			X						Recent opening
30	6-Mar-15					3			X	X		X			
survey	17-Mar-15								X	X			X	X	Pool head facing E, sand mounded on N side on 18 March
31	19-Mar-15					0			X						
32 photo+surv	16-Apr-15					5			X			X			
33	23-Apr-15					28			X						Major opening, dune erosion due to East Coast Low
34	30-Apr-15					2			X			X			
35	18-May-15								X			X			
36	28-May-15								X			X			Minor opening
survey	3-Jun-15								X	X		X			
37	11-Jun-15								X	X		X			Significant opening before current closing indicated by wide and low berm

Notes: where unshaded cross notes channel direction, entrance was only open on high tide or prior to mounding sand on north side or no observations were available.

3.6.4 Potential Impacts of Climate Change on Entrance Behaviour

The potential impact of climate change on rainfall patterns in temperate regions is predicted to be an increase in the frequency and intensity of storm events which could lead to an increase in estuary breakouts. This may be offset to some degree by rising sea levels causing transgressive migration of barrier systems and an increase in berm height, leading to higher ICOLL water levels being required for estuary breakouts (GHD 2007b).

4 Entrance Management Options

4.1 Do Nothing/ Reshape Beach after Breakout

The do nothing option would mean no management intervention to direct creek breakouts and keeping the current configuration of the trained entrance and gabion baskets. This does not mean that creek breakouts would follow a natural cycle as the impact of the trained entrance is likely to have increased the frequency of natural breakouts. Based on a comparison of water level data (1992-2003), CLT (2007) found that the average annual number of breakouts for Towradgi Lagoon (which is also trained by gabion baskets) was almost twice that of the untrained Fairy Lagoon. However, it was noted that water level data prior to installation of the gabions was not available to confirm the impact of the training works.

As noted in **Table 1** major erosion occurred at the northern end of Bulli Beach in 2009 and 2013 which resulted in major impacts on beach amenity and access as described in **Section 1.5**. Less significant events would also impact on beach amenity and access, requiring beach maintenance. Based on this, it has been assumed that significant impacts due to northward migration of the entrance channel could occur every 2-5 years. Costs would still be incurred for the 'do nothing' option as board and chain beach accessways would need to be repaired/ raised as sand levels built up. There would also be costs associated with maintaining/ replacing the gabion baskets. As shown in **Plate 14**, some of the gabion baskets are damaged, with broken wires posing a potential safety issue.

Other 'costs' associated with the 'do nothing' option include additional time to set up for beach patrols and increased emergency response times when normal pedestrian and vehicular access from Bulli SLSC is not possible to due to the steep scarp. As noted in **Section 1.5**, SLSC patrol members also need to monitor beach goers (especially children) to ensure they are not at risk from collapse of the steep scarp, as well as monitoring those in the rock pools and surf.

If no entrance management activities were undertaken there would continue to be periodical damage to the vegetated dune north of the creek, together with damage to beach and access for WCC Lifeguards and Surf Life Savers. Recovery of the beach following scour from the entrance channel is likely to be slow (months) and, in the past, impacts have been considered unacceptable necessitating creek realignment and beach restoration as described below.

The last creek diversion works undertaken by WCC in February 2014 involved excavation of an area approximately 3 m wide by 10 m in length to a depth of 1 m (30 m³ of sand). This sand was placed on the northern side of the excavated channel and then moved by a dozer and spread over the back of the beach to fill the creek scour channel as shown in **Plate 21** (WCC 2013). The cost associated with creek realignment and reshaping the beach was approximately \$20,000. Based on monitoring data, the impact of these works resulted in a south to southeast entrance channel orientation for only about two months before reshaping of the beach berm under natural processes resulted in the entrance channel reverting to the east/ northeast.



Plate 21 Reshaping of beach/ dune following entrance scour (WCC Feb 2014)

4.2 Manage Berm Height/ Dry Notch

4.2.1 Build-up Northern Side of Entrance

This is the current WCC approach and is undertaken periodically in conjunction with ocean pool cleaning, while the machinery is already on the beach. It involves moving sand from the beach berm to the south of the entrance and mounding this up on the northern entrance bank as shown in **Plates 22** and **23**. At the time of the 2014 photo (**Plate 22**) monitoring notes indicated that the creek was only just closed (tidally). In 2015 (**Plate 23**), it was noted that sand had been placed the previous day as the entrance had started deviating to the north. The entrance was not opened in the process.

Based on monitoring information, it is estimated that this work would be undertaken about 3-4 times per year. Although it can be cost-effectively undertaken as part of normal pool maintenance works (cost approximately \$2,500), timing may not coincide with an imminent breakout to the north. In addition, it appears that the effect of these works in encouraging an east/ southeast channel orientation is short lived due to fairly rapid beach berm reshaping under natural processes.



Plate 22 Entrance following 2014 works (WCC 16/5/2014)



Plate 23 Entrance following 2015 works (WCC 19/3/2015)

4.2.2 Regular Berm Shaping

This option was the management option employed by WCC prior to 2009, where the beach berm at the entrance was shaped to maintain a lower 'notch' in an attempt to 'fix' the location of creek breakouts, with sand removed from the berm placed to the north of the creek. The dry notch would be at least the width of the entrance (about 20 m between the gabions).

In an assessment of options for Towradgi Lagoon, CLT (2007) estimated that works to maintain the berm at a lower height would be required monthly or bi-monthly. As was the case previously, this work could be undertaken cost-effectively in conjunction with pool maintenance at a cost of about \$2,500. As noted in **Section 2.9** pool cleaning is undertaken monthly in summer and about 6 weekly in winter.

This option is likely to lead to more frequent entrance breakouts as the entrance would be artificially maintained at a lower level and may reduce the period of time the entrance is open (depending on wave conditions) due to reduced hydraulic head to drive entrance scour. More frequent breakouts would impact creek ecology and may also impact on beach amenity. As for the option above, the beach berm would be reshaped relatively quickly by natural processes in between works.

4.2.3 Event-Based Dry Notch Excavation

As noted in **Table 1**, breakout of Whartons Creek is not required for flood mitigation purposes. However, on occasions WCC has excavated a dry notch to direct the creek breakout channel to the east/ southeast when breakout is imminent.

Based on the review of data from December 2013 to April 2015, breakouts could occur around 3-4 times per year. Note that this is dependent on rainfall patterns. WCC indicated that the cost to excavate a dry notch is about \$5,000.

Timing of this work, such that a breakout coincides with the turning of the high tide could promote a deeper scour channel and longer period over which the channel maintains the alignment. However, this may be short-lived depending on nearshore wave direction. This option requires monitoring of rainfall, water level and tide data and is dependent on plant being available at the optimum time for breakout. It would be expected that this option would result in fewer breakouts than regular berm maintenance as it does not interfere with the natural process of berm building.

4.3 Northern Creek Training Wall Extension

To control creek breakouts to the north using this option alone, it would be expected that the training wall would need to extend to at least the crest of the beach berm. As shown in **Figure 6**, the general alignment of the toe of the frontal dune is approximately 10 to 15 m out from the end of the gabion walls with the berm crest further seaward. The structures would normally be buried under the beach and only exposed when beach levels were low following storm events. The low profile of the training wall would have little impact on sediment transport. Hence sand would not be expected to build-up to any significant extent on the southern side of the wall and erode on the northern side of the wall when sediment transport was to the north.

A number of construction types could be used to extend the northern training as described below, including geotextile bags. Using geotextile bags would provide the flexibility to sequentially trial various training wall extensions to establish an optimum length and configuration. This 'optimum' design would involve a compromise between creek entrance training, beach amenity, access requirements for maintenance vehicles along the beach, risk of damage and cost.

Note that the structures described below (and shown in **Figures 8 and 9**) are at a conceptual level. The concept design focusses on taking into account the impacts of extreme rainfall events, but also has regard to damage during extreme wave events. In an extreme ocean storm, the vegetated frontal dune would be substantially eroded, see location of current 100 year Hazard Line on **Figure 8 (Appendix A)** provides more information and predicted future hazard lines). It is clear from this that there would be little point in designing a creek training wall to withstand an extreme ocean storm event, as the dunes it would be designed to protect from creek scour would be eroded by storm waves. Hence maintenance/ restoration of the structure, along with the dune would be required after major storm events.

A longer northern training wall would stabilise the entrance more to the east/ southeast, but northward migration of the breakout channel could still occur around the end of the structure due to the dominant direction of sediment transport to the north. However, the resulting scour channel (which would extend further seaward and typically through the crest of the beach berm) would be shorter before reaching the waterline. Although the location of the berm crest is variable, the creek would typically discharge seaward of this (highest point on the beach), hence instances of the channel bending around the end of the structure and causing erosion as far back as the toe of the vegetated dune would not be expected.

4.3.1 Geotextile Bag Trial Extension

This would likely involve an extension to the northern gabion wall using 2.5 m³ sand filled geotextile bags, configured with either two bags at the bottom and one on top (three bag configuration), or a larger three bottom, two middle and one top bag (six bag configuration). A three bag, 10 m extension could initially be trialled to assess its effectiveness. The bags would be filled with sand from the area south of the entrance and moved into position with an excavator. Additional bags could be filled and buried in the beach south of the entrance and added to the original structure as required, or could be used as replacement bags if they were needed at short notice due to damage from storms or vandalism. This option would involve continuation of WCC's current photomonitoring and beach surveys. The length of the trial would depend on weather conditions (i.e. frequency of breakouts) but would be expected to be at least 12 months and up to three years. Once an optimum length and configuration was identified, the structure could be maintained as is. A conceptual cross section showing the geotextile bag extension is shown in **Figure 9**.

For the purpose of option comparison, the estimated cost for a 10 m long, three bag training wall with vandal deterrent covering each side would be approximately \$50,000 and a six bag configuration approximately \$60,000. Note that site preparation is a large component of these costs, compared to

materials. The design life of these structures would be around 15 years largely governed by vandal damage, general durability of exposed geotextile materials and severity of actual ocean storm events. The predicted location of the slumped back beach erosion scarp (hazard line) for a severe storm event occurring today is approximately 5 m landward of the seaward end of the existing northern gabion wall.

More efficient entrance training may result in an increase in the frequency of entrance breakouts. Being a 'soft' engineering option means the geotextile entrance training wall could be readily adapted to changing conditions, such as any change in shoreline position due to sea level rise and the position of the toe of the vegetated dune should further shoreline accretion (perhaps unexpectedly) occur.



Figure 8 Training Wall Extension Concept Plan [100 year ARI immediate Zone of Slope Adjustment line shown CLT (2010)]

4.3.2 Rock Training Wall

As an alternative to a geotextile bag wall and if a longer life extended entrance training option was required, a rock rip-rap training wall extension could be considered once the optimum length of the wall was determined through the trial described above. For the purposes of options comparison a training wall 10 m long and 1.5 m high, constructed with igneous rip-rap with a D50 of 0.4 m has been costed. This option would involve removing the gabions at the eastern end of the existing training wall to achieve the design height. A conceptual cross section showing the rock training wall is shown in **Figure 9**.

Based on the indicative concept described above the cost of a rock rip-rap training wall extension is estimated at \$90,000. The estimated design life of the structure would be 40 years. However, as the structure could sustain damage during an extreme ocean storm event, larger rock (1-1.5 m nominal diameter) may be required at the seaward end, increasing costs.

Although achieving the same benefits as a geotextile bag structure and being less likely to suffer damage, a rock rip-rap wall would have more impact on beach amenity when exposed.

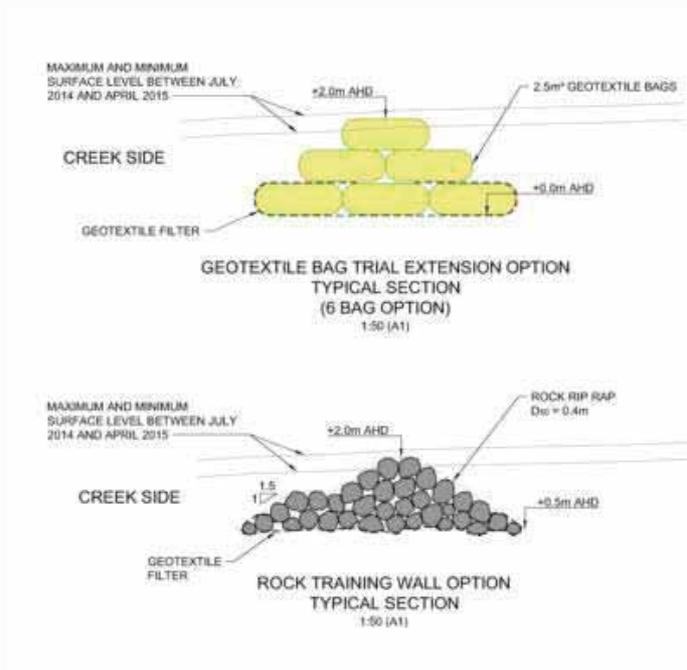


Figure 9 Conceptual Training Wall Cross Section

4.3.3 Gabions

As noted in **Section 2.8** and illustrated in **Plates 13** and **14**, the existing gabion wall on the northern side of the entrance has been subject to deformation and basket wires have broken at the eastern end of the wall. Gabions are not suitable structures along the open coast as they are subject to wave damage, vandalism and pose public safety issues when broken wires are exposed on the beach. In addition, once the gabion basket is damaged, rocks from within the basket would be shifted onto the beach under wave action and could pose a hazard to beach users. As shown in **Figure 8**, the entire creek entrance is currently at risk from erosion during a 100 year ARI ocean storm event with high future maintenance implications for this option. In view of this, an extension of the training wall using gabions has not been considered further.

4.4 Pipe/ Culvert Outfall

Piping the creek has not been considered in any detail as channelising even a modified natural system, such as Whartons Creek, would be inconsistent with environmental policy such as the *Policy and Guidelines for Fish Habitat Conservation and Management* (DPI 2013) and would have a major impact on creek ecology. To avoid being blocked with sand, the outlet would need to extend several tens of metres from the shoreline into the surf zone and be a fully engineered coastal structure.

This would be a high cost option inconsistent with WCC's objectives for an 'affordable' solution. In addition, installation of a pipe/ culvert at the entrance would require modification of the stormwater system (as shown in **Plate 11** a stormwater pipe discharges into the entrance area) and may impact on local stormwater flooding. As shown in **Figure 2**, the sewer main crosses the creek entrance at approximately 0 m AHD and excavation to ensure the pipe/ culvert would normally be buried under the berm could impact on this pipeline.

A pipe/ culvert outfall would impact on beach amenity, and extending into the patrolled swimming area would pose a hazard to swimmers and surfers. As such this option was not considered further.

5 Options Assessment

5.1 Summary of Options, Costs and Potential Impacts

To provide an indication of maintenance requirements for built options, **Table 5** shows the probability of various storm events affecting Bulli Beach over 15 years (the design life of geotextile bags) and the associated approximate distance of eroded beach in relation to the estimated current seaward end of the northern gabion wall. **Table 6** provides a summary of the options described in **Section 4**, apart from the options not considered practical on environmental and public safety grounds, i.e. gabion extension and piping the entrance. The assessment is presented in terms of:

- Likely costs (indicative only, not including costs associated with detailed design, impact assessment or approvals). As the design life of geotextile bags is 15 years, estimated costs over 15 years for each option has been provided for comparison.
- Likely effectiveness in achieving and maintaining a breakout straight across the beach and/ or mitigating the impacts of entrance scour on the dunes to the north.
- Other advantages such as timing in conjunction with other beach maintenance activities.
- Disadvantages including potential adverse impacts on beach access, visual amenity, recreational use and ecology.

Table 5 Probability of Various ARI Storm Events Occurring Over 15 Years

ARI Storm Event	Estimated Volume Eroded (m ³ /m)	Approximate Distance Eroded from Current Buried Seaward End of Northern Gabion Wall (m)	Probability over 15 Years (%)
100 year	250	-10	14
50 year	220	-5	26
20 year	180	0	54
5 year	120	5	96
2 year	80	10	100

**Estimated horizontal distance to Zone of Slope Adjustment (+ve measured seaward). Based on CLT (2010) and storm erosion trends for NSW open coast after Gordon (1987)*

As described in **Section 2**, it is noted that Whartons Creek is a modified system as a result of:

- riparian corridor clearing
- catchment development and discharge of urban stormwater to the creek
- bridge constrictions
- entrance training works.

As noted in **Section 2.6**, GHD (2007b) identified water quality issues and low species diversity within the creek system. In view of this, none of the options identified below is likely to have a significant impact on creek ecology. Generally, these works would be permissible without consent under *State Environmental Planning Policy (SEPP) Infrastructure*. As noted in **Section 2.9**, a licence under the *Crown Lands Act 1989* is required for major beach reshaping and would also be required over the area occupied by a

training wall extension. A training wall extension may also require approval from the Coastal Panel under the *Coastal Protection (CP) Act 1979*, unless it is included in a Coastal Zone Management Plan. Adoption by WCC and certification of the Wollongong Coastal Zone Management Plan (CZMP) under the *CP Act* is pending release of the Stage 2 Coastal Reforms. The current draft CZMP does not include an action to implement an entrance management plan for Whartons Creek. Further information on approvals, environmental impacts and mitigation measures will be provided in a Review of Environmental Factors (REF) for the preferred management option.

None of the options described in **Table 6** are inconsistent with the recommendations of relevant reports listed in **Section 1.7**, nor would they significantly impact on the implementation of management actions under these plans and strategies.

Table 6 Summary of Options Assessment

Option	Indicative Cost	Likely Effectiveness*	Advantages	Disadvantages
Do Nothing	\$2000 (reinstate accessways as beach recovers) \$10,000 over 15 years	N/A	- does not interfere with natural coastal processes, however, creek entrance is already modified	- periodical impacts on beach access, amenity and safety - damage to vegetated dune and accessways - relies on natural processes to re-establish beach and dune which could take an extended period of time
Excavate Channel and Reshape Beach	\$20,000 \$86,000 over 15 years	Medium term	- restores beach amenity - assists in directing creek breakouts to the south/southeast - no structures required	- likely to be required every 2 to 5 years - damage to vegetated dune and accessways - temporary impacts on beach access, amenity and safety - new licence likely to be required each time works are needed
Build-up Nth Side of Entrance	\$2,500 \$113,000 over 15 years	Short term	- can be incorporated in regular pool maintenance	- likely to be required 3-4 times per year - entrance may breakout to north between scheduled maintenance activities
Maintain Low Berm	\$2,500 \$225,000 over 15 years	Short term	- can be incorporated in regular pool maintenance	- work undertaken every 1-2 months - entrance berm building between scheduled maintenance may result in breakout to north
Dry Notch Excavation (Event-Based)	\$5,000 \$226,000 over 15 years	Short term	- opportunity to maximise channel scour to southeast	- likely to be required 3-4 times per year - requires rainfall/ water level /tide monitoring needs to be undertaken at short notice and possibly out of hours

Option	Indicative Cost	Likely Effectiveness*	Advantages	Disadvantages
Geotech Bag Training Wall extension (Nth Side)	\$50,000 to \$60,000 Maintenance \$35,000 over 15 years	Long term	<ul style="list-style-type: none"> - easily removed/ modified to determine optimum configuration - trains entrance to southeast - utilises sand from beach system, no environmental issues if bags break - can be modified to adapt to changing conditions 	<ul style="list-style-type: none"> - trial requires ongoing monitoring - subject to damage from ocean storms and vandalism - may affect vehicle access for maintenance activities on high tides - likely to require partial rebuilding within 15 years - relatively short design life - breakouts to north at end of structure still possible - more complex approvals process
Rock Training Wall extension (Nth Side)	\$90,000 Maintenance \$20,000 over 15 years	Long term	<ul style="list-style-type: none"> - trains entrance to southeast - potentially long design life - can be raised/ lengthened to adapt to changing conditions 	<ul style="list-style-type: none"> - visual impact - impact on beach amenity - subject to damage in severe ocean storms - may affect vehicle access for maintenance activities on high tides - will possibly require maintenance due to storm damage within 15 years (depending on design criteria) - breakouts to north at end of structure still possible - more complex approvals process

* short term (a matter of days or weeks), medium term (a number of years), long term (provided structure maintained)

5.2 Preferred Approach for Entrance Management

Based on stakeholder feedback (refer to **Appendix C** for more detail), the preferred management options included the geotextile bag training wall extension or an ongoing program of event-based dry notch excavation and/ or build-up of the north side of the entrance. The geotextile bag training wall option was preferred by the Bulli SLSC for beach amenity reasons and it was also one of the preferred options of OEH representatives and a representative of the Department of Primary Industries (DPI) on the ECZMC.

Council staff indicated that they would prefer not to install a wall extension on the beach, due to the impact of such a structure on beach management operations, and the perceived high maintenance costs due to potential storm damage. A dune reshaping project is being considered for Bulli Beach in 2016-17 as part of the Dune Management Strategy Implementation Plan, which would potentially impact on a new structure. Due to these concerns, an ongoing program of managing the sand height north of the entrance or an event based dry notch excavation was preferred, at least in the short term. These options were also supported by OEH and DPI (as an alternative to the geotextile bag training wall extension).

Other options that were preferred by members of the ECZMC included excavation of a channel and reshaping the beach or maintenance of a low berm and building up the south side of the entrance.

Based on the feedback received, the preferred entrance management strategy is:

- A three year plan for a program of sand relocation to build up the north side of the creek, based on specific operational triggers, with a simple procedure able to be implemented by City Works staff when cleaning out the Bulli pools.
- A review of this program to be undertaken in three years, including actual costs and impacts, based on monitoring and reporting as outlined in **Section 6**, Entrance Management Plan.
- This review to inform the long term management approach to follow, i.e. continuation of this program or reconsider proceeding to a detailed design for geotextile bag training wall extension.

6 Entrance Management Plan

The three year program for entrance management would comprise:

- monitoring
- relocation of sand in conjunction with regular Bulli Beach pool cleaning once triggers were reached
- event based sand relocation or dry notch excavation (mechanical breakout)
- reporting and review of Entrance Management Plan.

6.1 Monitoring

In addition to the monitoring and reporting program below, it is recommended that:

- A survey staff is installed to AHD in the vicinity of the pedestrian bridge in a location where there is always standing water (the existing pole for the water level recorder may be suitable, rather than installing an additional pole to mount the staff). The location needs to consider potential damage during flood flows and visibility, so that the water level can be easily read during site inspections.
- An additional photomonitoring point on the southern bank of the entrance is established to provide a view looking north of the creek entrance. Entrance monitoring photo points 1 and 2 near the children's pool and café can be discontinued and monitoring frequency to be reduced, see below.
- A survey cross section through the creek entrance (central profile in **Figure 6**) is included in WCC's regular Bulli Beach profile survey (currently carried out monthly).

Daily Monitoring

- Bulli seven day forecast (BoM website)

Regular Photomonitoring

Photomonitoring is to be undertaken prior to pool cleaning to determine if intervention is necessary, daily after intervention for about 1 week to determine the success of intervention, and following major rainfall and ocean storm events. Routine monitoring should occur on average about fortnightly however, if conditions are unchanged from the previous site visit this can simply be noted in the spreadsheet without taking new photographs.

Field Observations to be recorded in spreadsheet:

- photo date and time
- water level (read from survey staff)
- entrance condition (open, closing, closed)
- entrance orientation (S, SE, E, N, NE)
- berm height or height either side of channel (estimated from highest level of sand above creek water level)
- nearshore wave direction (estimated from observation, i.e. from south, onshore, from north)
- comments, e.g. unauthorised attempt to breakout entrance, major scour channel, minor scour channel

Additional Data (to be added to field observation spreadsheet)

- total average daily rainfall between monitoring dates (Bellambi BoM Station)
- average offshore wave height and direction (Port Kembla waverider buoy) (when available - to compare with estimated nearshore wave direction on day of photo)

6.2 Triggers

The following triggers for action are based on the findings of the Entrance Management Study and should be reviewed and refined annually, based on the results of ongoing monitoring.

- Case 1: Periodical Intervention (potential for entrance to meander north) - entrance closed and:
 - water level 2.0 m AHD or higher, and/ or
 - ponded water in entrance extends almost to seaward end of northern gabion wall (i.e. water/ berm interface is close to 18 m seaward of dune fence) and estimated difference between water level and berm height is less than 300 mm.
- Case 2: Event-based Intervention (potential for breakout) - entrance closed and predicted rainfall of around 20 mm/ day over three days, or higher rainfall over shorter period.

Despite this intervention, if the entrance meanders and breaks out to the north without resulting in a major impact on the beach, no action is proposed while it is open. Following closure, any remaining remnant northern channel should be filled to encourage subsequent breakouts to the east or south. In the event that an entrance breakout to the north results in major damage to the dune toe and beach accessways, this intervention program can be viewed as unsuccessful and should be reviewed.

6.3 Procedure

6.3.1 Works

In Case 1, sand relocation to be undertaken in conjunction with next scheduled maintenance of the children's pool (undertaken at around 4 week intervals in summer and 6 week intervals in winter).

In Case 2, during swimming season, sand to be relocated or dry notch excavated for artificial breakout. Outside the swimming season, event-based entrance management would be a lower priority.

Sand relocation for Case 1 or Case 2 (see **Figure 10**):

- Sand to be excavated from between the south gabion training wall and first beach accessway to the south, from a few metres out from the toe of the vegetated dune out to the swash zone.
- Sand to be placed between the northern side of north gabion training wall and first beach accessway to the north, extending from the toe of the vegetated dune to the highest point on the beach berm (variable but typically about 30 m seaward of the end of the northern gabion wall). The relocated sand should be on average at least 400 mm deep but at the lowest point in the beach profile would need to be at least 600 mm deep. Depending on the level of the back beach it may also be necessary to place sand over the vegetated toe of the dune. In the event that nearshore waves are from the northeast and hence sand movement is to the south, it may be necessary to place sand further north beyond the access track to maintain this sand volume north of the entrance for a longer period of time than would otherwise result under these conditions.

- Additional sand to be placed immediately adjacent to the southern side of the end of the north gabion training wall for a distance landward of 10 m or more, if possible (depending on available plant) to reduce the entrance bed depth adjacent to the wall with the aim of pushing a subsequent scour channel to the south.



Figure 10 Typical Sand Relocation for Case 1 or Case 2

Mechanical breakout for Case 2 only (see **Figure 11**):

- Immediately prior to predicted rainfall or on commencement of rainfall event, pilot channel to be excavated perpendicular to the shoreline and a few metres out from the seaward end of the entrance water/ berm interface on the southern side of the entrance. Channel to be around 600 mm wide or wider (depending on excavator bucket), about as deep as the water depth in the entrance and extending out to swash zone.

- Last few metres of channel to be excavated through to water in entrance to induce breakout as close as possible to highest tide of the day, so that the maximum entrance scour is achieved with the falling tide.



Figure 11 Typical Mechanical Breakout for Case 2

Based on available monitoring information for the period July 2014 to April 2015, up to three Case 1 and one Case 2 interventions may be required per annum.

6.3.2 Notification

- Council lifeguards and Bulli SLSC to be advised of timing of works during swimming season.
- In addition, for mechanical breakout, temporary signage to be installed to warn of high velocities during breakout and potential localised water pollution from creek discharge.

6.4 Reporting

6.4.1 Works

During/ following sand relocation and mechanical breakout photographs should be taken and the following details recorded:

- date of works
- plant involved and start and stop time (to estimate costs)
- approximate volume of sand moved
- for mechanical breakouts:
 - time of breakout and time of highest tide
 - water level in creek at breakout
 - estimated nearshore wave direction.

6.4.2 Annual Reporting

Annual reporting and assessment of the preferred entrance management strategy should include the following.

- Plot of rainfall (Bellambi BoM Station) and water level from automatic recorder in creek and inclusion of entrance condition (open/ closed) to extend the data record in the Entrance Management Study.
- Average berm height, average rainfall total immediately prior to entrance breakout, average water level at breakout, number of breakouts, typical longevity of breakouts (distinguish between natural and mechanical breakouts).
- Weather patterns influencing breakouts/ beach condition, e.g. higher or lower than average monthly rainfall, atypical seasonal offshore wave climate, severe weather (e.g. occurrence of BoM warnings for hazardous surf and damaging waves).
- Assessment of the likely impact of sand relocation works and mechanical breakouts on entrance orientation and maintenance of desired orientation to E, SE or S (e.g. desired entrance orientation achieved at breakout, channel orientation maintained until subsequent closure or for an extended period of time, little or no impact of creek breakouts on beach access, amenity or recreational use).

6.5 Action Plan

Table 7 indicates actions required to implement the Sand Relocation and Mechanical Breakout Strategy and, in the event that this is considered unsuccessful after the trial period, the Geotextile Bag Extension to the northern gabion training wall.

Table 7 Entrance Management Strategy Implementation Plan

Entrance Management Strategy	Action	Responsibility	Timeframe/ Frequency
Sand Relocation and Mechanical Breakout	Prepare environmental impact assessment	Draft REF prepared as part of this study	2016
	Obtain long term (at least 3 years) regulatory approvals	Environment Strategy & Planning Division	2016
Sand Relocation and Mechanical Breakout	Photomonitoring	Environment Strategy & Planning Division	2016-2019 (fortnightly)
	Survey (entrance cross section)	Environment Strategy & Planning Division and Project Delivery Division	2016-2019 (monthly)
	Periodical sand relocation (Case 1 trigger)	City Works & Services Division	2016-2019 (in conjunction with pool cleaning as triggers are met)
	Event-based sand relocation or mechanical breakout (Case 2 trigger)	City Works & Services Division	2016-2019 (depending on weather conditions)
	Reporting and annual review of triggers, work procedures, evaluation of outcomes, costs	Environment Strategy & Planning Division	2016-2019 (annually)
	Review of Entrance Management Plan	Environment Strategy & Planning Division	2019
	Adopt revised/ updated triggers and work procedures for ongoing entrance management	Environment Strategy & Planning Division	2020 (if 2016-2019 program considered successful)
	Revise original environmental impact assessment	Environment Strategy & Planning Division	2020 (if 2016-2019 program considered successful)
	Obtain ongoing approval for Entrance Management Plan	Environment Strategy & Planning Division	2020 (if 2016-2019 program considered successful)
Geotextile Bag Extension (only if above strategy is not considered successful)*	Prepare concept design and detailed design for geotextile bag northern training wall extension	Project Delivery Division	2020
	Prepare environmental impact assessment	Project Delivery Division	2020
	Obtain planning and regulatory approvals	Project Delivery Division	2020 (provided no significant adverse impacts identified)
	Construct training wall extension	Project Delivery Division and City Works & Services Division/ contractor	2020
	Monitor and review and extend if necessary	Environment Strategy & Planning Division	2020-2023

* To proceed, this project would have to be nominated and included in WCC's four year Capital Works Program.

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www.beachsafe.org.au/beach/nsw366

Appendix A

- A1.1 Coastal Erosion
- A1.2 Coastal Inundation
- A1.3 Catchment Flooding
- A1.4 Catchment Runoff Assessment

A1.1 Coastal Erosion

Cardno Lawson Treloar (CLT 2010) produced hazard lines for the immediate, 2050 and 2100 planning periods as shown in **Figure 1**. The hazard lines were based on adoption of:

- 100 year ARI event storm demand of 250 m³/m
- 0.4 and 0.9 m sea level rises above 1990 MSL by 2050 and 2100 respectively.

No long term recession due to sediment loss was identified from the photogrammetry, hence **Figure 1** represents shoreline recession due to sea level rise for the 2050 and 2100 planning periods. **Figure 2** shows plots of the position of the 2 m AHD contour with different photogrammetry dates. The impact of severe storm erosion is apparent in 1974, along with a more seaward shoreline position since 1961.



Figure 1 Immediate, 2050 and 2100 Coastal Hazard Lines (CLT 2010)



Figure 2 Historical 2 m AHD Shoreline Change (CLT 2010)

A1.2 Coastal Inundation

The extent of coastal inundation due to 100 year ARI ocean storm event is shown in **Figure 3**.



Figure 3 Immediate, 2050 and 2100 Coastal Inundation Extents (CLT 2010)

A1.3 Catchment Flooding

Lyall & Associates (2011) determined that when the capacity of the culverts under Franklin Street (immediately east of the railway corridor) is exceeded floodwaters are diverted from the Whartons Creek channel and flow east through several residential properties and the grounds of Waniora Primary School and Bulli High School before discharging north of Waniora Point to Sandon Point Beach. This is illustrated in **Figure 4** from the Flood Study which shows flows during a 100 year ARI event are essentially contained within the creek banks in the downstream reach, with flood flows in the creek at a level of about 3 m AHD in the vicinity of the Bulli Beach Tourist Park.

The yellow line in **Figure 4** indicates the catchment boundary, the red dotted line the extent of flood prone land and the numbers refer to the water surface levels in m AHD. The black dotted line represents the numerical model boundaries.

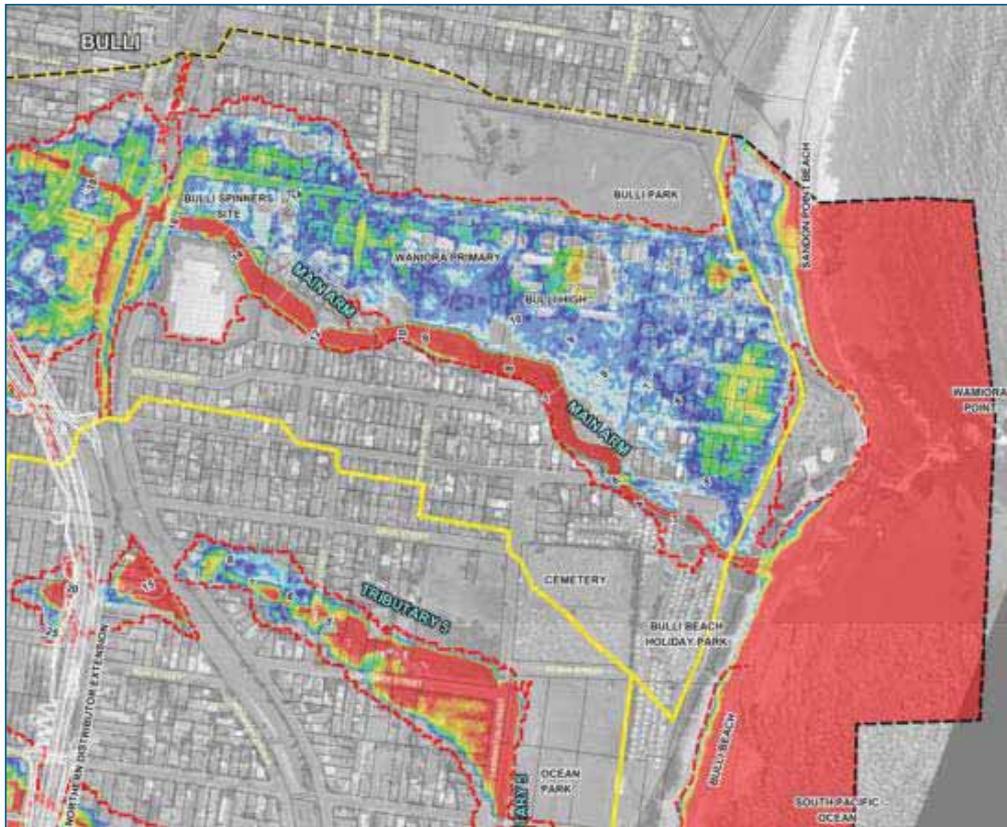


Figure 4 Modelled 100 Year ARI Flood Heights (Lyall & Assoc. 2011)

The Floodplain Management Study (Lyall & Assoc. 2014) recommended construction of a flood deflection levee on the western (upstream) side of Franklin Avenue and replacing the existing Franklin Avenue culverts with a bridge, as well as upgrading the upstream retarding basin. As shown in **Figure 5** from the Floodplain Management Study and Plan, the impact of these works would not substantially affect downstream creek behaviour (i.e. flood flows would still be contained within the creek banks).

Lyall & Associates (2014) also modelled the impact of varying berm heights at the creek entrance and found this had little impact on flood extents. For the maximum berm height modelled (3 m AHD), there was a small encroachment of flood waters into the Bulli Beach Tourist Park, compared to the flood extent of lowest berm height modelled (1.5 m AHD). The impact on flooding from the intermediary berm heights of 2 m and 2.5 m AHD was essentially the same as the 1.5 m AHD berm height.

As the main issue for the lower part of the Whartons Creek catchment is inundation of the essentially flat floodplain to the north of the creek, there were no recommendations in relation to berm height management for flood mitigation purposes.

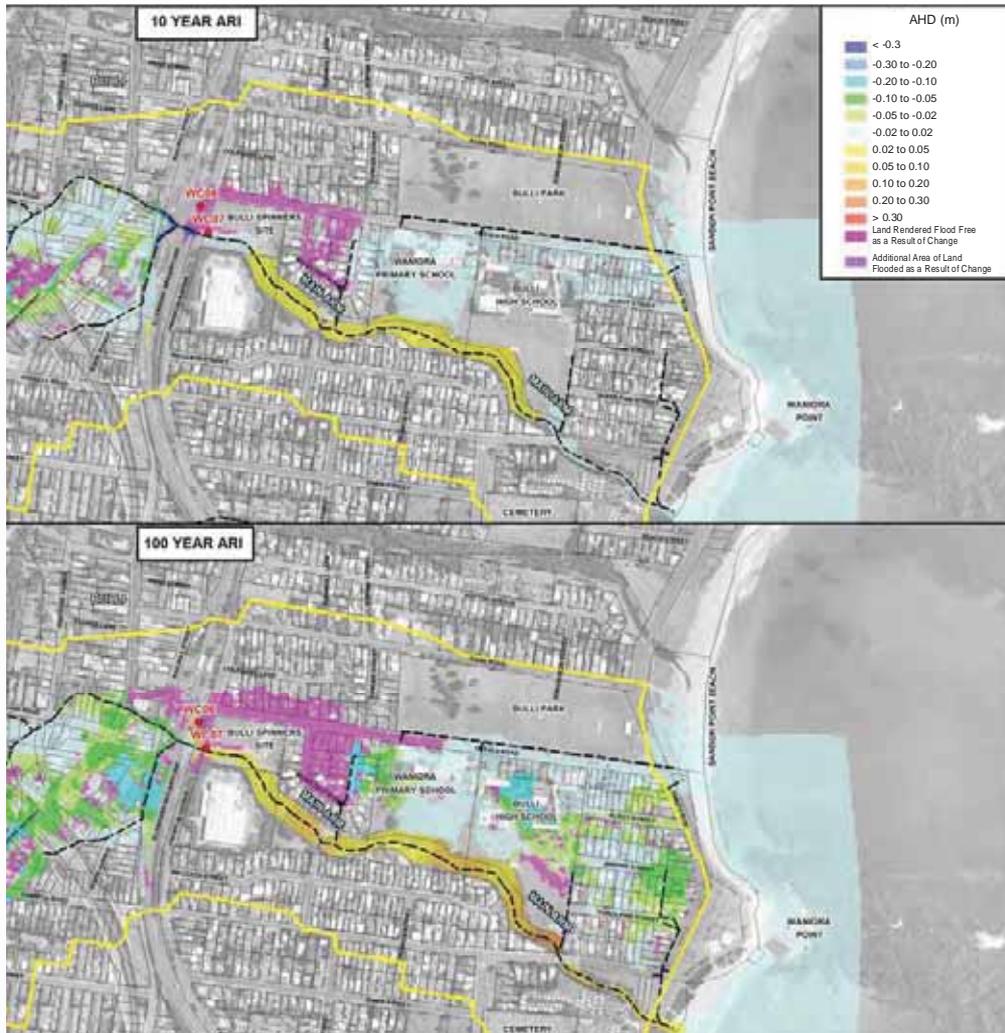


Figure 5 Modelled Impact of Recommended Flood Mitigation Works (Lyll & Assoc. 2014)

In relation to projected 0.4 m and 0.9 m level rise impacts (by 2050 and 2100 respectively above 1990 MSL), Lyll & Associates (2014) indicated the following.

- The area of land within the Bulli Beach Holiday Park currently classified as a low flood risk would change to medium flood risk.
- The extent of land at medium flood risk would be greater than that currently at low flood risk.
- The extent of land at high flood risk would not change.

A1.4 Catchment Runoff Assessment

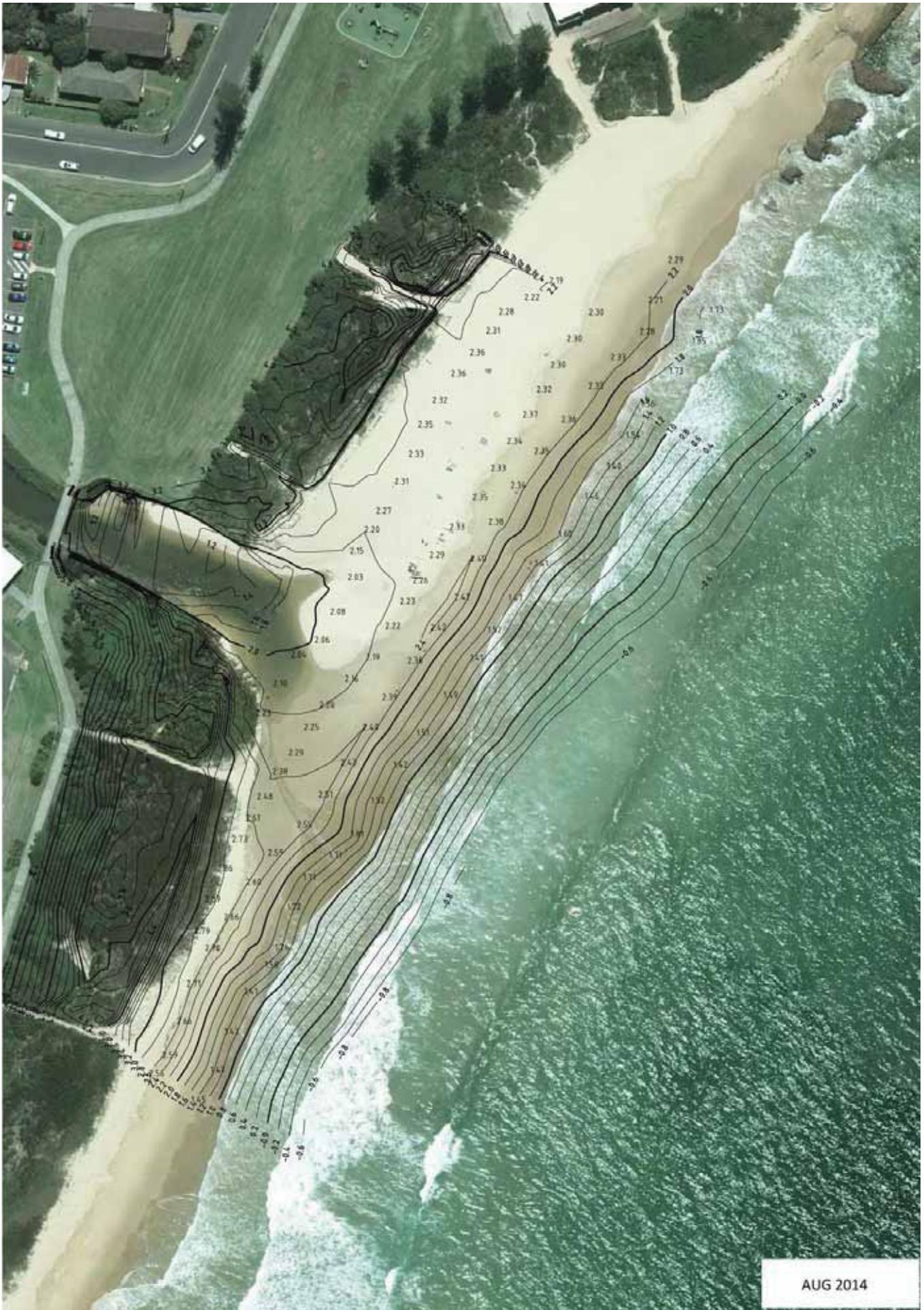
GHD (2007) undertook a catchment runoff assessment for a number of Wollongong coastal creeks and lagoons, including Whartons Creek. This involved calculating the critical (peak) runoff volume generated by a 1 year Average Recurrence Interval (ARI) storm (found to be the 18 hour duration design event) using a simple water balance model to incorporate evaporation losses and infiltration. The coastal plain through which Whartons Creek flows is characterised by soil landscapes that are prone to flooding from permanently high water tables and have soils of high permeability. For the Whartons Creek catchment the peak runoff volume was calculated to be 81,000 m³.

The rainfall excess (amount of rainfall that turns to runoff following saturation of the catchment) required to produce runoff equal to or greater than the creek volume was also calculated. The estimated volume of Whartons Creek was 1880 m³, based on an adopted water depth of 0.8 m and estuary area of 2350 m². The rainfall excess to flush Whartons Creek was estimated to be 0.9 mm which corresponds to a 1 year ARI design storm of between one and two hours duration (equivalent to approximately 30-45 mm rainfall).

GHD (2007) then analysed rainfall events (University of Wollongong station) from May 2006 to the end of April 2007 to estimate the frequency of coastal creek and lagoon opening and flushing. For this 12 month period there were seven rainfall events with a high probability of causing estuary flushing (24 hour rainfall exceeding 30 mm and/ or several smaller consecutive events), and a further nine events with the potential to generate conditions to at least open the creeks and lagoons to the ocean resulting in partial flushing (≥ 25 mm total rainfall in three day period).

Appendix B Entrance Surveys

WCC carried out topographic surveys at approximately one month intervals at the entrance to Whartons Creek between July 2014 and June 2015. A copy of these surveys follows.



AUG 2014





OCT 2014



NOV 2014





JAN 2015



FEB 2015



APR 2015



JUN 2015

Appendix C Stakeholder Feedback on Options

WCC Feedback on the Options for the Management of the Entrance of Whartons Creek, Bulli

This document compiles the feedback received from key stakeholders based on:

- Presentations by consultants Haskoning Australia at a Stakeholder Meeting and the Estuary and Coastal Zone Management Committee (ECZMC) Meeting on 14th July 2015; and
- Responses received following review of the draft *Entrance Management Study and Plan for Whartons Creek* dated 24 July 2015.

Comments/Discussions	Response/Action	Preferred Option
Bulli Surf Life Saving Club – Stakeholder Meeting 14 July 2015 and subsequent correspondence		
<p>Issues include public safety with regards to sand dunes (particularly children playing in them) and creek leaving stagnant water in front of surf club is a health hazard.</p> <p>For beach amenity reasons, they would prefer the sand filled bag option – but would need to confirm this position with the rest of the Club before commenting further.</p> <p>As the beach is exposed to southerly swell and can't change natural processes recognise that the training wall extension would aim to reduce frequency/ severity of northward migration but not be a 'total' solution.</p> <p>President requested copy of presentation for AGM with background information on the study and timeframes for exhibition etc.</p> <p>After viewing the presentation by the consultants and listening to comments by stakeholders on the day, Geo-textile Training Wall is preferred.</p>	<p>Amended presentation sent to Keith Caldwell</p>	<p>Geotech Bag Training Wall Extension</p>
Council Staff - Stakeholder Meeting 14 July 2015 and subsequent correspondence		
<p>Council has worked with sand bags previously, with sand bags being filled by Council workers – they have worked recently.</p> <p>Suggested proactive option of monitoring the water level.</p> <p>Need access along beach following erosion events due to storms – training wall extension may form barrier for bulldozer/ machinery may hit bags/ rocks.</p> <p>Beach raking work may also be impacted by the training wall.</p> <p>Ensure consultation with Dune Crew during any design for structural options.</p>	<p>Structural options would impact on these current work practices and this will be considered. Appropriate markers would have to be considered in detailed design.</p> <p>Consultation will occur.</p>	<p>No specific option preferred at the meeting – see subsequent feedback.</p>
<p>Structural options seem an expensive trial, considering there was no guarantee that this is a viable solution.</p> <p>Suggests that more rocks or sandbags would be required due to storm and weather patterns (increased cost).</p> <p>Suggests that a similar process to the Towradgi and Fairy Meadow management plan with triggers for action - maintain or open as required either when the pool is being cleaned or arrange for plant and labour to attend as needed.</p> <p>Suggests a geotech report needed to determine suitability of area for such structures.</p>	<p>Bag number would be assessed during detailed design. Cost for both three bag and six bag configuration included in draft Study.</p> <p>Gootech report would be included in detailed design if structural option is preferred.</p>	<p>Event based and/or build up north side of entrance</p>

Comments/Discussions	Response/Action	Preferred Option
<p>Prefers a similar approach to Fairy and Towradgi creek entrances. Utilisation of existing maintenance plan for Bulli rock pool that has machinery utilised at the site every 4 - 6 weeks.</p> <p>Concerns about the associated cost of the bag retaining wall, and their longevity within a beach environment subjected to annual storm swell conditions from various directions.</p>		Event based and/or build up north side of entrance
<p>Prefer to avoid structures on the beach. An ongoing formal program of sand relocation based on triggers would be suitable for Works crews.</p>		Event based and/or build up north side of entrance
<p>Prefer to avoid structures on the beach. Prioritising of other infrastructure projects may delay implementation of such an infrastructure project.</p>		Event based and/or build up north side of entrance
<p>Prefer not to put structures on beaches, as they could alter local coastal processes, and detract from the naturalness of the area. Also considers the geotextile bag option is not a foolproof solution.</p> <p>Preference is to open the entrance and open it straight out, when it is about to open. The challenge with this option would be in being able to predict when the creek is about to open. This will require the consultants to analyse the water level records, and the catchment hydrology, to come up with trigger points - similar to what was done for Fairy and Towradgi Creeks.</p> <p>Managing the berm height to certain pre-determined criteria will be a never-ending job, given the dynamic nature of this part of the beach.</p>	<p>Management plan to include triggers and process to guide the works if preferred option.</p>	Dry Notch Excavation (Event Based) with trigger points
Office of Environmental Heritage - Stakeholder Meeting 14 July 2015, ECZMC Meeting 14 July 2015 and subsequent correspondence		
<p>If revetments are used, the limitations of the design and this being a "trial" should be clear, so as not to create unrealistic community expectations.</p> <p>Beach/ dune to north of training wall extension would need maintenance following ocean storm erosion events.</p> <p>Commented that velocities at entrance were quite high and concepts as shown could suffer scour and undermining during breakouts.</p>	<p>Haskoning to investigate flow velocities. This was followed up and flow velocities would be considered in any detailed design.</p>	<p>No specific option preferred at the meeting – see subsequent feedback.</p>
<p>Rock sizing for rock revetment (is 0.4m sizing too small?) for coastal & riverine processes.</p> <p>Consideration of larger coastal events on structure integrity (and associated maintenance).</p> <p>Possible improvements to durability of revetment (temporary geotech) using vegetation in northern interface with vegetated dune (with suitable species such as <i>Lomandra</i>). This could reduce erosion associated with catchment flows overtopping structure and improve longevity of the option should the temporary geotextile prove effective. It could also work to reduce post event maintenance.</p> <p>There is limited information in the report by which to readily identify a preferred option.</p> <p>The environmental assessment and approval process issues (including Coastal Protection Act requirements) are also yet to be considered. It would be useful for some discussion of this in the report. Further work could also be done on the economics around the various options (as raised in the Committee).</p> <p>Managing the berm height may prove to have limitations as would the maintenance of a dry notch, however these could also be better costed in the study so as to assist in decision making. The costings and economic evaluation could also better clarify initial costs as well as anticipated costs over a longer period (say 5, 10 & 20 years).</p>	<p>Proposed maintenance costs to be reviewed in draft Study (this was included in subsequent draft dated 24 July 2015).</p> <p>Consideration of vegetation during detailed design if this options is preferred.</p> <p>Additional approval requirements to be included in draft Study (discussion on approvals was included in section 5.1 of subsequent draft dated 24 July 2015).</p> <p>Additional long term costings to be included in draft Study (this was included in subsequent draft dated 24 July 2015).</p>	<p>No specific option preferred at the meeting – see subsequent feedback.</p>

Comments/Discussions	Response/Action	Preferred Option
<p>The three options mentioned under item 4.5 in the report are expected to work, provided the structures are properly designed. The word 'trial' has been used for a geotextile bag structure in order to decide the minimum effective length of the structure with a view to save cost. That is a reasonable approach.</p> <p>Council's present arrangement of ongoing maintenance of the erosion at the north of the entrance, as and when necessary, can also be considered as an alternative option. However, it is a nuisance that the beach, dune and even dune plantation at the subject area can disappear without any notice.</p> <p>As expected structural options will be comparatively expensive. These options may also need minor maintenance cost (i.e. topping up of geotextile and rock structures).</p> <p>The proposed short term option of controlling the breakouts by maintaining berm height will not be effective and sustainable.</p>	<p>Maintenance cost to be included in the draft Study (this was included in section 5.1 and Table 6 in subsequent draft dated 24 July 2015).</p>	<p>Structural option or build up north side of entrance</p>
Estuary and Coastal Zone Management Committee Members - ECZMC Meeting 14 July 2015		
<p>Cost of structural options vs reshaping option is a concern and suggested that option 1 is actually more cost effective. Clarification was provided that while reshaping may only be required 3-4 years, other works on the entrance are required in between.</p>	<p>Further detail on long term costs needed in draft Study (this was included in subsequent draft dated 24 July 2015).</p>	<p>Excavate Channel and Reshape Beach</p>
<p>The monitoring time is not very long (since 2013). What is the impact of storm cut on the processes? Has there been any storm cut modelling done? Where is beach at the moment in terms of beach state? What is the mobility of the beach and how would it affect wall placement?</p>	<p>Haskoning Australia to look at Coastal Zone Study and incorporate further detail in draft Study (some additional information about accreted state included in section 2.1 of subsequent draft dated 24 July 2015).</p>	<p>None given</p>
<p>Suggestion to position the training wall to first accessway north, so that sand will build up against it to take the pressure off the bags.</p> <p>Remove gabion baskets from the entrance. Do not replace with any control devices.</p> <p>Respond to breakouts to the north by skimming the berm (berm management as per prior to 2009), except the sand be replaced to the south of the entrance.</p> <p>Sand from the pool to be placed near the northern end of the beach, possibly south of the access to the beach by the surf club, adjacent to the dune to allow for wind transport along the beach with a view to build up the berm north of the entrance during summer period.</p>	<p>Haskoning Australia advised that this would not be desirable as it would allow the creek to meander to the north and the objective is to prevent this. Detailed design would address potential scour along geotextile bag wall.</p>	<p>Maintain low berm and build up south side of entrance</p>
Department of Primary Industries – ECZMC member, feedback received subsequent to 14 July 2015 meeting		
<p>Provided link to guidelines for ICOLL openings in section 6.4 of the policy and guidelines for fish habitat conservation and management: http://www.dpi.nsw.gov.au/fisheries/habitat/publications/policies,-guidelines-and-manuals/fish-habitat-conservation</p> <p>Should WCC wish to develop an event based entrance management, DPI - Fisheries is happy to work with Crown Lands to generate a permit covering an extended period of time, say 5 years, to save the need to repeatedly apply for relevant permits/licences.</p> <p>Considers a 10m geotextile training wall on the northern side of the entrance seems a reasonable alternative given the small nature and highly modified nature of Whartons Creek - it allows the flexibility for removal if necessary and is not an excessive length. REF should examine the anticipated increase in opening events and the subsequent impacts to aquatic ecosystems within Whartons Creek.</p>	<p>REF will include assessment of impacts of aquatic ecosystems in Whartons Creek.</p>	<p>Event based management or geotextile training wall</p>

ADOPTED BY COUNCIL: [TO BE COMPLETED BY CORP SUPPORT]

BACKGROUND

The *Local Government Act 1993* requires Council to adopt a policy that allows for Councillors to receive adequate and reasonable expenses and facilities to enable them to carry out their civic duties as elected representatives of their local communities.

OBJECTIVE

The objectives of this policy are to ensure that:

- there is accountability and transparency in the payment of expenses incurred or to be incurred by Councillors;
- these expenses and the facilities provided to Councillors are acceptable to, and meet the expectations of, the local community;
- Council complies with legislative requirements; and
- Councillors are not financially or otherwise disadvantaged in undertaking their civic duties.

POLICY STATEMENT

This policy is to be read in conjunction with Council's Code of Conduct for Councillors, particularly those provisions relating to the use of resources, to ensure that Councillor expenses and facilities are not used inappropriately.

This policy is consistent with the goals and objectives outlined in the Community Strategic Plan and Council's core values.

TABLE OF CONTENTS

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BACKGROUND 1

OBJECTIVE 1

POLICY STATEMENT 1

PART 1 – INTRODUCTION 4

Commencement 4

Availability of Policy 4

Reporting Requirements 4

Legislative Provisions 4

Approval Arrangements 6

Approval Process 6

PART 2 – PAYMENT OF EXPENSES 7

GENERAL PROVISIONS - subject to the approval processes outlined in this Policy 7

NOTE: All expense limits quoted within this Policy are exclusive of GST unless otherwise stated. 7

Expenses 7

Payment in Advance 7

Reimbursement and Reconciliation of Expenses and Payments in Advance 7

Community and Charitable Functions 7

Dinners and Other Non-Council Functions 7

Spouse and Partner Expenses 7

SPECIFIC EXPENSES FOR MAYORS AND COUNCILLORS 8

Attendance at Conferences and Seminars 8

Local Travel Expenses – Official Council Business 9

Professional Development 10

Care and Other Related Expenses 10

Protection Expenses and Obligations 10

Insurance Expenses and Obligations 10

Legal Expenses and Obligations 11

PART 3 – PROVISION OF FACILITIES 13

GENERAL PROVISIONS 13

Provision of Facilities Generally 13

Private Use of Equipment and Facilities 13

PROVISION OF EQUIPMENT AND FACILITIES FOR COUNCILLORS 13

Office 13

Mobile Telephony 13

Information Communication Technology 13

Shredder 14

Newspaper	14
Stationery	14
Postage	14
Meals	14
Refreshments	14
Use of Motor Vehicle	14
Parking	15
Lockers	15
Insignia of Office	15
Secretarial Support	15
Correspondence	15
PROVISION OF ADDITIONAL EQUIPMENT AND FACILITIES FOR LORD MAYOR	15
Motor Vehicle	15
Office	15
Purchase Card	15
Motor Vehicle Parking Space	16 15
Staff	16
Refreshments	16
Insignia of Office	16
MAINTENANCE AND SERVICING OF EQUIPMENT	16
PART 4 – OTHER MATTERS	17
A Acquisition and Returning of Facilities and Equipment by Councillors	17
B Status of the Policy	17
C Dispute Resolution	17

STATEMENT OF PROCEDURES

PART 1 – INTRODUCTION

Commencement

This policy commences on [DATE] and replaces the existing policy on the Payment of Expenses and Provision of Facilities to the Lord Mayor, Deputy Lord Mayor and Councillors last amended on 13 October 2014.

Availability of Policy

Council will ensure that this policy is readily identifiable and available to the community via Council's website.

Reporting Requirements

Legislative

Clause 217 of the *Local Government (General) Regulation 2005* requires Council to include detailed information in its Annual Report about the payment of expenses and facilities to Councillors.

An annual report is to include the following information:

- Details (including the purpose) of overseas visits undertaken during the year by Councillors, Council staff or other persons while representing the Council (including visits sponsored by other organisations);
- Details of the total cost during the year of the payment of the expenses of, and the provision of facilities to, Councillors in relation to their civic functions (as paid by the Council, reimbursed to the Councillor or reconciled with the Councillor), including separate details on the total cost of each of the following:
 - The provision during the year of dedicated office equipment allocated to Councillors on a personal basis, such as laptop computers, mobile telephones and landline telephones and facsimile machines installed in Councillors' homes (including equipment and line rental costs and internet access costs but not including call costs);
 - Telephone calls made by Councillors, including calls made from mobile telephones provided by Council and from landline telephones and facsimile services installed in Councillors' homes;
 - The attendance of Councillors at conferences and seminars;
 - The training of Councillors and the provision of skill development for Councillors;
 - Interstate visits undertaken during the year by Councillors while representing the Council, including the cost of transport, cost of accommodation and other out-of-pocket travelling expenses;
 - Overseas visits undertaken during the year by Councillors while representing the Council, including the cost of transport, cost of accommodation and other out-of-pocket travelling expenses;
 - The expenses of any spouse, partner (whether of the same or opposite sex) or other person who accompanied a Councillor in the performance of his or her civic functions, being expenses payable in accordance with the Guidelines for the Payment of Expenses and the Provision of Facilities for Mayors and Councillors for Local Councils in NSW prepared by the Director-General from time to time; and
 - Expenses involved in the provision of care for a child of, or an immediate family member of, a Councillor, to allow the Councillor to undertake his or her civic functions.

Council's Annual Report must also incorporate a copy of this policy.

Council

A report on Lord Mayor, Councillor and General Manager expenses will be submitted to each Corporate Governance Committee meeting. An audit of Lord Mayor and Councillor expenses will be included in the Internal Audit Plan and undertaken every three years.

Legislative Provisions

This policy has been prepared in accordance with the provisions of Sections 23A, 252, 253 and 254 of the Local Government Act 1993 and Clause 403 of the Local Government (General) Regulation 2005 which are detailed hereunder:

Local Government Act 1993 (the Act)

Section 252 of the Act states:

- 1 Within five (5) months after the end of each year, a Council must adopt a policy concerning the payment of expenses incurred or to be incurred by, and the provision of facilities to, the Mayor, the Deputy Mayor (if there is one) and the other Councillors in relation to discharging the functions of civic office.
- 2 The policy may provide for fees payable under this Division to be reduced by an amount representing the private benefit to the Mayor or a Councillor of a facility provided by the Council to the Mayor or Councillor.
- 3 A Council must not pay any expenses incurred or to be incurred by, or provide any facilities to, the Mayor, the Deputy Mayor (if there is one) or a Councillor otherwise than in accordance with a policy under this section.
- 4 A Council may from time to time amend a policy under this section.
- 5 A policy under this section must comply with the provisions of this Act, the regulations and any relevant guidelines issued under section 23A.

Section 253 of the Act states:

- 1 A Council must give public notice of its intention to adopt or amend a policy for the payment of expenses or provision of facilities allowing at least 28 days for the making of public submissions.
- 2 Before adopting or amending the policy, the Council must consider any submissions made within the time allowed for submissions and make any appropriate changes to the draft policy or amendment.
- 3 Despite subsections (1) and (2), a Council need not give public notice of a proposed amendment to its policy for the payment of expenses or provision of facilities if the Council is of the opinion that the proposed amendment is not substantial.
- 4 Within 28 days after adopting a policy or making an amendment to a policy for which public notice is required to be given under this section, a Council is to forward to the Director-General:
 - a a copy of the policy or amendment together with details of all submissions received in accordance with subsection (1); and
 - b a statement setting out, for each submission, the Council's response to the submission and the reasons for the Council's response; and
 - c a copy of the notice given under subsection (1).
- 5 A Council must comply with this section when proposing to adopt a policy each year in accordance with section 252(1) even if the Council proposes to adopt a policy that is the same as its existing policy.

Section 254 of the Act requires that a part of a Council or Committee meeting which considers the adopting or amending of this policy must not be closed to the public.

Section 23A of the Act makes provision for the Director-General of the Office of Local Government from time to time to prepare, adopt or vary guidelines that relate to the exercise of any of its functions. It also requires that a Council must take the relevant guidelines into consideration before exercising any of its functions.

Local Government (General) Regulation 2005

Clause 403 of the Regulation states that a policy under Section 252 of the Local Government Act 1993 must not include any provision enabling a Council:

- To pay any Councillor an allowance in the nature of a general expense allowance; or
- To make a motor vehicle owned or leased by the Council available for the exclusive or primary use or disposition of a particular Councillor other than a Mayor.

Other Government Policy Provisions

This policy has also been prepared in consultation with the following documents:

- The Office of Local Government Guidelines for payment of expenses and provision of facilities for Mayors and Councillors which have been issued under Section 23A of the *Local Government Act 1993*.
- Council's *Code of Conduct* and, in particular, sections related to Use of Council Resources.
- ICAC publication – *No Excuse for Misuse*.

Approval Arrangements

- 1 A *Councillor Request to Attend External Event* application form is to be submitted to the Lord Mayor in the first instance for Councillor attendance at any Conference, seminar, meeting with external parties on official Council business, professional development or training and skills development session, community function, dinner and other non-Council event or function the Councillor wishes to attend in their civic capacity. All requests for approvals under this Policy are to be made in writing. Verbal requests will not be considered.
- 2 Application forms are to be submitted prior to attendance at the event and/or any expenses being incurred and must detail the purpose of the trip, expected benefits, duration, itinerary and approximate costs (where known).
- 3 The Lord Mayor will consider whether they are authorised to approve the application form or whether it is appropriate to refer the application form for report to an open meeting of Council.
- 4 Where a report to Council is required, reports must detail the purpose of the trip, expected benefits, duration, itinerary, approximate costs and nomination/number of Councillors undertaking the trip.
- 5 Overseas travel must be approved prior to the Councillor/s undertaking the trip.
- 6 Retrospective reimbursement of overseas travel expenses is not allowed unless prior authorisation of the travel has been obtained.
- 7 The use of a Lord Mayoral Minute to obtain Council approval for travel is not appropriate as it is not consistent with the principles of openness and transparency.

Approval Process

	Lord Mayor Approval Only*	Report to Open Meeting of Council	Lord Mayor Approval and Noted by GM
A <u>Costs not exceeding \$2,000 (ex GST) per Councillor, up to a maximum of \$4,000 per event in accordance with the following criteria:</u>			
i <u>Applications for attendance at any event, including those requiring overnight accommodation and/or air travel within the ACT or New South Wales, including but not limited to:</u>	✓		
• <u>Conferences/seminars;</u>			
• <u>Board meetings, meetings with government ministers or external organisations where the Councillor is Council's appointed representative;</u>			
• <u>Community functions, annual awards, dinners and other non-Council Functions;</u>			
• <u>Events where the Councillor has been invited to speak on behalf of Council.</u>			
ii <u>Professional Development requests.</u>	✓		
B <u>Use of private vehicle for (non-local) official Council business</u>	✓		
C <u>Applications for attendance at any event or professional development where individual Councillor attendance costs exceed \$2,000 or \$4,000 per event.</u>		✓	
D <u>Applications requiring interstate travel, air travel within Australia</u>		✓	
E <u>Applications requiring overseas travel.</u>		✓	
F <u>All other Applications and where approval at a meeting of Council is not possible or appropriate.</u>			✓

* Where the Lord Mayor is the applicant, approval may be granted by the Deputy Lord Mayor and be noted by the General Manager or granted by the General Manager and be noted by the Deputy Lord Mayor.

END OF PART ONE

PART 2 – PAYMENT OF EXPENSES

GENERAL PROVISIONS – subject to the approval processes outlined in this Policy

NOTE: All expense limits quoted within this Policy are exclusive of GST unless otherwise stated.

Expenses

- Council will reimburse reasonable incidental personal out-of-pocket expenses incurred by Councillors in attending Civic Functions, meetings relating to official Council business, seminars, conferences and training sessions.

Incidental expenses include telephone or facsimile calls, laundry and dry cleaning (associated with overnight travel), taxi fares, parking station fees and cost of meals not included in registration fees, but excludes tips, and such expenses shall not exceed:

- \$150 per day excluding meals; or
 - \$250 per day including meals, of which not more than \$150 shall be on meals.
- Other incidental expenses such as refreshments and parking meter fees, may be incurred and reimbursed without substantiation up to a value equivalent to the current Australian Taxation Office Taxation Determination on the reasonable travel and overtime meal allowance expense amounts for the current income year.

Payment in Advance

Councillors may request a payment in advance, up to a maximum of \$250 per day, in anticipation of expenses being incurred in attending conferences, seminars and training outside the City of Wollongong.

Reimbursement and Reconciliation of Expenses and Payments in Advance

Councillors are required to complete a Reimbursement of Expenses Form for any claims not included on the monthly Councillor Claim for Expenses Form.

Unless otherwise stated in this Policy, a claim for reimbursement of expenses and accounting for any payment in advance must be substantiated and lodged within 30 days of the costs being incurred.

Community and Charitable Functions

Council will provide a budget allocation in the Annual Budget for Councillor attendance at community and charitable functions.

Where a Councillor accepts an invitation to attend a community or charitable function in the role of a Councillor, Council shall meet all costs associated with such attendance, including entry but excluding travel costs.

Dinners and Other Non-Council Functions

- Council will meet the entry fee associated with the attendance of a Councillor at a dinner or other non-Council function which provides briefings to Councillors from key members of the community, politicians and business.
- Council will not contribute to, or reimburse to a Councillor, any costs associated with attendance at any political fundraising event, any donation to a political party or candidate's electoral fund or for some other private benefit.

Spouse and Partner Expenses

Council will meet:

- Reasonable costs of spouses, partners or an accompanying person in attending official Council functions that are of a formal or ceremonial nature where the Councillor's spouse, partner or accompanying person would reasonably be expected to attend. Examples include, but are not limited to Australia Day Award Ceremonies, Citizenship Ceremonies, Civic Receptions and charitable functions at the request of the Lord Mayor.
- Limited expenses associated with the attendance of the Councillor's spouse, partner or accompanying person at the Local Government NSW Annual Conference.

These expenses are limited to the cost of the spouse, partner or accompanying person's registration (including the official conference dinner and welcome reception) and official functions hosted by Wollongong City Council at the conference.

Travel expenses, any additional accommodation expenses and the cost of the spouse, partner or accompanying person's tours, etc will be the responsibility of individual Councillors.

- Reasonable costs of the spouse, partner or accompanying person of the Lord Mayor (or a Councillor representing the Lord Mayor) where the spouse, partner or accompanying person would reasonably be expected to attend an official function of Council or accompany the Lord Mayor (or a Councillor representing the Lord Mayor) to carry out an official ceremonial duty within NSW or the ACT.

Such functions include charitable functions to which the Lord Mayor has been invited and award ceremonies and other functions to which the Lord Mayor is invited to represent the Council.

NOTE: The payment of expenses as detailed above is limited to the cost of the ticket, meal and/or the direct cost of attending the function.

Where not provided above, all expenses incurred in relation to the attendance of a spouse, partner or accompanying person at any event, function, seminar, conference, business trip and the like, must be met by the Councillor or the spouse, partner or accompanying person.

Peripheral expenses incurred by a spouse, partner or accompanying person such as grooming, special clothing and transport are not reimbursable expenses.

In this section, reference to an 'accompanying person' is a person who has a close personal relationship with the Councillor and/or provides carer support for the Councillor.

SPECIFIC EXPENSES FOR MAYORS AND COUNCILLORS

Attendance at Conferences and Seminars

Councillors will be required to submit a Councillor Request to Attend External Event application in respect of all other conferences and seminars for approval in accordance with this policy – refer to Approval Arrangements – with the exception of those seminars and training courses included in Council's Induction Program.

In determining Council's delegates to the Local Government NSW Annual Conference the Lord Mayor and Deputy Lord Mayor are automatically granted delegate status.

Costs

- Council will arrange for all bookings and reservations associated with Councillors' attendance at approved external events covered by this policy including those relating to travel, accommodation, official luncheons, dinners and tours/inspections considered relevant to the business and interest of Council.
- All other costs incurred by an individual Councillor except where otherwise stated in this policy, will be the responsibility of the individual Councillor.

Accommodation

- Where possible, accommodation is to be booked at the conference venue unless the General Manager determines otherwise.
- In all other cases Council will ensure that reasonable and appropriate accommodation is provided to Councillors and in this regard a standard equivalent to 4 Star, where available, is considered appropriate.
- Preference will be given to accommodation venues providing Government Rates.

Mode of Travel

- All reasonable travel costs for Councillors whilst on official Council business will be met by Council and will be in accordance with the following standards:

New South Wales and Australian Capital Territory

The method of transport will be by road except in circumstances where air travel is considered the most appropriate method.

Road Travel

- Councillors may request the use of a Council motor vehicle for official business use.

- Councillors are required to complete the Councillors Motor Vehicle Requisition and must comply with the general conditions of the Vehicle Management Policy. Where a number of Councillors are attending the same function, every attempt is to be made to share motor vehicles.
- A minimum of 48 hours' notice is required for access to a vehicle for overnight use and 7 days' notice for longer periods.
- A Councillor is permitted to use their private vehicle for (non-local) official Council related business:
 - where a Council vehicle is not available; or
 - in circumstances where it is considered reasonable and is pre-approved by the Lord Mayor. *Note: In general, the use of a Council vehicle for Council related business is preferred.*

~~Only where a Council vehicle is not available is a Councillor permitted to use their private vehicle for Council purposes.~~ In such instances, reimbursement will be equivalent to the per kilometre rate as specified in the NSW Local Government (State) Award with the total claim not exceeding the cost of return air travel, where available, plus transfer costs.
- A hire car may be utilised by Council in instances such as travel to and from Sydney airport when a number of Councillors are attending a Conference or where a Council vehicle is unavailable.

Air Travel

Australia and New Zealand

- Economy class, where air travel time is less than four (4) hours.
- Premium economy class, where air travel time exceeds four (4) hours. Where premium economy class is unavailable, business class is appropriate.

Overseas

- Air travel – premium economy, where available; if not available, business class is appropriate.
- A Councillor seeking to extend travel for personal reasons whilst overseas on Council business must seek the approval of the Lord Mayor prior to making travel arrangements and must meet all additional costs associated with the extension.

Travel Arrangements

All Councillor travel arrangements will be centrally coordinated and booked by a Council officer with Council's approved travel provider or via the internet.

Conference Reports

After returning from Conferences or overseas travel, a Councillor is to provide a written report to Council via the Information Folder on an assessment of the event including the benefit to Council and the community and the knowledge gained.

No such report is required in respect of the Local Government NSW Annual Conference and the Australian Local Government Association's National General Assembly of Local Government.

Each quarter the General Manager shall inform Councillors via the Information Folder of the Conferences attended by Councillors and the expenses incurred.

Local Travel Expenses – Official Council Business

- Private Vehicle – If the Lord Mayor or a Councillor is required to use his/her private vehicle, reimbursement will be equivalent to the per kilometre rate as specified in the NSW Local Government (State) Award. This allowance takes into account the use, maintenance and depreciation of the vehicle.
- Public Transport – Councillors travelling by taxi or other means of public transport shall be reimbursed for actual expenses incurred subject to substantiation within 30 days of the costs being incurred. Council will provide Councillors with access to the Wollongong Taxi Service for travel in the Wollongong area on Council related business with all costs charged to Council.
- Official Council Business includes, but is not limited to, attendance at the following:
 - all Council and Committee meetings including Council reference groups and Councillor briefing forums;
 - civic receptions;
 - meetings and inspections;
 - authorised conferences, seminars and training;
 - Independent Hearing and Assessment Panel (IHAP) and/or formal facilitation sessions;
 - meetings of external organisations where the Councillor is an elected Council delegate or alternate delegate; and

- where Councillor attendance is required at official Council events as indicated on the Corporate Diary.

Councillors are to take the most direct route when travelling on Council business.

Professional Development

- All Councillors are expected to attend any Post Election Seminars coordinated by the Office of Local Government.
- Councillors are expected to familiarise themselves with the Councillor Development Strategy which is a joint initiative of the Office of Local Government and the Local Government and Shires Associations of New South Wales.
- Councillors are encouraged to undertake relevant training and skills development as part of the Local Government Professional Development Program and other appropriate programs to assist them in carrying out their civic duties.
- Council will include in its annual budget a specific allocation for Councillors training and educational expenses. This budget will be increased to provide for additional training following a Council general election or introduction of new legislation.
- Councillors are required to complete the Councillor Request to Attend External Event application for approval in accordance with this Policy – refer Approval Arrangements.

Care and Other Related Expenses

- ~~Council will provide a child care service during Council and Committee meetings. The cost for the use of this service will be in accordance with Council's Annual Fees and Charges and will be deducted from the Councillor's next monthly fee payment.~~
- Council will reimburse Councillors the costs of reasonable child care expenses whilst attending:
 - Council and Committee meetings; and
 - the Local Government NSW Annual Conference during consideration of conference motions and conference dinner. All other child care expenses incurred at the Conference are to be met by the relevant Councillor.
- Council will reimburse Councillors for the reasonable carer expenses incurred for immediate family members in order to allow the Councillor to fulfil his/her Council business obligations. Examples are care of elderly, disabled or sick family members.
- All costs are subject to substantiation and will be reimbursed with the Councillor's next monthly fee payment.
- Reimbursement of Care and other related expenses will be made up to a limit of \$2,000 per year.
- Reimbursement does not apply where the care is provided by immediate family members including family, spouse or partner.

Protection Expenses and Obligations

- Council may assist in providing protection to Councillors from any adverse security breaches to their person or property. Approval of the General Manager must be sought and gained prior to any expenses being incurred by Councillors.
- The General Manager will determine requests after consultation with the NSW Police as to the risk and history of the matter. These protection measures may take the form of a security assessment, installation of a security system and/or physical monitoring.
- Council will, subject to substantiation, reimburse Councillors for expenses that they may incur up to a limit of \$2,000 per year.
- Should an amount above the \$2,000 per year limit be required by any Councillor, the matter will be referred to Council for determination after taking advice from the General Manager, Independent Chair of the Corporate Governance Committee and/or the Professional Conduct Coordinator.

Insurance Expenses and Obligations

Councillors are to receive the benefit of insurance coverage effected by Council subject to any terms, conditions, exclusions and limitations of the policy of insurance effected by Council, for:

- a *Travel for Councillors and accompanying spouses/partners on Council Business within Australia (outside of 100km from Wollongong) and Worldwide:*
- Personal injury and capital benefits;
 - Medical, evacuation and additional expenses (excluding medical expenses payable within Australia);
 - Evacuation cover (non-medical);
 - Baggage, travellers cheques, travel documents and credit cards, portable computers, display property and money;
 - Loss of deposits and cancellation charges;
 - Rental vehicle excess expenses; and
 - Personal liability.
- b *Personal Accident for Councillors*
- Lost wages for injury and capital benefits for death or permanent disability
 - ~~Non-Medicare medical expenses.~~
- c *Councillor's Liability*
- Liability to a third party arising out of Councillors' exercise of their functions as Councillors including liability in the form of awards of damages (including punitive and exemplary damages), awards of costs or settlements (including plaintiff's legal costs and expenses), pre- and post-judgment interest on a covered judgment or award, and the multiplied portion of multiple damages, defence/investigation costs, appeal costs, fines and penalties pursuant to any statute arising from any actual, alleged or proposed act, error or omission, breach of duty, breach of trust, misstatement, misleading statement or breach of warranty of authority by a Councillor.

Legal Expenses and Obligations

- 1 Councillors are to receive the benefit of relevant insurance coverage that may be effected by Council for Legal Services in the event of:
- a An enquiry, investigation or hearing by an appropriate investigative or review body including:
- Council's Conduct Review Committee/Reviewer;
 - Independent Commission Against Corruption;
 - Office of the NSW Ombudsman;
 - Office of Local Government;
 - NSW Police Force;
 - Director of Public Prosecutions or
 - NSW Civil and Administrative Tribunal;
- into the conduct of a Councillor; or
- b Legal proceedings being taken against a Councillor, arising out of or in connection with the Councillor's exercise in good faith of their functions as a Councillor.
- Provided the circumstances of the matter are reported to Council's relevant insurance provider who in turn consents to the legal services and costs prior to the costs being incurred.
- Council shall subject to the terms and condition of the insurance coverage reimburse such Councillor, after the conclusion of the enquiry, investigation, hearing or proceeding, for expenses properly and reasonably incurred, given the nature of the enquiry, investigation, hearing or proceeding, on a Solicitor/client basis, provided that:
- i approval of the General Manager and insurance provider for the nominated solicitor and their hourly rates is both sought and gained in writing prior to legal expenses being incurred;
 - ii approval of the General Manager and insurance provider for any additional legal expenses is both sought and gained in writing prior to those expenses being incurred;
 - iii the outcome of the legal proceedings is favourable to the Councillor or where an investigator or review body makes a finding that is not substantially unfavourable to the Councillor;
 - iv the amount of such reimbursement shall be reduced by the amount of any monies that may be or are recouped by the Councillor on any basis; and
 - v the Councillor's exercise of their function was, in the opinion of Council, bona fide and proper and as a Councillor.
- 2 Notwithstanding any other provisions of this Policy the following costs cannot be the subject of reimbursement:

- i the costs of any action in defamation taken by a Councillor as plaintiff in any circumstances;
- ii the costs of a Councillor seeking advice in respect of possible defamation, or in seeking a non-litigious remedy for possible defamation;
- iii legal costs for legal proceedings that do not involve a Councillor performing their role as a Councillor;
- iv legal costs of legal proceedings initiated by a Councillor under any circumstances; or
- v the costs of defending any matter relating to the eligibility of a Councillor to stand for election.

END OF PART 2

DRAFT

PART 3 – PROVISION OF FACILITIES

GENERAL PROVISIONS

Provision of Facilities Generally

The facilities, equipment and services made available under this policy are considered appropriate to support the Lord Mayor and Councillors in undertaking their role as elected members of Council.

Private Use of Equipment and Facilities

Councillors should not generally obtain private benefit from the provision of equipment and facilities, nor from travel bonus or any other such loyalty schemes. However, it is acknowledged that incidental use of Council equipment and facilities may occur from time to time. Such incidental private use is not subject to a compensatory payment.

PROVISION OF EQUIPMENT AND FACILITIES FOR COUNCILLORS

Office

- A furnished Councillors room is provided on the tenth floor of the Administrative Centre for use by all Councillors.
- This office will incorporate two computers configured to Council's standard operating environment, printing facility, telephones and a refrigerator.

Mobile Telephony

- A Smart Phone with a minimum of 1000Mb data allowance will be available to Councillors for official use on request.
- Council will meet the cost of calls up to a maximum of \$300 (Excluding GST) per quarter with any additional costs being borne by the individual Councillor and will be deducted from their next monthly Councillor fee payment.
- International roaming and message bank roaming will be activated when requested by a Councillor proposing overseas travel. However, where the travel is for vacation or personal business purposes all outgoing call costs incurred are to be reimbursed to Council by way of deduction from the next Councillor monthly fee payment.
- Each month Councillors will receive a copy of their monthly smart phone account and be required to complete an online mobile phone usage declaration, highlighting any personal calls charges to be reimbursed to Council by way of deduction from their next monthly Councillor fee payment. The declaration is to be completed each month.
- A Councillor may wish to use their private mobile phone in lieu of a Council provided smart phone and in such circumstances Council will meet the cost of Council business related calls only, up to a maximum of \$300 per quarter subject to submission of their monthly telephone account highlighting that expenditure has been incurred. The Councillor will be responsible for any mobile phone access plan.

Information Communication Technology

Council will provide Councillors with a Council specified standard Tablet PC package, printing facility and internet access.

- Councillors will be provided with appropriate induction in the use of the provided equipment.
- Internet access will be filtered by Council. A minimum of 3000Mb data allowance is included with all excess charges being reimbursed to Council by way of deduction from their next monthly Councillor fee payment.
- Usage of all Council provided technology requires compliance with Council's Technology Systems Acceptable Usage Policy. Councillors will be required to endorse a copy of the policy indicating that they have read the contents and agree to comply with the policy. Any alleged breach will be referred to the General Manager for appropriate action.
- Council will provide support services during business hours, being 8.30 am to 5.30 pm, to assist Councillors in resolving operational issues. Such support will only relate to Council related services and applications. Non Council related applications will not be installed.

- Councillors will be provided with consumables such as printer cartridges and paper for Council related purposes and will be available for collection at Council's Administrative Centre.
- Councillors may be reimbursed for the use of private printing device consumables (printer cartridges and paper), upon presentation of receipts, up to an annual value of \$250. Councillors must submit their claim, quoting an estimated percentage of Council use of the private printing device and will be reimbursed for the equivalent percentage of the total cost of the consumables. For example, where an estimated percentage of Council use is 50%, reimbursement will be 50% of the total cost of the item/s.
- Access to a Council supplied email address and Councillor Portal will be provided on the Tablet PC and the computers in the Councillors Room on the tenth floor of the Administrative Centre.

Shredder

A medium duty personal shredder up to a maximum capacity of 10 pages shall be provided to the Lord Mayor and Councillors on request.

Newspaper

One Illawarra Mercury newspaper home delivered Monday to Saturday, and/or subscription to the digital edition of the Illawarra Mercury.

Stationery

Lord Mayor and Councillor stationery, business cards, briefcase, diary and Christmas cards – Lord Mayor (up to 150 pa) and Councillors (up to 100 pa).

Council stationery is not to be converted or modified in any way and may only be used for carrying out the functions of civic office.

Postage

All outgoing mail is to be included as part of Council's daily mail collection by Australia Post and as such needs to be delivered to Council's Administrative Centre. Mail is not permitted to be delivered directly to an individual Post Office.

Meals

Councillors will be provided with a meal and refreshments, excluding alcohol, prior to Council meetings, Standing Committee meetings and Councillor briefings.

Refreshments

Beverage service in the Councillors' Room, excluding alcohol.

Use of Motor Vehicle

- Councillors may request the use of a Council motor vehicle for official business use.
- Councillors are required to complete a Councillor Motor Vehicle Requisition and must comply with the general conditions of the Motor Vehicle Management Policy. Where a number of Councillors are attending the same function, every attempt is to be made to share motor vehicles.
- A minimum of 48 hours' notice is required for access to a vehicle for overnight use and 7 days' notice for longer periods.
- A Councillor is permitted to use their private vehicle for (non-local) official Council related business:
 - where a Council vehicle is not available; or
 - in circumstances where it is considered reasonable and is pre-approved by the Lord Mayor. Note: In general, the use of a Council vehicle for Council related business is preferred. Only where a Council vehicle is not available is a Councillor permitted to use their private vehicle for Council purpose

In such instances, reimbursement will be equivalent to the per kilometre rate as specified in the NSW Local Government (State) Award.

- Individual drivers are personally liable for all fines resulting from breaches of traffic laws and regulations and parking offences when using a Council provided vehicle and when using a private vehicle for Council related business.

Parking

Councillors will be provided with two Wollongong City Council stickers for affixing to their private vehicle to enable them to park in the Administrative Centre car park or the Stewart Street East car park free of charge when attending the City on Council business.

Lockers

A locker will be provided for each Councillor.

Insignia of Office

Councillors will be provided with a jacket and name badge to be worn at civic functions indicating that the wearer holds the office of Deputy Lord Mayor and/or Councillor.

Secretarial Support

Council staff will be available on the tenth floor of Council's Administrative Centre as required to provide Councillors with stenographic and administrative support.

Correspondence

- Correspondence to individual residents or groups of residents should be directly related to issues concerning that resident or group of residents.
- Correspondence should not refer to the Lord Mayor or Councillor's political allegiance or non-allegiance to any political group, organisation or party. This relates to any hard copy and/or electronic correspondence sent as Council business.
- The Lord Mayor and Councillors should be mindful, particularly in the lead up to elections, that material should not directly or indirectly seek to promote the electoral prospects of any individual or group.
- The content of mass correspondence (more than 50) with residents, which utilise Council resources, facilities or funds, should be referred to the General Manager or Public Officer for perusal as to its compliance with the above policy, prior to distribution.

PROVISION OF ADDITIONAL EQUIPMENT AND FACILITIES FOR LORD MAYOR

Motor Vehicle

- A fully serviced and maintained ~~Holden Caprice or equivalent~~ vehicle with a value (inclusive of GST) below the Luxury Car Tax (LCT) threshold for official civic duties and incidental use or a credit through a Novated Lease to a similar value.
- Full private use is available in accordance with the private use provisions contained within Council's Vehicle Management Policy.
- Servicing ensures that the vehicle is serviced, cleaned and fuelled ready for daily use.
- The Lord Mayor is personally liable for all fines resulting from breaches of traffic laws and regulations and parking offences incurred whilst driving this vehicle.

Office

- A furnished office suite located on the tenth floor of Council's Administrative Centre.
- This office will incorporate a computer configured to Council's standard operating environment where required/requested, telephones, refrigerator and meeting room.

Purchase Card

A Purchase Card will be provided to meet hospitality, reasonable incidental and other expenses incurred by the Lord Mayor in discharging his or her functions on behalf of Council. Use of the Purchase Card is to be in accordance with Council's Purchase Card Policy.

Motor Vehicle Parking Space

A permanent parking space in the basement of Council's Administrative Centre will be provided to the Lord Mayor and Deputy Lord Mayor.

Staff

- An Executive Officer will provide executive support on a full time basis if required.
- A Personal Assistant will provide stenographic/clerical support on a full-time basis.

Refreshments

Food and beverage service associated with hosting meetings within the Administration Building, excluding alcohol.

Insignia of Office

- Provision of a jacket, badge and name plates to be worn at civic functions indicating that the wearer holds the offices of Lord Mayor and Councillor.
- Provision of a Lord Mayoral Robe and Chain to be worn at civic receptions, citizenship ceremonies and other appropriate functions.

MAINTENANCE AND SERVICING OF EQUIPMENT

- Servicing and repairs to all Council provided equipment will be coordinated through Council's IT Help Desk facility during business hours, being 8.30 am to 5.30 pm, on the basis of a back-to-base service.
- All servicing and repairs to any privately owned equipment will be the responsibility of the individual Councillor irrespective of whether it is used for Council related business.

END OF PART 3

PART 4 – OTHER MATTERS

A Acquisition and Returning of Facilities and Equipment by Councillors

- All equipment provided to Councillors remains the property of Council except where Councillors are seeking to purchase equipment in accordance with this policy.
- Councillors are to return all Council owned equipment to the location nominated by the Manager Governance and Information in accordance with the following circumstances:
 - Local Government Election – by 5.00 pm on the day preceding the day of the election;
 - Resignation from Civic Office – by 5.00 pm on the day of resignation; and
 - Extended Leave of Absence – where a Councillor has been granted leave of absence for a period of more than three (3) months.
- A Councillor will be provided with the opportunity to purchase Council owned equipment in accordance with the following:
 - Where a Councillor has been in office for at least one full term of Council;
 - Where a Councillor has indicated that he/she is not standing for re-election at the next Council election;
 - Where a Councillor has been unsuccessful in seeking re-election; and
 - The sale price will be determined by the General Manager based on fair market value.
- The opportunity to purchase Council owned equipment will not be available to a Councillor who:
 - Is disqualified from holding civic office;
 - Is dismissed from civic office; or
 - Ceases to hold civic office for any other reason.

B Status of the Policy

Council may amend this Policy from time to time in accordance with the provisions of Sections 252 and 253 of the Local Government Act. However Council must adopt such a Policy within five (5) months after the end of each year as required by Section 252.

For the purposes of this Policy a 'year' is defined as being a financial year.

C Dispute Resolution

Where an individual Councillor disputes the decision on an expenses claim, Councillor Request to Attend External Event application or the provision of facilities the following process will apply:

- The Councillor must notify the General Manager, in writing, of the details of the claim or request for facilities;
- The General Manager will investigate the issue and inform the Councillor of the decision, in writing, within seven (7) days of the request being received;
- Should the Councillor not accept the General Manager's decision, the General Manager will submit a report to Council outlining the reasons for denying the claim or request; and

Council's decision will be final and no further appeal will be permitted.

SUMMARY SHEET	
Responsible Division	Governance and Information
Date adopted by Council	[To be inserted by Corporate Governance]
Date of previous adoptions	13 October 2014; 11 November 2013; 8 April 2013; 12 November 2012; 28 November 2011; 26 July 2011; 19 November 2007; 17 October 1994
Date of next review	30 September 2016
Prepared by	Governance Officer
Authorised by	Manager Governance and Information

DRAFT

Development Applications approved with variations to development standards for the quarterly period between 1 April 2015 and 30 June 2015

Application	DA-2014/1665		
Lot	Lot 1 DP 784362	Zone	R2 Low Density Residential
Address	418 Crown Street, WEST WOLLONGONG NSW 2500		
Description	Residential - demolition of existing structures and construction of multi dwelling housing		
Decision	Deferred Commencement	Decision Date	26 June 2015
Variations	Planning Instrument	WLEP 2009	Clause Cl. 4.3(2) Height of buildings
	Justification of variation	<p>The height variation is limited and centralised on site, and is linked to site topography. The variation does not impact neighbours and results in appropriate design outcomes.</p> <p>The application was referred to IHAP on 24 June 2015. All panel members concurred with the Council Officer's recommendation.</p>	
	Extent of variation	<p><u>Height</u></p> <p>Permissible Height: 9m Approved Height:9.4m</p>	
	Concurring Authority	Council under assumed concurrence	

Application	DA-2014/956		
Lot	Lot 300 DP 827624	Zone	B4 Mixed Use
Address	Howard Court, 27A Stewart Street, WOLLONGONG NSW 2500		
Description	Seniors Living Development comprising 75 independent living units, car parking, cafe, activity spaces and partial demolition of existing building		
Decision	Approved	Decision Date	8 May 2015
Variations	Planning Instrument	WLEP 2009	Clause Cl. 4.3(2) Height of buildings Cl. 8.6(3) Building separation
	Justification of variation	<p>The height of the proposed building is consistent with the height of neighbouring buildings and is in keeping with the desired character as detailed in Wollongong Development Control Plan 2009. The exceedance in height is a direct result of the massing of the building towards the corner of the site. This has the desired effect of reinforcing the street edge and protecting the sun plane to Pioneer Rest Park.</p> <p>The design intent accommodates a number of limiting factors in addition to the sun plane control (e.g. the desire to provide landscape connection through the site from Pioneer Rest Park to Stewart Street, the need for comfortable separation between the proposed building and existing Howard Court and desire to limit overshadowing into the central courtyard).</p> <p>Provision of an alternative complying design would have likely resulted in a deeper floorplate which may not have incorporated the central courtyard and which may have cast a longer shadow over the building and Howard Court.</p> <p>Similarly, full building separation compliance is unnecessary as none of the relevant rooms has openings on the eastern elevation. Privacy, noise transmission and general amenity will not be adversely affected by the reduced distance. It is noted that the objectives of both the building height and separation clauses are satisfied.</p> <p>The application was determined by the JRPP on 8 May 2015. All panel members concurred with the Council Officer's recommendation.</p>	
	Extent of variation	<p><u>Height</u></p> <p>Permissible height: 24m. Approved 26.23m</p> <p><u>Building separation</u></p> <p>Required separation 20m. Approved separation 14m</p>	
	Concurring Authority	Council under assumed concurrence	



Corrimal Beach Tourist Park
For design, construction, supply, delivery and installation of a demountable
transportable building purpose built for the use of a camp kitchen.
T15/28



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WOLLONGONG CITY COUNCIL

WORKING WITH YOU

FINANCIAL REPORT

Year ended 30 June 2015



EXECUTIVE SUMMARY

As General Manager of Wollongong City Council, I present the Annual Financial Statements for 2014/15. Council is well positioned financially in the short to medium term and is advancing along a path towards achieving long term sustainability. Council has previously identified that sufficient funding is not available to provide for the renewal and maintenance of long-lived assets such as roads, bridges, buildings and recreation facilities over the longer term. During the 2013/14 financial year, Council completed a major review (Securing our Future) to address these long term sustainability issues. From this review Council endorsed a proposal seeking a minimum target of \$4.5 million from internal efficiencies, \$1.5 million in service level adjustments, a minimum of \$500,000 in increased fees and charges and a Special Rate Variation for an increase in General Revenue of \$14.5M. The positive result Council has achieved for the 2014/15 financial year shows the impact of these improvements during the first year of the process. In future years, Council faces the challenge of continually meeting its efficiency and improvement targets.

In 2014/15 the Income Statement shows a net operating surplus of \$31.6M compared to a surplus of \$12.1M in 2013/14. The net operating result before capital grants and contributions, which remains Council's main indicator of long term financial viability, was a surplus of \$9.6M compared to a deficit of \$19.2M in 2013/14. As discussed, Council has been working to develop actions in consultation with the community to move towards a surplus. However, this result represents a significant improvement compared to 2013/14 and was mainly attributable to a number of one off events. These include net profit on the sale of assets (\$4.2M), a legal settlement (\$1.8M), a reduction in the workers compensation provision (\$2.3M) and the timing of the receipt of the Financial Assistance Grant (\$8.9M).

Council's Balance Sheet shows the vast extent of assets managed by Council for the Community. The total value of Council's assets at 30 June 2015 was \$2.43B. During 2014/15, Council completed a capital works program of \$85.8M including the construction and purchase of \$27.4M of new assets and renewal of existing assets of \$59.4M. The program has included projects such as the West Dapto Access Strategy, City Centre Crown Street Upgrade, Keira Street Footpath Upgrade and civil asset renewals including roads, car parks and buildings.

In 2015, Council maintained a strong position in cash and investments, with holdings of \$144.7M at 30 June 2015 (\$118M in 2013/14). \$119.6M of Council's cash (\$90M in 2013/14) is restricted in its use to specific purposes by external bodies, legislation and Council resolution. This increased in 2014/15 primarily as a result of additional external funds relating to the subsidised \$15M loan under the Local Infrastructure Renewal Scheme.

Council's unrestricted current ratio has increased slightly from 1.93:1 in 2013/14 to 2.19:1 in 2014/15. This ratio measures Council's liquidity and ability to satisfy obligations in the short term. Although the result is on par with the Local Government Benchmark of >2:1, Council's strategy is to better utilise cash and target a lean unrestricted cash ratio. Cash assets held for future waste facility requirements are significant, and included in this ratio, so the measure is expected to increase until payments are required.

Relatively low levels of borrowing are a financial strength of Council and add flexibility in making financial decisions for the future. The 2014/15 debt service ratio increased to 2.73% compared to 2.68% in 2013/14 which reflects a decision to borrow an additional \$15M under the Local Government Infrastructure Renewal Scheme. These funds will be used for the West Dapto Access Project to construct Fowlers Road to Fairwater Drive. The financial strategy allows for a ratio of 4% and Council continues to operate within this strategy.

My thanks to all staff and external auditors who worked on the preparation of these Statements.



David Farmer
General Manager
Wollongong City Council

2014/2015 Financial Statements

This report provides an overview of Council's 2014/2015 Financial Statements. The Financial Statements are prepared by Council to provide information in relation to Council's financial performance and position. The Statements are prepared in accordance with Australian Accounting Standards, the NSW Local Government Act 1993 and the NSW Local Government Code of Accounting Practice and Financial Reporting (Update N° 23). The Statements are independently audited by PricewaterhouseCoopers, reported to Council, placed on public exhibition and lodged with the Office of Local Government.

The Financial Statements are made up of five key financial reports (Primary Financial Statements) and explanatory notes. The Primary Financial Statements are:

- Income Statement
- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows

2014/2015 Highlights

- Total Assets \$2.43B from \$2.36B (2014)
- Debt Service Ratio at 2.73% (2014: 2.68%)
- Expenditure on Infrastructure, Property, Plant & Equipment [New/Renewal] \$85.8M (2014: \$85.7M)
- Net Operating Result \$31.6M Surplus (2014: Surplus \$12.1M)
- Renewal expenditure on Infrastructure, Property, Plant & Equipment \$59.4M (2014: \$62.5M)
- Net Operating Result before Capital Grants and Contributions \$9.6M Surplus (2014: \$19.2M Deficit)
- Recognition of contributed assets including infrastructure \$1.9M (2014: \$8.1M)
- Secured subsidised loan of \$15M under the Local Infrastructure Renewal Scheme (round three) Unrestricted current ratio of 2.19:1 (2014: 1.93:1)
- Cash assets of \$144.7M

2014/2015 Financial Overview

Council is well positioned financially in the short to medium term and is in the process of working towards achieving long term sustainability. Council had identified that it did not have sufficient funding to provide for the renewal and maintenance of long-lived assets such as roads, bridges, buildings and recreation facilities over the longer term.

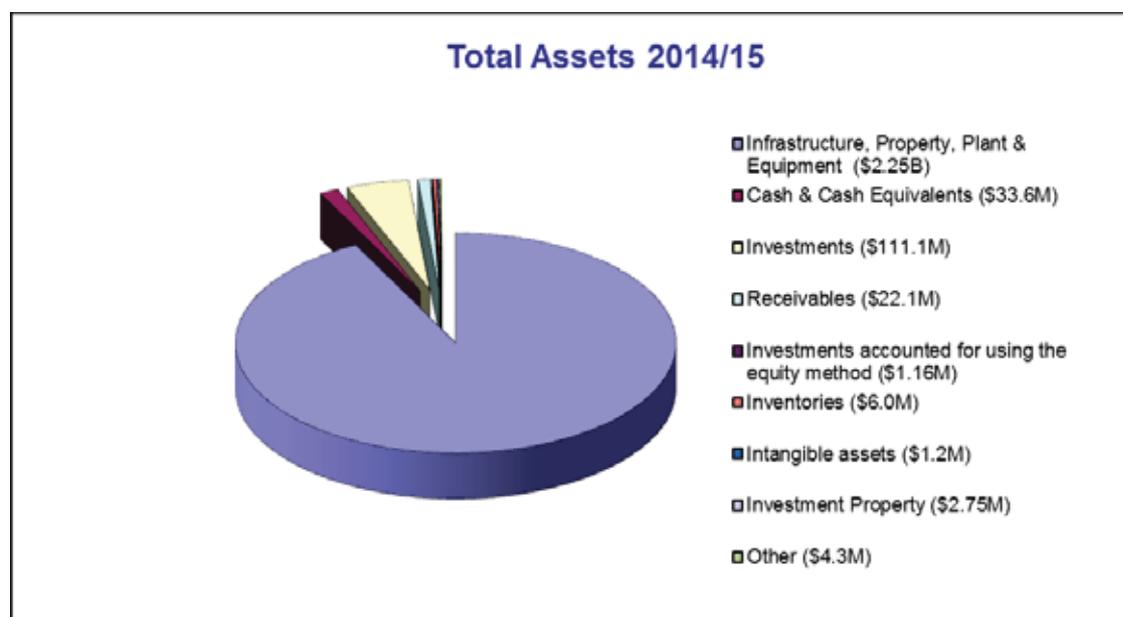
During the 2013/14 financial year, Council completed a major review (Securing our Future) to address these long term sustainability issues. From this review Council endorsed a proposal seeking a minimum target of \$4.5 million from internal efficiencies, \$1.5 million in service level adjustments, a minimum of \$500,000 in increased fees and charges and a Special Rate Variation for an increase in General Revenue of \$14.5M. The positive result Council has achieved for the 2014/15 financial year shows the impact of these improvements during the first year of the process.

The improvements proposed from the Securing our Future review were reinforced in Council's Fit for the Future submission to the Office of Local Government in June 2015. This submission builds upon the Local Government Review Panel's position that Council has enough scale and capacity to maintain its operations as an independent Council. While implementing the Securing our Future improvements Council will seek to strengthen its relationships with other Councils in the Illawarra region.

In future years, Council faces the challenge of continually meeting their efficiency and improvement targets.

Assets

Council's Statement of Financial Position shows the vast extent of assets managed by Council for the Community. The total value of Council's assets at 30 June 2015 was \$2.43B. The composition of assets is shown below.



Infrastructure, Property, Plant & Equipment (IPPE)

With a carrying value of \$2.25B, Infrastructure, Property, Plant and Equipment (IPPE) is Council's most significant asset and represents 93% of the total value of assets.

During 2014/2015 Council completed a capital works program of \$85.8M including the construction and purchase of \$27.4M of new assets and renewal of existing assets of \$59.4M.

After accounting for annual depreciation expense, the overall value of IPPE increased by \$103.9M during 2014/2015. The increase was primarily due to asset additions of \$86.8M and a further \$17.9M as a result of assets transferred in and adjustments to the useful lives of assets. Further financial details of IPPE are shown in Note 9.

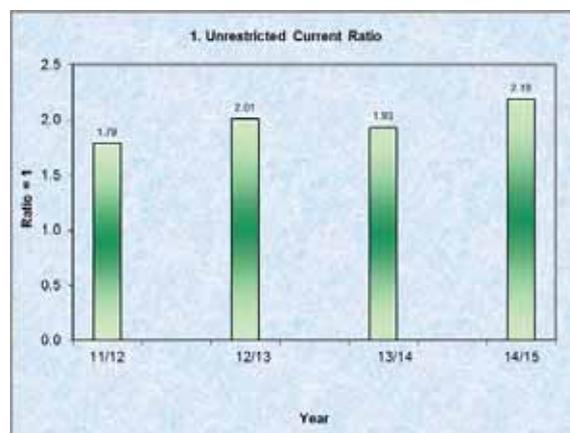
Cash and Investments

In 2014/2015, Council maintained a strong position in cash and investments, with holdings of \$144.7M at 30 June 2015. Council's cash and investment positions over recent years are as follows:

CASH, INVESTMENTS & AVAILABLE FUNDS					
		YTD Actual 30 June 2012	YTD Actual 30 June 2013	YTD Actual 30 June 2014	YTD Actual 30 June 2015
Total Cash and Investments	\$M	90.695	116.796	117.971	144.656
Less Restrictions:					
External	\$M	42.281	63.961	62.979	77.693
Internal	\$M	18.982	24.383	26.964	41.960
Available Cash	\$M	29.432	28.452	28.028	25.003
Adjusted for :					
Current payables	\$M	(25.112)	(23.201)	(29.360)	(34.039)
Receivables	\$M	18.465	26.205	25.454	26.422
Available Funds	\$M	22.785	31.456	24.122	17.386

External restrictions are funds held by Council that must be spent for a specific purpose and cannot be used by Council for general operations. Internal restrictions are funds that Council has determined will be used for a specific future purpose. Cash holdings have continued to track higher than anticipated throughout the 2014/2015 financial year as a result of additional external funds including the \$15M Local Infrastructure Renewal Scheme loan. Further details on the composition of reserves are shown in Note 6.

At 30 June 2015, Council achieved an available funds position of \$21.6M, which was higher than the Financial Strategy target of between \$8.7M and \$13.7M. This is primarily due to the impact of the settlement of legal claims [\$1.8M] and the sale of land holdings.



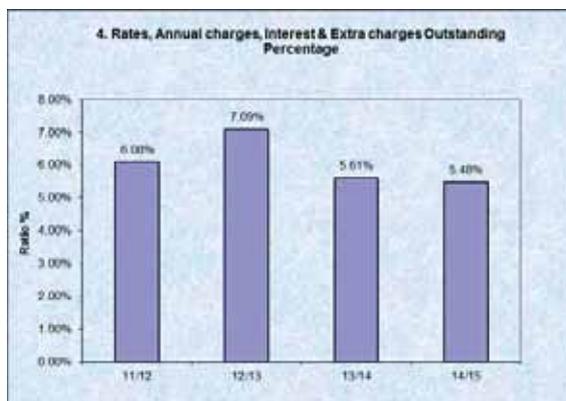
The Unrestricted Current Ratio measures Council's Cash/Liquidity Position or its ability to satisfy obligations in the short term from the unrestricted activities of Council.

Council's strategy is to maximise the use of available funds and target a lean unrestricted current ratio. Cash assets held for future waste facility requirements are held in the unrestricted ratio. As the requirement to hold funds for the waste facility is significant the measure is expected to increase until payments are required.

As Council's performance is on par with the Local Government Benchmark of >2:1, it is reflective of a deliberate strategy to better utilise cash.

Receivables

Receivables are the amount of money owed to Council or funds that Council has paid in advance. At June 2015, receivables totalled \$22.1M, a decrease of \$1.7M compared to the 2014 reporting period. This decrease is mainly due to a reduction in Government Grants and Subsidies. Full details of receivables are provided in Note 7.

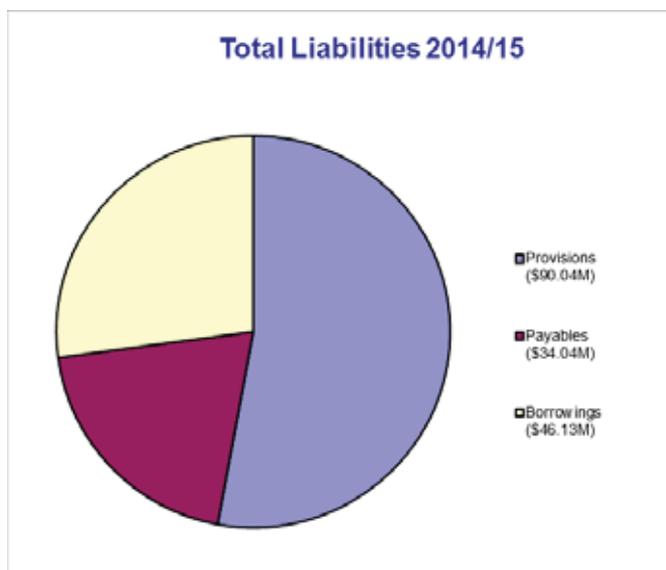


This measure assesses the impact of uncollected rates and other charges on liquidity and the adequacy of recovery efforts.

An improved debt recovery process was implemented in 2013/2014. The process has continued to generate positive implications on the 2014/2015 results. Council's Debt Recovery Policy aims to bring Council in line with the industry standard of <5%.

Liabilities

At 30 June 2015 Council's Total Liabilities were \$170.2M. The composition of Council's Total Liabilities is shown below.



Provisions account for 52.9% of Council's Liabilities with the most significant provisions relating to Employee Leave Entitlements [\$43.9M], Waste Depot Remediation Provision [\$40.7M] and Workers' Compensation Provision [\$4.5M].

Payables account for 20% of Council's Liabilities. The majority of payables relate to goods and services received and capital expenditure incurred but not yet paid for.

Borrowings account for 27.1% of Council's Liabilities and relate to the interest free Infrastructure Loan from the State Government secured in 2010 and the subsidised Local Infrastructure Renewal Scheme loans (1, 2 and 3) secured during 2012/2013, 2013/2014 and 2014/2015 respectively.

Provisions

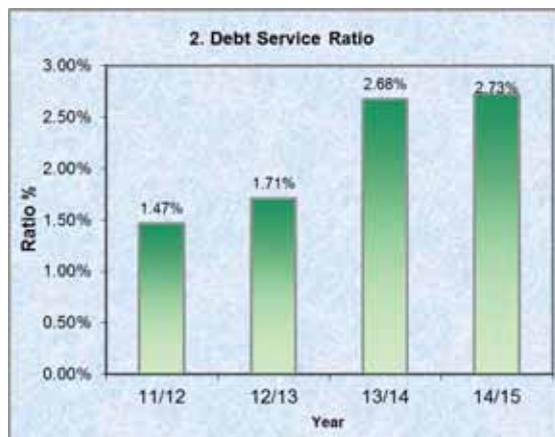
Provisions increased during 2015 by \$2.2M. The increase is primarily attributable to an increase for the future remediation works at Whytes Gully waste facility [\$1.4M], an increase in Long Service Leave provision [\$2.7M] and a decrease in the Workers' Compensation provision [\$2.1M].

Borrowings

Historically, one of Council's financial strengths has been a relatively low level of borrowing. However, over the past four years Council has utilised advantageous borrowing opportunities to accelerate spending on Infrastructure, for example, in 2010 Council secured a \$26M interest free Infrastructure Loan from the NSW State Government for West Dapto Access works. This will continue to be spent over the next financial year and paid back over the next six years. During 2012/2013 Council also secured a \$20M subsidised loan under the Local Government Infrastructure Renewal Scheme that will be used over a five year period to accelerate the Citywide Footpaths and Shared Path Renewal and Missing Links Construction Program. Within the 2013/2014 financial year Council secured a \$4.3M subsidised loan under round two of the Local Government

Infrastructure Renewal Scheme that will be used for the renewal and upgrade of the Berkeley and Corrimal Community Centres and Thirroul Pavilion and Kiosk.

Council has continued to take advantage of such opportunities throughout the reporting period, when a \$15M subsidised loan was secured under round three of the Local Government Infrastructure Renewal Scheme. This loan is to be repaid over the next nine years at a fixed rate, and is to be used for the West Dapto Access Project to construct Fowlers Road to Fairwater Drive.



The Debt Service Ratio measures the proportion of revenues that is required to meet Council's annual loan repayments. A low level of debt is reflected in Council's Debt Service Ratio which is 2.73%. This is exceptionally low in comparison to the Local Government benchmark ratio of <10%.

The Debt Service Ratio has increased in 2014/2015 and this reflects a decision to borrow additional funds under the Local Government Infrastructure Scheme round three (LIRS 3). Council's financial strategy allows for a ratio of 4% and Council continues to operate within this strategy.

Operational Performance - Income & Expenses

Council's financial performance in 2015 was up in contrast to the prior year, achieving a Net Operating Surplus from Continuing Operations of \$31.6M, compared to a prior year Surplus of \$12.1M. Council's underlying measure of longer term operational performance, the Operational Result before Capital Grants and Contributions shows a surplus of \$9.6M, compared to a deficit of \$19.2M in 2013/14. This result can be attributed to a number of one-off events including net profit on the sale of assets [\$4.2M], a legal settlement [\$1.8M], a reduction in the workers compensation provision [\$2.3M] and the timing of the receipt of the Financial Assistance Grant [\$8.9M].

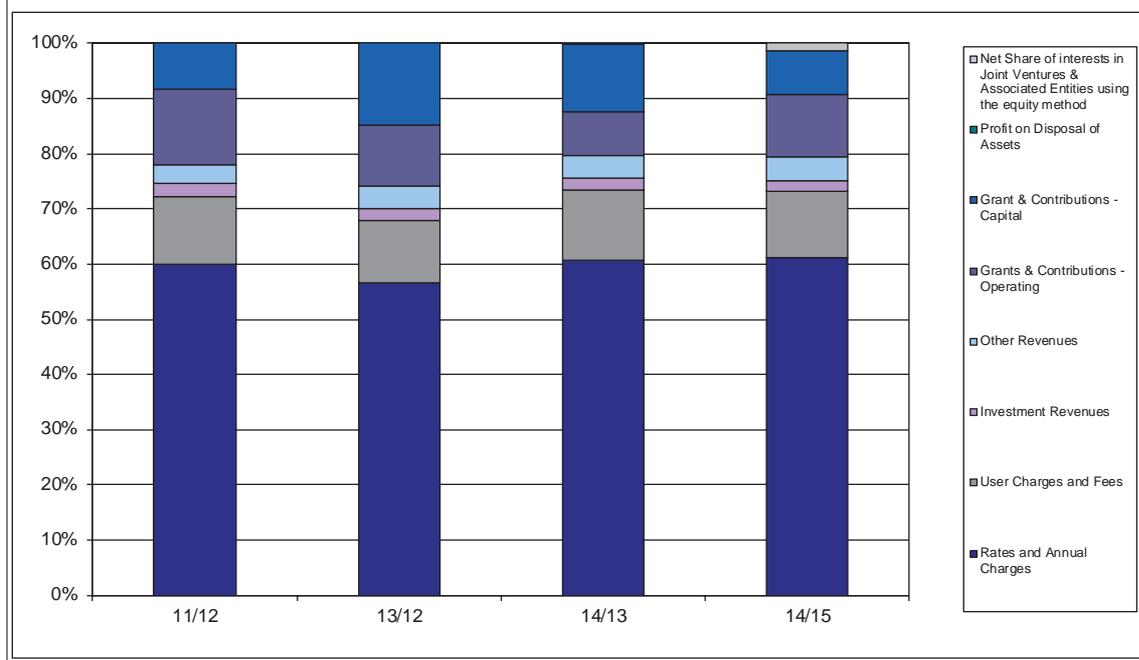
Income

Council's Income from Continuing Operations for 2015 was \$273.2M compared to a prior year result of \$255.9M. The increase in income is due to proceeds on a legal settlement [\$1.8M], additional capital contribution revenue largely composed of developer contributions and higher than expected fees and charges. The positive impacts of the Special Rate Variation have also contributed to the increase in income during 2015.

The other sources of revenue for Council remained steady based on prior financial years, as shown in the following table.

REVENUE SOURCES

INCOME FROM CONTINUING OPERATIONS	Year ended 30/06/2012		Year ended 30/06/2013		Year ended 30/06/2014		Year ended 30/06/2015	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Rates & Annual Charges	143,083	60%	148,777	56%	155,509	61%	166,849	61%
User Charges & Fees	29,036	12%	29,899	11%	32,250	13%	32,851	12%
Interest & Investment Revenues	5,736	2%	5,431	2%	5,937	2%	5,689	2%
Other Revenues	8,292	3%	10,864	4%	10,153	4%	11,965	4%
Grants & Contributions - Operating	32,561	14%	29,107	11%	20,463	8%	30,319	11%
Grants & Contributions - Capital	19,586	8%	39,042	15%	31,361	12%	22,033	8%
Profit on Disposal of Assets	0	0%	0	0%	0	0%	3,533	1%
Net Share of interests in Joint Ventures & Associated Entities using the equity method	298	0%	244	0%	198	0%	0	0%
Total Income from Continuing Operations	238,592	100%	263,364	100%	255,871	100%	273,239	100%



Income from Rates and Annual Charges in 2015 totalled \$166.8M, an increase of \$11.3M on the prior year.



The Rates and Annual Charges Coverage Ratio assesses the degree of Council's dependence upon revenue from rates and annual charges and the security of Council's income. The increase in 2014/2015 is primarily due to the Special Rates Variation.

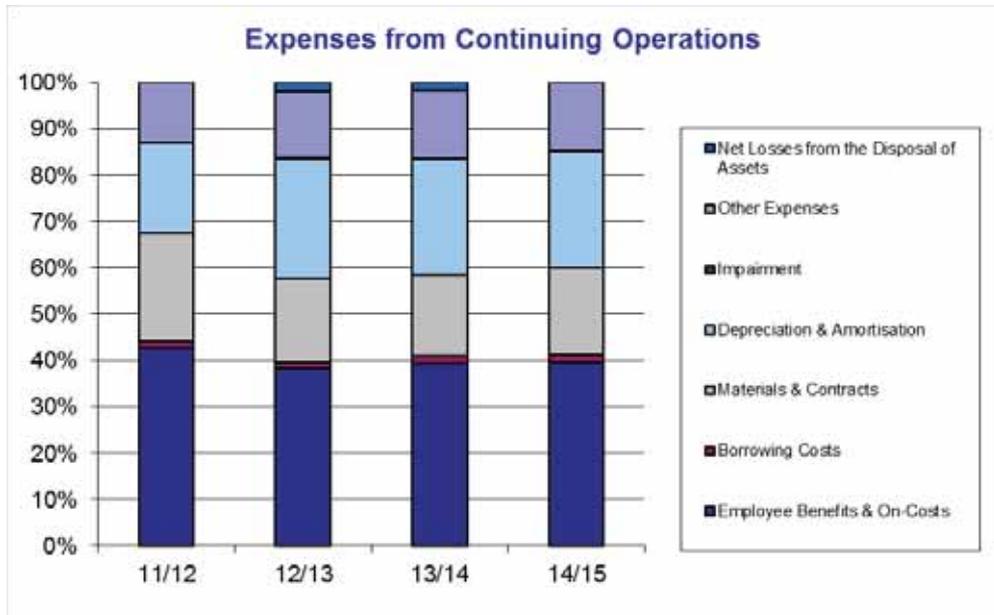
Interest and Investment Income of \$5.7M was recognised, representing a consistent result when compared to the prior year result of \$5.9M. There was an increase in Operating Grants & Contributions from \$20.5M in 2013/2014 to \$30.3M in 2014/2015 while there was a decrease in Capital Grants & Contributions from \$31.3M in 2013/2014 to \$22M in 2014/2015. The reduction in Capital Grant & Contribution income is the

result of one-off grant funding received in the 2013/2014 financial year for Building Better Regional Cities.

Expenses

Council's Expenses from Continuing Operations for 2015 totalled \$241.6M, compared to prior year expenditure of \$243.7M. The majority of the decrease relates to a reduction in Council's Workers Compensation provision by \$2.3M. During the 2014/2015 financial year Council has been able to keep its costs below expectations through restraint on expenditure growth.

Material variations from the 2014/2015 for both income and expenditure items are detailed in Note 16 of the statements.



Wollongong City Council

Historical Financial Data

Income Statement

	Notes	Actual 2011/12 \$'000	Actual 2012/13 \$'000	Actual 2013/14 \$'000	Actual 2014/15 \$'000
Income from Continuing Operations					
Revenue:					
Rates & Annual Charges	3a	143,083	148,777	155,509	166,849
User Charges & Fees	3b	29,036	29,899	32,250	32,851
Interest and Investment Revenue (1)	3c	5,736	5,431	5,937	5,689
Other Revenues	3d	8,292	10,864	10,153	11,965
Grants & Contributions provided for Operating Purposes	3e,f	32,561	29,107	20,463	30,319
Grants & Contributions provided for Capital Purposes (2)	3e,f	19,586	39,042	31,361	22,033
Other Income:					
Net Gains from the Disposal of Assets	5	-	-	-	3,533
Profit from interests in Joint Ventures & Associates Entities using the equity method	19	-	-	-	-
		298	244	198	-
Total Income from Continuing Operations		238,592	263,364	255,871	273,239
Expenses from Continuing Operations					
Employee Benefits & On-Costs					
Employee Benefits & On-Costs	4a	93,681	91,043	95,792	95,399
Borrowing Costs	4b	3,236	3,367	3,989	4,037
Materials & Contracts	4c	41,424	43,139	42,685	45,647
Depreciation & Amortisation	4d	60,434	61,240	61,203	60,763
Impairment	4d	346	990	-	-
Other Expenses	4e	32,353	34,135	35,846	35,777
Net Losses from the Disposal of Assets	5	1,153	4,311	4,245	-
Loss from interests in Joint Ventures & Associates	19	-	-	-	22
Total Expenses from Continuing Operations		232,627	238,225	243,760	241,645
Operating Result from Continuing Operations		5,965	25,139	12,111	31,594
NET OPERATING RESULT FOR THE YEAR		5,965	25,139	12,111	31,594
Less:					
Grants & Contributions provided for Capital Purposes	3e,f	19,586	39,042	31,361	22,033
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes		(13,621)	(13,903)	(19,250)	9,561

This Statement is to be read in conjunction with the Notes in the body of the financial statements and with consideration to Notes (1) and (2) below.

(1) Interest and Investment Income includes the recognition of the discount (\$8.7M) on the interest free loan from the State Government during 2009/10. This transaction is unique and unlikely to be repeated in future years.

(2) Capital Grants and Contributions increased in 2011 and 2013 primarily as a result of contributed assets treated as income.

Wollongong City Council

Historical Financial Data

Statement of Financial Position

		Actual 2011/12 \$'000	Actual 2012/13 \$'000	Actual 2013/14 \$'000	Actual 2014/15 \$'000
	Notes				
ASSETS					
Current assets					
Cash & cash equivalents	6a	83,506	99,502	33,299	33,580
Investments	6b	7,189	7,294	63,672	102,076
Receivables	7	14,221	20,481	23,808	22,109
Inventories	8	8,900	8,940	6,037	6,040
Other	8	722	885	1,646	4,313
Assets held for sale (previously non-current)	22	-	-	1,700	-
Total current assets		114,538	137,102	130,162	168,118
Non-current assets					
Cash assets	6a	-	-	-	-
Investments	6b	-	10,000	21,000	9,000
Receivables	7	3,522	4,839	-	-
Inventories	8	-	-	-	-
Infrastructure, property, plant & equipment	9	2,326,193	2,376,962	2,207,842	2,251,343
Investments accounted for using the equity method	19	739	983	1,181	1,160
Investment property	14	3,725	3,725	2,750	2,750
Intangible assets	25	634	364	930	1,220
Non-current assets classified as 'held for sale'	22	-	-	-	-
Other	8	-	-	-	-
Total non-current assets		2,334,813	2,396,873	2,233,703	2,265,473
TOTAL ASSETS		2,449,351	2,533,975	2,363,865	2,433,591
LIABILITIES					
Current liabilities					
Payables	10	25,112	23,201	29,360	34,039
Interest bearing liabilities	10	1,659	3,332	3,908	6,369
Provisions	10	37,900	40,833	42,651	47,487
Total current liabilities		64,671	67,366	75,919	87,895
Non-current liabilities					
Payables	10	-	-	4,034	-
Interest bearing liabilities	10	14,986	31,236	31,459	39,758
Provisions	10	42,645	45,401	45,183	42,554
Total non-current liabilities		57,631	76,637	80,676	82,312
TOTAL LIABILITIES		122,302	144,003	156,595	170,207
NET ASSETS		\$ 2,327,049	2,389,972	2,207,270	2,263,384
EQUITY					
Retained earnings	20	1,103,844	1,163,160	1,193,467	1,252,318
Revaluation reserves	20	1,223,205	1,226,812	1,013,803	1,011,066
Council Equity Interest		2,327,049	2,389,972	2,207,270	2,263,384
Minority Equity Interest	19	-	-	-	-
TOTAL EQUITY		\$ 2,327,049	2,389,972	2,207,270	2,263,384

This Statement is to be read in conjunction with the Notes in the body of the financial statements..

Wollongong City Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2015



Wollongong City Council

General Purpose Financial Statements

for the financial year ended 30 June 2015

Contents	Page
1. Understanding Council's Financial Statements	2
2. Statement by Councillors & Management	3
3. Primary Financial Statements:	
- Income Statement	4
- Statement of Comprehensive Income	5
- Statement of Financial Position	6
- Statement of Changes in Equity	7
- Statement of Cash Flows	8
4. Notes to the Financial Statements	9
5. Independent Auditor's Reports:	
- On the Financial Statements (Sect 417 [2])	93
- On the Conduct of the Audit (Sect 417 [3])	95

Overview

(i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for Wollongong City Council.

(ii) Wollongong City Council is a body politic of NSW, Australia - being constituted as a Local Government area by proclamation and is duly empowered by the Local Government Act (LGA) 1993 of NSW.

Council's Statutory Charter is detailed in Paragraph 8 of the LGA and includes giving Council;

- the ability to provide goods, services & facilities, and to carry out activities appropriate to the current & future needs of the local community and of the wider public,
- the responsibility for administering regulatory requirements under the LGA and
- a role in the management, improvement and development of the resources in the area.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

(iii) All figures presented in these financial statements are presented in Australian Currency.

(iv) These financial statements were authorised for issue by the Council on 20 October 2015. Council has the power to amend and reissue these financial statements.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across NSW are required to present a set of audited financial statements to their Council & Community.

What you will find in the Statements

The financial statements set out the financial performance, financial position & cash flows of Council for the financial year ended 30 June 2015.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting & reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by Senior staff as "presenting fairly" the Council's financial results for the year, and are required to be adopted by Council - ensuring both responsibility for & ownership of the financial statements.

About the Primary Financial Statements

The financial statements incorporate 5 "primary" financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income & expenses.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair values of Council's Infrastructure, Property, Plant & Equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its Assets, Liabilities & "Net Wealth".

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "Net Wealth".

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the financial statements provide greater detail and additional information on the 5 primary financial statements.

About the Auditor's Reports

Council's financial statements are required to be audited by external accountants (that generally specialize in Local Government).

In NSW, the Auditor provides 2 audit reports:

1. An opinion on whether the financial statements present fairly the Council's financial performance & position, &
2. Their observations on the conduct of the Audit including commentary on the Council's financial performance & financial position.

Who uses the Financial Statements ?

The financial statements are publicly available documents & must be presented at a Council meeting between 7 days & 5 weeks after the date of the Audit Report.

Submissions from the public can be made to Council up to 7 days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Wollongong City Council

General Purpose Financial Statements

for the financial year ended 30 June 2015

Statement by Councillors and Management

made pursuant to Section 413(2)(c) of the Local Government Act 1993 (as amended)

The attached General Purpose Financial Statements have been prepared in accordance with:

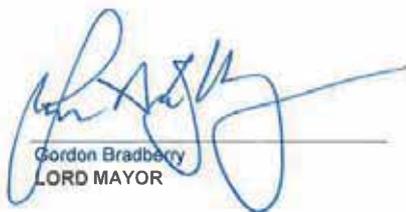
- The Local Government Act 1993 (as amended) and the Regulations made thereunder,
- The Australian Accounting Standards and professional pronouncements, and
- The Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these Financial Statements:

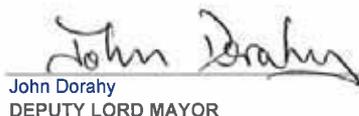
- present fairly the Council's operating result and financial position for the year, and
- accords with Council's accounting and other records.

We are not aware of any matter that would render the Reports false or misleading in any way.

Signed in accordance with a resolution of Council made on 19 October 2015.



Gordon Bradbery
LORD MAYOR



John Dorahy
DEPUTY LORD MAYOR



David Farmer
GENERAL MANAGER



Brian Jenkins
RESPONSIBLE ACCOUNTING OFFICER

Wollongong City Council

Income Statement

for the financial year ended 30 June 2015

Budget ¹ 2015	\$ '000	Notes	Actual 2015	Actual 2014
Income from Continuing Operations				
Revenue:				
165,699	Rates & Annual Charges	3a	166,849	155,509
32,487	User Charges & Fees	3b	32,851	32,250
5,238	Interest & Investment Revenue	3c	5,689	5,937
9,143	Other Revenues	3d	11,965	10,153
28,146	Grants & Contributions provided for Operating Purposes	3e,f	30,319	20,463 ²
32,604	Grants & Contributions provided for Capital Purposes	3e,f	22,033	31,361
Other Income:				
1,040	Net gains from the disposal of assets	5	3,533	-
-	Net Share of interests in Joint Ventures & Associates using the equity method	19	-	198
274,357	Total Income from Continuing Operations		273,239	255,871
Expenses from Continuing Operations				
96,607	Employee Benefits & On-Costs	4a	95,399	95,792
3,830	Borrowing Costs	4b	4,037	3,989
49,396	Materials & Contracts	4c	45,647	42,685
61,767	Depreciation & Amortisation	4d	60,763	61,203
-	Impairment	4d	-	-
39,492	Other Expenses	4e	35,777	35,846
-	Net Losses from the Disposal of Assets	5	-	4,245
-	Net Share of interests in Joint Ventures & Associates using the equity method	19	22	-
251,092	Total Expenses from Continuing Operations		241,645	243,760
23,265	Operating Result from Continuing Operations		31,594	12,111
Discontinued Operations				
-	Net Profit/(Loss) from Discontinued Operations	24	-	-
23,265	Net Operating Result for the Year		31,594	12,111
23,265	Net Operating Result attributable to Council		31,594	12,111
-	Net Operating Result attributable to Non-controlling Interests		-	-
(9,339)	Net Operating Result for the year before Grants and Contributions provided for Capital Purposes		9,561	(19,250)

¹ Original Budget as approved by Council - refer Note 16

² Financial Assistance Grants for 13/14 were lower reflecting one off timing differences due to a change in how the grant was paid in prior years - refer Note 3 (e)

Wollongong City Council

Statement of Comprehensive Income

for the financial year ended 30 June 2015

\$ '000	Notes	Actual 2015	Actual 2014
Net Operating Result for the year (as per Income statement)		31,594	12,111
Other Comprehensive Income:			
Amounts which will not be reclassified subsequently to the Operating Result			
Gain (loss) on revaluation of I,PP&E	20b (ii)	4,039	(205,106)
Adjustment to correct prior period errors	20a	19,544	10,293
Impairment (loss) reversal relating to I,PP&E	20b (ii)	937	-
Total Items which will not be reclassified subsequently to the Operating Result		24,520	(194,813)
Amounts which will be reclassified subsequently to the Operating Result when specific conditions are met			
Nil		-	-
Total Other Comprehensive Income for the year		24,520	(194,813)
Total Comprehensive Income for the Year		56,114	(182,702)
Total Comprehensive Income attributable to Council		56,114	(182,702)
Total Comprehensive Income attributable to Non-controlling Interests		-	-

Wollongong City Council

Statement of Financial Position

as at 30 June 2015

\$ '000	Notes	Actual 2015	Actual 2014
ASSETS			
Current Assets			
Cash & Cash Equivalents	6a	33,580	33,299
Investments	6b	102,076	63,672
Receivables	7	22,109	23,808
Inventories	8	6,040	6,037
Other	8	4,313	1,646
Non-current assets classified as "held for sale"	22	-	1,700
Total Current Assets		168,118	130,162
Non-Current Assets			
Investments	6b	9,000	21,000
Receivables	7	-	-
Inventories	8	-	-
Infrastructure, Property, Plant & Equipment	9	2,251,343	2,207,842
Investments accounted for using the equity method	19	1,160	1,181
Investment Property	14	2,750	2,750
Intangible Assets	25	1,220	930
Total Non-Current Assets		2,265,473	2,233,703
TOTAL ASSETS		2,433,591	2,363,865
LIABILITIES			
Current Liabilities			
Payables	10	34,039	29,360
Borrowings	10	6,369	3,908
Provisions	10	47,487	42,651
Total Current Liabilities		87,895	75,919
Non-Current Liabilities			
Payables	10	-	4,034
Borrowings	10	39,758	31,459
Provisions	10	42,554	45,183
Total Non-Current Liabilities		82,312	80,676
TOTAL LIABILITIES		170,207	156,595
Net Assets		2,263,384	2,207,270
EQUITY			
Retained Earnings	20	1,252,318	1,193,467
Revaluation Reserves	20	1,011,066	1,013,803
Council Equity Interest		2,263,384	2,207,270
Non-controlling Equity Interests		-	-
Total Equity		2,263,384	2,207,270

Wollongong City Council

Statement of Changes in Equity
for the financial year ended 30 June 2015

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non- controlling Interest	Total Equity
2015						
Opening Balance (as per Last Year's Audited Accounts)		1,193,467	1,013,803	2,207,270	-	2,207,270
a. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
Revised Opening Balance (as at 1/7/14)		1,193,467	1,013,803	2,207,270	-	2,207,270
b. Net Operating Result for the Year		31,594	-	31,594	-	31,594
c. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	4,039	4,039	-	4,039
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	937	937	-	937
- Reserves Movements (Revaluation Error - 2012)	20b (ii)	-	-	-	-	-
- Adjustment to correct prior period errors	20 (c)	19,544	-	19,544	-	19,544
Other Comprehensive Income		19,544	4,976	24,520	-	24,520
Total Comprehensive Income (b&c)		51,138	4,976	56,114	-	56,114
d. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
e. Transfers between Equity		7,713	(7,713)	-	-	-
Equity - Balance at end of the reporting period		1,252,318	1,011,066	2,263,384	-	2,263,384

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non- controlling Interest	Total Equity
2014						
Opening Balance (as per Last Year's Audited Accounts)		1,163,160	1,226,812	2,389,972	-	2,389,972
a. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
Revised Opening Balance (as at 1/7/13)		1,163,160	1,226,812	2,389,972	-	2,389,972
b. Net Operating Result for the Year		12,111	-	12,111	-	12,111
c. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	(205,106)	(205,106)	-	(205,106)
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
- Adjustment to correct prior period errors	20 (c)	10,293	-	10,293	-	10,293
Other Comprehensive Income		10,293	(205,106)	(194,813)	-	(194,813)
Total Comprehensive Income (b&c)		22,404	(205,106)	(182,702)	-	(182,702)
d. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
e. Transfers between Equity		7,903	(7,903)	-	-	-
Equity - Balance at end of the reporting period		1,193,467	1,013,803	2,207,270	-	2,207,270

Wollongong City Council

Statement of Cash Flows

for the financial year ended 30 June 2015

Budget 2015	\$ '000	Notes	Actual 2015	Actual 2014
Cash Flows from Operating Activities				
Receipts:				
162,977		Rates & Annual Charges	166,562	157,362
32,487		User Charges & Fees	33,505	35,044
5,238		Investment & Interest Revenue Received	5,789	5,147
60,750		Grants & Contributions	54,189	44,520
-		Bonds, Deposits & Retention amounts received	1,381	1,212
8,960		Other	22,527	19,723
Payments:				
(94,429)		Employee Benefits & On-Costs	(92,705)	(93,305)
(86,241)		Materials & Contracts	(58,051)	(51,846)
(1,104)		Borrowing Costs	(1,311)	(1,104)
-		Bonds, Deposits & Retention amounts refunded	(797)	(1,293)
-		Other	(41,998)	(34,107)
88,638		Net Cash provided (or used in) Operating Activities	89,091	81,352
Cash Flows from Investing Activities				
Receipts:				
(316)		Sale of Investment Securities	57,074	14,088
3,263		Sale of Investment Property	-	-
-		Sale of Infrastructure, Property, Plant & Equipment	12,570	3,219
-		Deferred Debtors Receipts	10	18
Payments:				
-		Purchase of Investment Securities	(83,147)	(81,080)
(83,693)		Purchase of Infrastructure, Property, Plant & Equipment	(85,072)	(83,472)
(135)		Deferred Debtors & Advances Made	-	-
(80,881)		Net Cash provided (or used in) Investing Activities	(98,566)	(147,227)
Cash Flows from Financing Activities				
Receipts:				
-		Proceeds from Borrowings & Advances	15,000	4,305
Payments:				
(4,914)		Repayment of Borrowings & Advances	(5,244)	(4,633)
(4,914)		Net Cash Flow provided (used in) Financing Activities	9,756	(328)
2,843		Net Increase/(Decrease) in Cash & Cash Equivalents	281	(66,203)
95,691		plus: Cash & Cash Equivalents - beginning of year	33,299	99,502
98,534		Cash & Cash Equivalents - end of the year	33,580	33,299
Additional Information:				
		plus: Investments on hand - end of year	111,076	84,672
		Total Cash, Cash Equivalents & Investments	144,656	117,971

Please refer to Note 11 for additional cash flow information

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	10
2(a)	Council Functions / Activities - Financial Information	27
2(b)	Council Functions / Activities - Component Descriptions	28
3	Income from Continuing Operations	29
4	Expenses from Continuing Operations	34
5	Gains or Losses from the Disposal of Assets	38
6(a)	Cash & Cash Equivalent Assets	39
6(b)	Investments	39
6(c)	Restricted Cash, Cash Equivalents & Investments - Details	41
7	Receivables	43
8	Inventories and Other Assets	44
9(a)	Infrastructure, Property, Plant & Equipment	45
9(b)	Externally Restricted Infrastructure, Property, Plant and Equipment	46 n/a
9(c)	Infrastructure, Property, Plant and Equipment - Current Year Impairments	46 n/a
10(a)	Payables, Borrowings and Provisions	47
10(b)	Description of (and movements in) Provisions	48
11	Statement of Cash Flows - Additional Information	49
12	Commitments for Expenditure	51
13	Statement of Performance Measures:	
	13a (i) Local Government Industry Indicators (Consolidated)	52
	13a (ii) Local Government Industry Graphs (Consolidated)	53
14	Investment Properties	56
15	Financial Risk Management	57
16	Material Budget Variations	61
17	Statement of Developer Contributions	63
18	Contingencies and Other Liabilities/Assets not recognised	66
19	Interests in Other Entities	68
20	Equity - Retained Earnings and Revaluation Reserves	73
21	Financial Result & Financial Position by Fund	75 n/a
22	"Held for Sale" Non Current Assets & Disposal Groups	75
23	Events occurring after the Reporting Date	76 n/a
24	Discontinued Operations	76 n/a
25	Intangible Assets	77
26	Reinstatement, Rehabilitation and Restoration Liabilities	78
27	Fair Value Measurement	80
Additional Council Disclosures		
28	Council Information and Contact Details	92

n/a - not applicable

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below in order to assist in its general understanding.

Under Australian Accounting Standards (AASBs), accounting policies are defined as those specific principles, bases, conventions, rules and practices applied by a reporting entity (in this case Council) in preparing and presenting its financial statements.

(a) Basis of preparation

(i) Background

These financial statements are general purpose financial statements which have been prepared in accordance with;

- Australian Accounting Standards and Australian Accounting Interpretations issued by the Australian Accounting Standards Board,
- the Local Government Act (1993) & Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

For the purpose of preparing these financial statements, Council has been deemed to be a not-for-profit entity.

(ii) Compliance with International Financial Reporting Standards (IFRSs)

Because AASBs are sector neutral, some standards either:

- (a) have local Australian content and prescription that is specific to the Not-For-Profit sector (including Local Government) which are not in compliance with IFRS's, or
- (b) specifically exclude application by Not for Profit entities.

Accordingly in preparing these financial statements and accompanying notes, Council has been unable to comply fully with International Accounting Standards, but has complied fully with Australian Accounting Standards.

Under the Local Government Act (LGA), Regulations and Local Government Code of Accounting Practice & Financial Reporting, it should be noted that Councils in NSW only have a requirement to comply with AASBs.

(iii) New and amended standards adopted by Council

During the current year, the following relevant accounting standards became mandatory and have been adopted by Council:

- AASB 10 Consolidated Financial Statements
- AASB 11 Joint Arrangements
- AASB 12 Disclosures of Interests in Other Entities

AASB 10 introduced a new definition of control based on the substance of the relationship and required Councils to consider their involvement with other entities regardless of whether there was a financial interest.

AASB 11 classified joint arrangements into either joint ventures (equity accounting) or joint operations (accounting for share of assets and liabilities).

AASB 12 has increased the level of disclosures required where Council has any interests in subsidiaries, joint arrangements, associates or unconsolidated structured entities.

As Council applies equity accounting to joint ventures there are no significant impacts on joint venture disclosures within these financial statements. However these amendments have required further disclosures relating to unconsolidated structured entities.

(iv) Early adoption of Accounting Standards

Council has elected to apply amendments to AASB 13 under AASB 2015-7 Amendments to Australian Accounting Standards for Fair Value Disclosures of Not-for-Profit Public Sector Entities in the preparation of these financial statements. This standard will apply to annual reporting periods beginning on or after 1 July 2016.

Paragraph (ab) discusses further amendments to Accounting Standards which have not been adopted by Council before their future operative date.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

(v) Basis of Accounting

These financial statements have been prepared under the **historical cost convention** except for:

- (i) certain financial assets and liabilities at fair value through profit or loss and available-for-sale financial assets which are all valued at fair value,
- (ii) the write down of any Asset on the basis of Impairment (if warranted) and
- (iii) certain classes of non current assets (eg. Infrastructure, Property, Plant & Equipment and Investment Property) that are accounted for at fair valuation.

The accrual basis of accounting has also been applied in their preparation.

(vi) Changes in Accounting Policies

Council's accounting policies have been consistently applied to all the years presented, unless otherwise stated.

There have also been no changes in accounting policies when compared with previous financial statements unless otherwise stated [refer Note 20(d)].

(vii) Critical Accounting Estimates

The preparation of financial statements requires the use of certain critical accounting estimates (in conformity with AASBs).

Accordingly this requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on Council and that are believed to be reasonable under the circumstances.

Significant accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below:

- (i) Estimated fair values of investment properties
- (ii) Estimated fair values of infrastructure, property, plant and equipment.
- (iii) Estimated remediation provisions.

Significant judgements in applying Council's accounting policies

- (i) Impairment of Receivables - Council has made a significant judgement about the impairment of a number of its receivables in Note 7.
- (ii) Projected Section 94 Commitments - Council has used significant judgement in determining future Section 94 income and expenditure in Note 17.

(b) Revenue recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to it and specific criteria have been met for each of the Council's activities as described below.

Council bases any estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is measured on major income categories as follows:

Rates, Annual Charges, Grants and Contributions

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for the impairment on rates receivables has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Revenue from Contributions is recognised when the Council either obtains control of the contribution or the right to receive it, **(i)** it is probable that the economic benefits comprising the contribution will flow to the Council and **(ii)** the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 3(g).

Note 3(g) also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

The Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of S94 of the EPA Act 1979.

Whilst Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon their physical receipt by Council, due to the possibility that individual Development Consents may not be acted upon by the applicant and accordingly would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required but the Council may apply contributions according to the priorities established in work schedules.

A detailed Note relating to developer contributions can be found at Note 17.

User Charges, Fees and Other Income

User charges, fees and other income (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

A provision for the impairment of these receivables is recognised when collection in full is no longer probable.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided as at reporting date.

Sale of Infrastructure, Property, Plant and Equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Interest and Rents

Rental income is accounted for on a straight-line basis over the lease term.

Interest Income from Cash & Investments is accounted for using the effective interest rate at the date that interest is earned.

Dividend Income

Revenue is recognised when the Council's right to receive the payment is established, which is generally when shareholders approve the dividend.

Other Income

Other income is recorded when the payment is due, the value of the payment is notified or the payment is received, whichever occurs first.

(c) Principles of Consolidation

These financial statements incorporate **(i)** the assets and liabilities of Council and any entities (or operations) that it **controls** (as at 30 June 2015) and **(ii)** all the related operating results (for the financial year ended the 30th June 2015).

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

Detailed information relating to the entities that Council Controls can be found at Note 19 (a).

In the process of reporting on Council's activities as a single unit, all inter-entity year end balances and reporting period transactions have been eliminated in full between Council and its controlled entities.

(i) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the LGA 1993, all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

The Consolidated Fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

(ii) The Trust Fund

In accordance with the provisions of Section 411 of the Local Government Act 1993 (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the Council in trust which must be applied only for the purposes of or in accordance with the trusts relating to those monies.

Trust monies and property subject to Council's control have been included in these statements.

Trust monies and property held by Council but not subject to the control of Council, have been excluded from these statements.

A separate statement of monies held in the Trust Fund is available for inspection at the Council office by any person free of charge.

(iii) Joint Arrangements

AASB 11 *Joint Arrangements* defines a joint arrangement as an arrangement of which two or more parties have joint control and classifies these arrangements as either joint ventures or joint operations.

Joint Operations (controlled assets & operations)

Councils has no interest in any joint operations.

Joint Ventures

Joint Ventures represent operational arrangements where the parties joint control parties have rights to the net assets of the arrangement.

Any interests in Joint Ventures are accounted for using the equity method and are carried at cost.

Under the equity method, Council's share of the operation's profits/(losses) are recognised in the income statement, and its share of movements in retained earnings & reserves are recognised in the Statement of Financial Position.

Detailed information relating to Council's Joint Ventures can be found at Note 19 (b).

(iv) Associates

Council has no interest in any associates.

(v) County Councils

Council is not a member of any County Councils.

(d) Leases

All Leases entered into by Council are reviewed and classified on inception date as either a Finance Lease or an Operating Lease.

Finance Leases

Leases of property, plant and equipment where the Council has substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in borrowings.

Each lease payment is allocated between the liability outstanding and the recognition of a finance charge.

The interest element of the finance charge is costed to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

Property, plant and equipment acquired under finance leases is depreciated over the shorter of each leased asset's useful life and the lease term.

Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

(e) Cash and Cash Equivalents

For Statement of Cash Flows (and Statement of Financial Position) presentation purposes, cash and cash equivalents includes;

- cash **on hand**,
- deposits held **at call** with financial institutions,
- other short-term, highly liquid investments **with original maturities of three months or less** that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and
- bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position but are incorporated into Cash & Cash Equivalents for presentation of the Cash Flow Statement.

(f) Investments and Other Financial Assets

Council (in accordance with AASB 139) classifies each of its investments into one of the following categories for measurement purposes:

- **financial assets at fair value through profit or loss**,
- **loans and receivables**,
- **held-to-maturity investments**, and
- **available-for-sale financial assets**.

Each classification depends on the purpose/intention for which the investment was acquired & at the time it was acquired.

Management determines each Investment classification at the time of initial recognition and re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets that are "held for trading".

A financial asset is classified in the "held for trading" category if it is acquired principally for the purpose of selling in the short term.

Assets in this category are primarily classified as current assets as they are primarily held for trading &/or are expected to be realised within 12 months of the balance sheet date.

(ii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They arise when the Council provides money, goods or services directly to a debtor with no intention (or in some cases ability) of selling the resulting receivable.

They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in receivables (note 7) in the statement of financial position.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

If Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

In contrast to the "Loans & Receivables" classification, these investments are generally quoted in an active market.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Investments must be designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Accordingly, this classification principally comprises marketable equity securities, but can include all types of financial assets that could otherwise be classified in one of the other investment categories.

They are generally included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date or the term to maturity from the reporting date is less than 12 months.

General Accounting & Measurement of Financial Instruments:

(i) Initial Recognition

Investments are initially recognised (and measured) at fair value, plus in the case of investments not at "fair value through profit or loss", directly attributable transactions costs

Purchases and sales of investments are recognised on trade-date - the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

(ii) Subsequent Measurement

Available-for-sale financial assets and **financial assets at fair value through profit and loss** are subsequently carried at fair value.

Loans and receivables and **held-to-maturity** investments are carried at amortised cost using the effective interest method.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets classified as "**fair value through profit or loss**" category are included in the income statement in the period in which they arise.

Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as "**available-for-sale**" are recognised in equity in the available-for-sale investments revaluation reserve.

When securities classified as "**available-for-sale**" are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

Impairment

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

(iii) Investment Policy

Council has an approved Investment Policy in order to undertake its investment of money in accordance with (and to comply with) Section 625 of the Local Government Act and S212 of the LG (General) Regulation 2005.

Investments are placed and managed in accordance with the Policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

Council maintains its investment Policy in compliance with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing Council funds.

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations. Certain investments that Council holds are no longer prescribed (eg. managed funds, CDOs, and equity linked notes), however they have been retained under grandfathering provisions of the Order. These will be disposed of when most financially advantageous to Council.

(g) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held.

If the market for a financial asset is not active (and for unlisted securities), the Council establishes fair value by using valuation techniques.

These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(h) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for impairment.

Receivables (excluding Rates & Annual Charges) are generally due for settlement no more than 30 days from the date of recognition.

The collectibility of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off in accordance with Council's policy.

A provision for impairment (ie. an allowance account) relating to receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of each receivable.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Impairment losses are recognised in the Income Statement within other expenses.

When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account.

Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

(i) Inventories

Raw Materials and Stores, Work in Progress and Finished Goods

Raw materials and stores, work in progress and finished goods in respect of business undertakings are all stated at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Costs are assigned to individual items of inventory on the basis of weighted average costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held in respect of non-business undertakings have been valued at cost subject to adjustment for loss of service potential.

Land Held for Resale/Capitalisation of Borrowing Costs

Land held for resale is stated at the lower of cost and net realisable value.

Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development.

When development is completed borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made.

Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

(j) Infrastructure, Property, Plant and Equipment (I,PP&E)

Acquisition of assets

Council's non current assets are continually revalued (over a 5 year period) in accordance with the fair valuation policy as mandated by the Office of Local Government.

At balance date, the following classes of I,PP&E were stated at their Fair Value;

- **Investment Properties** – refer Note 1(p),
- **Operational Land** (External Valuation) [Initial Valuation: 2009, Current Valuation: 2014]
- **Buildings – Specialised/Non Specialised** (External and Internal Valuation) [Initial Valuation: 2009, Current Valuation: 2014]
- **Property Plant & Equipment, Office Equipment & Furniture & Fittings.** (as approximated by depreciated historical cost)
- **Library Books** (as approximated by depreciated historical cost)
- **Roads Assets incl. roads, bridges & footpaths** (Internal Valuation) [Initial Valuation: 2010, Current Valuation: 2015]
- **Drainage Assets** (Internal Valuation) [Initial Valuation: 2010, Current Valuation: 2015]
- **Community Land** (Internal Valuation) [Initial Valuation: 2011, Current Valuation: 2012]
- **Other Structures** (Internal Valuation) [Initial Valuation: 2011, Current Valuation: 2014]
- **Other Open Space / Recreational Assets** (Internal Valuation) [Initial Valuation: 2011, Current Valuation: 2014]

Initial Recognition

On initial recognition, an assets cost is measured at its fair value, plus all expenditure that is directly attributable to the acquisition.

Where settlement of any part of an asset's cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of recognition (ie. date of exchange) of the asset to arrive at fair value.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

The discount rate used is the Council's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Where infrastructure, property, plant and equipment assets are acquired for no cost or for an amount other than cost, the assets are recognised in the financial statements at their fair value at acquisition date - being the amount that the asset could have been exchanged between knowledgeable willing parties in an arm's length transaction.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Asset Revaluations (including Indexation)

In accounting for Asset Revaluations relating to Infrastructure, Property, Plant & Equipment:

- Increases in the combined carrying amounts of asset classes arising on revaluation are credited to the asset revaluation reserve.
- To the extent that a net asset class increase reverses a decrease previously recognised via the profit or loss, then increase is first recognised in profit or loss.
- Net decreases that reverse previous increases of the same asset class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, with all other decreases charged to the Income statement.

For all assets, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date.

If any such indication exists, Council determines the asset's fair value and revalues the asset to that amount.

Full revaluations are undertaken for all assets on a 5 year cycle. The next scheduled revaluation by asset class based on this cycle is outlined in the table below. It is noted that although the schedule provides mandatory revaluation dates Council aims to revalue all asset classes on an annual basis.

Asset Class	Due
Community Land, Other Open Space / Recreational Assets, Other Structures, Swimming Pools & Land Improvements	30 June 2016
Buildings – Non Specialised & Specialised	30 June 2019
Operational Land	30 June 2019
Roads, Bridges, Footpaths & Drainage	30 June 2020

Capitalisation Thresholds

Items of infrastructure, property, plant and equipment are not capitalised unless their cost of acquisition exceeds the following;

Land

- council land	100% Capitalised
- open space	100% Capitalised
- land under roads (purchases after 30/6/08)	100% Capitalised

Plant & Equipment

Office Equipment	100% Capitalised
Office Furniture	> \$5,000
Other Plant & Equipment	> \$5,000

Buildings & Land Improvements

Building	
- construction/extensions	100% Capitalised
- renovations	> \$5,000

Other Structures	> \$5,000
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Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

Stormwater Assets

Drains & Culverts	> \$5,000
Other	> \$5,000

Other Assets

- Swimming Pools	50 years
- Library Books	6 years

Roads, Bridges & Footpaths

Construction & reconstruction	100% Capitalised
Reseal/Re-sheet & major repairs:	> \$5,000

All asset residual values and useful lives are reviewed and adjusted (if appropriate), at each reporting date.

Depreciation

Depreciation on Council's infrastructure, property, plant and equipment assets is calculated using the straight line method in order to allocate an assets cost (net of residual values) over its estimated useful life.

Land is not depreciated.

Estimated useful lives for Council's I,PP&E include:

Plant & Equipment

- Office Equipment	5 to 10 years
- Furniture & Fittings	10 to 20 years
- Vehicles	5 to 7 years
- Earthmoving Equipment	10 to 20 years
- Rural Fire Service Equipment	5 to 10 years
- Other plant and equipment	5 to 15 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount – refer Note 1(s) on Asset Impairment.

Disposal and De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Council's Income Statement in the year the asset is derecognised.

Other Equipment

- Playground equipment	10 to 15 years
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(k) Land

Land (other than Land under Roads) is in accordance with Part 2 of Chapter 6 of the Local Government Act (1993) classified as either Operational or Community.

This classification of Land is disclosed in Note 9(a).

Buildings

- Buildings	15 to 50 years
- Public Amenities	10 to 50 years

(l) Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051.

Stormwater Drainage

- Stormwater Drainage Infrastructure	75 to 100 years
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Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 – Property, Plant and Equipment.

Transportation Assets

- Roads - Infrastructure	20 to 80 years
- Bridges - Concrete	30 to 80 years
- Footpaths - Concrete	60 to 80 years
- Shared Path - Concrete	30 to 80 years

Other Infrastructure Assets

- Land Improvements	10 to 50 years
- Bulk earthworks	Infinite
- Land – Council owned	Infinite
- Land – Council controlled	Infinite

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

(m) Intangible Assets

IT Development and Software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service, direct payroll and payroll related costs of employees' time spent on the project.

Amortisation is calculated on a straight line bases over periods generally ranging from 3 to 5 years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where Council has an intention and ability to use the asset.

(n) Crown Reserves

Crown Reserves under Council's care and control are recognised as assets of the Council.

While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown Reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

Representations are currently being sought across State and Local Government to develop a consistent accounting treatment for Crown Reserves across both tiers of government.

(o) Rural Fire Service assets

Under section 119 of the Rural Fires Act 1997, "all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed".

At present, the accounting for such fire fighting equipment is not treated in a consistent manner across all Councils.

Until such time as discussions on this matter have concluded and the legislation changed, Council will continue to account for these assets as it has been doing in previous years, which is to incorporate the assets, their values and depreciation charges within these financial statements.

(p) Investment property

Investment property comprises land &/or buildings that are principally held for long-term rental yields, capital gains or both that is not occupied by Council.

Investment property is carried at fair value, representing an open-market value determined annually by external valuers.

Annual changes in the fair value of Investment Properties are recorded in the Income Statement as part of "Other Income".

Full revaluations are carried out every three years with an appropriate index utilised each year in between the full revaluations.

The last full revaluation for Council's Investment Properties was dated 30/06/2014.

(q) Provisions for close down, restoration and for environmental clean up costs – including Tips and Quarries

Close down, Restoration and Remediation costs include the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas.

Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close down and restoration costs do not include any additional obligations which are expected to arise from future disturbance.

Costs are estimated on the basis of a closure plan.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

The cost estimates are calculated annually during the life of the operation to reflect known developments, eg updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down, Restoration and Remediation costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations.

Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the income statement in each accounting period.

This amortisation of the discount is disclosed as a borrowing cost in Note 4(b).

Other movements in the provisions for Close down, Restoration and Remediation costs including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment.

These costs are then depreciated over the lives of the assets to which they relate.

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each balance sheet date and the cost is charged to the income statement.

Provision is made for the estimated present value of the costs of environmental clean up obligations outstanding at the balance sheet date. These costs are charged to the income statement.

Movements in the environmental clean up provisions are presented as an operating cost, except for the unwind of the discount which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process and

estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations.

The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates.

As a result there could be significant adjustments to the provision for close down and restoration and environmental clean up, which would affect future financial results.

Specific Information relating to Council's provisions relating to Close down, Restoration and Remediation costs can be found at Note 26.

(r) Non-Current Assets (or Disposal Groups) "Held for Sale" & Discontinued Operations

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of either **(i)** their carrying amount and **(ii)** fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles which are turned over on a regular basis. Plant and motor vehicles are retained in Non Current Assets under the classification of Infrastructure, Property, Plant and Equipment - unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

For any assets or disposal groups classified as Non-Current Assets "held for sale", an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

Non-current assets "held for sale" are not depreciated or amortised while they are classified as "held for sale".

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

Non-current assets classified as “held for sale” are presented separately from the other assets in the balance sheet.

A Discontinued Operation is a component of Council that has been disposed of or is classified as “held for sale” and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately on the face of the income statement.

(s) Impairment of assets

All Council's I,PP&E is subject to an annual assessment of impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Where an asset is not held principally for cash generating purposes (for example Infrastructure Assets) and would be replaced if the Council was deprived of it then depreciated replacement cost is used as value in use, otherwise value in use is estimated by using a discounted cash flow model.

Non-financial assets (other than goodwill) that suffered a prior period impairment are reviewed for possible reversal of the impairment at each reporting date.

Goodwill & other Intangible Assets that have an indefinite useful life and are not subject to amortisation are tested annually for impairment.

(t) Payables

These amounts represent liabilities and include goods and services provided to the Council prior to the end of financial year which are unpaid.

The amounts for goods and services are unsecured and are usually paid within 30 days of recognition.

(u) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost.

Amortisation results in any difference between the proceeds (net of transaction costs) and the redemption amount being recognised in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(v) Borrowing costs

Borrowing costs are expensed except to the extent that they are incurred during the construction of qualifying assets.

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale.

(w) Provisions

Provisions for legal claims, service warranties and other like liabilities are recognised when:

- Council has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

The increase in the provision due to the passage of time is recognised as interest expense.

(x) Employee benefits

(i) Short Term Obligations

Short term employee benefit obligations include liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick leave expected to be wholly settled within the 12 months after the reporting period.

Leave liabilities are recognised in the provision for employee benefits in respect of employees' services up to the reporting date with other short term employee benefit obligations disclosed under payables.

These provisions are measured at the amounts expected to be paid when the liabilities are settled.

All other short-term employee benefit obligations are presented as payables.

Liabilities for non vesting sick leave are recognised at the time when the leave is taken and measured at the rates paid or payable, and accordingly no Liability has been recognised in these reports.

Wages & salaries, annual leave and vesting sick leave are all classified as Current Liabilities.

(ii) Other Long Term Obligations

The liability for all long service and annual leave in respect of services provided by employees up to the reporting date (which is not expected to be wholly settled within the 12 months after the reporting period) are recognised in the provision for employee benefits.

These liabilities are measured at the present value of the expected future payments to be made using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are then discounted using market yields at the reporting date based on national government bonds with terms to maturity and currency that match as closely as possible the estimated future cash outflows.

Due to the nature of when and how Long Service Leave can be taken, all Long Service Leave for employees with 4 or more years of service has been classified as Current, as it has been deemed that Council does not have the unconditional right to defer settlement beyond 12 months – even though it is not anticipated that all employees with more than 4 years service (as at reporting date) will apply for and take their leave entitlements in the next 12 months.

(iii) Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death.

Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Defined Benefit Plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the balance sheet, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

However, when this information is not reliably available, Council can account for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans – i.e. as an expense when they become payable.

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named the “Local Government Superannuation Scheme – Pool B”

This Scheme has been deemed to be a “multi employer fund” for the purposes of AASB 119.

Sufficient information is not available to account for the Scheme as a defined benefit plan (in accordance with AASB 119) because the assets to the scheme are pooled together for all Councils.

The Local Government Superannuation Scheme has advised member Council’s that, as a result of the global financial crisis, it has a deficiency of assets over liabilities. The position has been monitored during the reporting period and the Actuary has estimated that at 30 June 2015 a deficit still exists.

As a result, Local Government Superannuation have asked for higher contributions to recover that deficiency.

Council’s share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils.

For this reason, no liability for the deficiency has been recognised in these financial statements.

Council has, however, disclosed a contingent liability in Note 18 to reflect the possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

Defined Contribution Plans

Contributions to Defined Contribution Plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Employee Benefit On-Costs

Council has recognised at year end the aggregate on-cost liabilities arising from employee benefits, and in particular those on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include Superannuation and Workers Compensation expenses which will be payable upon the future payment of certain Leave Liabilities accrued as at 30/06/15.

(y) Self insurance

Council has determined to self-insure for various risks including public liability and professional indemnity.

A provision for self-insurance has been made to recognise outstanding claims the amount of which is detailed in Note10.

Council also maintains cash and investments to meet expected future claims and these are detailed in Note 6(c).

(z) Allocation between current and non-current assets & liabilities

In the determination of whether an asset or liability is classified as current or non-current, consideration is given to the time when each asset or liability is expected to be settled.

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council’s operational cycle.

Exceptions

In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months (such as vested long service leave), the

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

liability is classified as current even if not expected to be settled within the next 12 months.

In the case of inventories that are "held for trading", these are also classified as current even if not expected to be realised in the next 12 months.

(aa) Taxes

The Council is exempt from both Commonwealth Income Tax and Capital Gains Tax.

Council does however have to comply with both Fringe Benefits Tax and Goods and Services Tax (GST).

Goods & Services Tax (GST)

Income, expenses and assets are all recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue / expense.

Receivables and payables within the Balance Sheet are stated inclusive of any applicable GST.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability in the Balance Sheet.

Operating cash flows within the Cash Flow Statement are on a gross basis, ie. they are inclusive of GST where applicable.

Investing and Financing cash flows are treated on a net basis (where recoverable from the ATO), ie. they are exclusive of GST. Instead, the GST component of investing and financing activity cash flows which are recoverable from or payable to the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from (or payable to) the ATO.

(ab) New accounting standards and interpretations

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2015.

Council has not adopted any of these standards early.

Council's assessment of the impact of these new standards and interpretations is set out below.

Apart from the AASB disclosures below, there are no other standards that are "not yet effective" which are expected to have a material impact on Council in the current or future reporting periods and on foreseeable future transactions.

Applicable to Local Government:

AASB 9 - Financial Instruments (and associated amending standards)

AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement and has an effective date for reporting periods beginning on or after 1 January 2018 (and must be applied retrospectively).

The overriding impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets.

Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories:

- fair value and
- amortised cost (where financial assets will only be able to be measured at amortised cost where very specific conditions are met).

AASB 15 - Revenue from contracts with customers and associated amending standards

AASB 15 will introduce a five step process for revenue recognition with the core principle of the new Standard being that entities recognise revenue so as to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 1. Summary of Significant Accounting Policies

The changes in revenue recognition requirements in AASB 15 may cause changes to accounting policies relating to the timing and amount of revenue recorded in the financial statements as well as additional disclosures.

The full impact of AASB 15 has not yet been ascertained or quantified.

AASB 15 will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts.

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2017.

AASB 124 - Related Party Disclosures

From 1 July 2016, AASB 124 Related Party Disclosures will apply to Council.

This means that Council will be required to disclose information about related parties and Council transactions with those related parties.

Related parties will more than likely include the Mayor, Councillors and certain Council staff. In addition, the close family members of those people and any organisations that they control or are associated with will be classified as related parties (and fall under the related party reporting requirements).

AASB 2014 - 10 Sale or contribution of Assets between an Investor and its Associate or Joint Venture

The amendments address an acknowledged inconsistency between the requirements in AASB 10 and those in AASB 128 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not).

A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2016.

This standard will only impact Council where there has been a sale or contribution of assets between the entity and the associate/joint venture.

Not applicable to Local Government per se;

None

(ac) Rounding of amounts

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

(ad) Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(ae) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 2(a). Council Functions / Activities - Financial Information

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 2(b).												
	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants included in Income from Continuing Operations		Total Assets held (Current & Non-current)	
	Original Budget 2015	Actual 2015	Actual 2014	Original Budget 2015	Actual 2015	Actual 2014	Original Budget 2015	Actual 2015	Actual 2014	Actual 2015	Actual 2014	Actual 2015	Actual 2014
Planning and Engagement	8,989	14,927	10,100	24,240	22,035	19,249	(15,251)	(7,108)	(9,149)	521	248	257,630	255,163
Environment	45,935	45,843	45,885	60,707	57,255	54,698	(14,772)	(11,412)	(8,813)	1,925	2,630	343,524	355,677
Transport Services/Infrastructure	27,081	9,675	16,967	39,103	42,361	44,965	(12,022)	(32,686)	(27,998)	7,271	12,994	366,169	308,927
Community Services/Facilities	7,572	8,752	8,523	32,099	29,788	32,561	(24,527)	(21,036)	(24,038)	4,575	4,478	30,747	30,806
Recreation and Open Space	9,742	10,468	10,332	43,104	41,945	42,954	(33,362)	(31,477)	(32,622)	88	16	85,287	84,035
Regulatory Services and Safety	7,049	8,001	7,416	16,856	16,764	16,368	(9,807)	(8,763)	(8,952)	529	542	1,732	1,733
Governance & Internal Services	10,475	17,109	10,249	34,983	31,476	32,965	(24,508)	(14,367)	(22,716)	1,136	1,122	1,347,342	1,326,343
Contributed Assets	-	1,909	8,167	-	-	-	-	1,909	8,167	-	-	-	-
Total Functions & Activities	116,843	116,684	117,639	251,092	241,624	243,760	(134,249)	(124,940)	(126,121)	16,045	22,030	2,432,431	2,362,684
Share of gains/(losses) in Associates & Joint Ventures (using the Equity Method)	-	-	198	-	22	-	-	(22)	198	-	-	1,160	1,181
General Purpose Income ¹	157,514	156,555	138,034	-	-	-	157,514	156,555	138,034	19,142	10,222	-	-
Operating Result from Continuing Operations	274,357	273,239	255,871	251,092	241,646	243,760	23,265	31,593	12,111	35,187	32,252	2,433,591	2,363,865

1. Includes: Rates & Annual Charges (incl. Ex-Gratia), Untied General Purpose Grants & Unrestricted Interest & Investment Income.

2. Amount for joint ventures will be included when available.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 2(b). Council Functions / Activities - Component Descriptions

Details relating to the Council's functions / activities as reported in Note 2(a) are as follows:

Planning and Engagement

Infrastructure Planning and Support, City Centre Management, Land Use Planning, Public Relations, Economic Development, Strategy and Planning

Environment

Waste Management, Stormwater Services, Natural Area Management, Environmental Planning and Programs

Transport Services/Infrastructure

Transport Services and Infrastructure works

Community Services/Facilities

Libraries, Cultural Services, Community Facilities, Age and Disability Services, Crematorium and Cemeteries, Community Programs, Youth Services

Recreation and Open Space

Parks and Sports fields, Aquatic Services, Tourist Parks, Leisure Centres, Botanic Gardens

Regulatory Services and Safety

Emergency Management, Development Assessment, Regulatory Control, Public Health

Governance & Internal Services

Governance and Administration, Human Resources, Financial Services, Customer Service, Property Services, Information Technology, Internal Services

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 3. Income from Continuing Operations

\$ '000	Notes	Actual 2015	Actual 2014
(a) Rates & Annual Charges			
Ordinary Rates			
Business		41,020	38,376
Farmland		422	432
Mining		945	904
Residential		90,623	83,798
Abandonments ⁽¹⁾		(32)	(506)
Total Ordinary Rates		132,978	123,004
Special Rates			
City Centre		402	371
Mall		968	946
Total Special Rates		1,370	1,317
Annual Charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic Waste Management Services		30,753	29,469
Stormwater Management Services		1,750	1,736
Abandonments - Annual Charges ⁽¹⁾		(2)	(17)
Total Annual Charges		32,501	31,188
TOTAL RATES & ANNUAL CHARGES		166,849	155,509

Council has used 2013 year valuations provided by the NSW Valuer General in calculating its rates.

(1) Abandonments refer to amounts owed to Council that have been written off due to the property being exempted of rates, pensioner interest being waived, voluntary Council rebates, postponed rates and voluntary conservation agreements as per the OLG Rating and Revenue Raising Manual 2007.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2015	Actual 2014
(b) User Charges & Fees			
Specific User Charges (per s.502 - Specific "actual use" charges)			
Waste Management Services (non-domestic)		10,993	11,348
Total User Charges		10,993	11,348
Other User Charges & Fees			
(i) Fees & Charges - Statutory & Regulatory Functions (per s.608)			
Contestable Building Services		297	407
Inspection Services		536	465
Planning & Building Regulation		2,687	2,252
Registration Fees		230	209
Section 149 Certificates (EPA Act)		611	608
Section 603 Certificates (Rating Certificate)		323	300
Section 611 Charges (Occupation of Land)		168	159
Other		29	17
Total Fees & Charges - Statutory/Regulatory		4,881	4,417
(ii) Fees & Charges - Other (incl. General User Charges) (per s.608)			
Additional Waste Services		75	149
Aquatic Services		546	541
Art Gallery		12	15
Botanic Garden & Nursery		219	202
Car Parking		785	761
Credit Card Payment Processing Fee		156	142
Crematorium & Cemeteries		2,535	2,384
Health Inspections		265	237
Hire Charges		537	505
Leaseback Fees - Council Vehicles		726	669
Leisure Centre		2,963	3,030
Library		55	47
Marketing		33	16
Outdoor Dining		86	48
Parking Meters		1,360	1,389
Parks & Sportfields		431	350
Pre-lodgement Meeting Fees		80	49
Road Opening Permits		242	172
Tourist Parks		5,684	5,576
Tree Management Requests		93	107
Other		94	96
Total Fees & Charges - Other		16,977	16,485
TOTAL USER CHARGES & FEES		32,851	32,250

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2015	Actual 2014
(c) Interest & Investment Revenue (incl. losses)			
Interest & Dividends			
- Interest on Overdue Rates & Annual Charges (incl. Special Purpose Rates)		608	633
- Interest earned on Investments (interest & coupon payment income)		4,743	4,912
Fair Value Adjustments			
- Fair Valuation movements in Investments (at FV or Held for Trading)		331	386
Amortisation of Premiums & Discounts			
- Interest Free (& Interest Reduced) Loans provided		7	6
TOTAL INTEREST & INVESTMENT REVENUE		<u>5,689</u>	<u>5,937</u>
Interest Revenue is attributable to:			
Unrestricted Investments/Financial Assets:			
Overdue Rates & Annual Charges (General Fund)		608	633
General Council Cash & Investments		3,827	4,175
Restricted Investments/Funds - External:			
Development Contributions			
- Section 94		619	560
Unexpended Infrastructure Loan		287	478
Other Externally Restricted Assets		348	91
Total Interest & Investment Revenue Recognised		<u>5,689</u>	<u>5,937</u>
(d) Other Revenues			
Diesel Rebate		167	168
Fines		767	847
Fines - Parking		2,368	2,123
Insurance Claim Recoveries		480	682
Legal Fees Recovery - Rates & Charges (Extra Charges)		216	329
Legal Settlements		1,843	61
Outgoings Reimbursements		114	143
Reimbursements		141	53
Rental Income - Investment Properties	14	406	416
Rental Income - Other Council Properties		4,353	3,770
Sales - General		402	423
Sponsorship & Promotional Income		57	257
Other		651	881
TOTAL OTHER REVENUE		<u>11,965</u>	<u>10,153</u>

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 3. Income from Continuing Operations (continued)

\$ '000	2015 Operating	2014 Operating	2015 Capital	2014 Capital
(e) Grants				
General Purpose (Untied)				
Financial Assistance	17,485	8,542	-	-
Pensioners' Rates Subsidies - General Component	1,657	1,680	-	-
Total General Purpose	19,142	10,222	-	-
¹ The Financial Assistance Grant for the comparative 13/14 year reflects a one off timing difference (reduction). This grant ceased being paid in advance in the 13/14 year by up to 50% as had occurred in previous years.				
Specific Purpose				
Arts & Culture	73	65	-	-
Building Better Regional Cities Program	-	-	-	7,924
Buildings	-	-	62	258
Community Development & Support	326	413	-	-
Emergency Services	484	486	-	-
Environmental Management & Enhancement	91	65	-	-
Environmental Protection	54	159	-	-
Floodplain & Stormwater Management	23	-	-	-
Footpaths & Cycleways	-	-	1,275	3,354
HACC Community Transport	2,413	2,161	-	-
Healthy Communities	-	136	-	-
Heritage & Cultural	9	6	-	-
Illawarra Dementia Respite Service	429	409	-	-
Information Technology	-	-	85	290
Infrastructure Renewal	456	-	-	-
Library	465	461	-	-
LIRS Subsidy	979	821	-	-
Local Bus Route Subsidy	82	70	-	-
Natural Area Management	208	117	-	-
Pensioners' Rates Subsidies:				
- Domestic Waste Management	552	546	-	-
People & Learning	66	12	-	-
Playgrounds	-	-	25	-
Recreation & Culture	63	-	-	-
Strategic City Planning	42	108	-	-
Street Lighting	645	460	-	-
Transport (Roads to Recovery)	-	-	679	373
Transport (Other Roads & Bridges Funding)	-	-	4,544	778
Voluntary Purchase Scheme	-	-	615	1,071
Waste Performance Improvement	433	653	-	-
Wollongong Multi Service Outlet	867	834	-	-
Total Specific Purpose	8,760	7,982	7,285	14,048
Total Grants	27,902	18,204	7,285	14,048
Grant Revenue is attributable to:				
- Commonwealth Funding	20,994	13,224	749	11,073
- State Funding	6,908	4,980	6,536	2,975
	27,902	18,204	7,285	14,048

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 3. Income from Continuing Operations (continued)

\$ '000	2015 Operating	2014 Operating	2015 Capital	2014 Capital
(f) Contributions				
Developer Contributions:				
(s93 & s94 - EP&A Act, s64 of the LGA):				
S 94A - Fixed Development Consent Levies	-	-	8,512	2,500
S 94 West Dapto	-	-	3,021	5,041
Total Developer Contributions	-	-	11,533	7,541
Other Contributions:				
Animal Control	14	-	-	-
Community Development & Support	90	40	-	-
Community Services & Facilities	575	678	-	-
Contributed Bushfire Assets	-	-	-	590
Dedications (other than by S94)	-	-	1,906	7,577
Footpaths & Cycleways	2	-	-	29
Heritage/Cultural	-	-	-	22
Parks, Gardens and Sportsfields	46	89	270	252
Pollution Minimisation	37	-	-	-
Roads & Bridges	27	42	1,039	1,302
RMS Contributions (Regional Roads, Block Grant)	1,459	1,410	-	-
Rural Fire Service Operations	149	-	-	-
Strategic City Planning	17	-	-	-
Surf Life Saving NSW	1	-	-	-
Total Other Contributions	2,417	2,259	3,215	9,772
Total Contributions	2,417	2,259	14,748	17,313
TOTAL GRANTS & CONTRIBUTIONS	30,319	20,463	22,033	31,361

(g) Restrictions relating to Grants and Contributions

Certain grants & contributions are obtained by Council on condition that they be spent in a specified manner:	2015	2014
Unexpended at the Close of the Previous Reporting Period	25,568	22,906
add: Grants & contributions recognised in the current period but not yet spent:	13,584	16,489
less: Grants & contributions recognised in a previous reporting period now spent:	(19,063)	(13,827)
Net Increase (Decrease) in Restricted Assets during the Period	(5,479)	2,662
Unexpended and held as Restricted Assets	20,089	25,568
Comprising:		
- Specific Purpose Unexpended Grants	4,855	11,401
- Developer Contributions	15,094	13,953
- Other Contributions	140	214
	20,089	25,568

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 4. Expenses from Continuing Operations

\$ '000	Notes	Actual 2015	Actual 2014
(a) Employee Benefits & On-Costs			
Employee Leave Entitlements (ELE)		13,728	12,928
Fringe Benefit Tax (FBT)		213	202
Payroll Tax		35	38
Protective Clothing		280	271
Salaries and Wages		82,120	80,601
Superannuation		10,421	10,062
Training Costs (other than Salaries & Wages)		668	728
Workers' Compensation Insurance		33	48
Workers Compensation Provision		(2,159)	(28)
Workers Compensation - Self Insurance		2,024	1,942
Other		555	453
Total Employee Costs		107,918	107,245
less: Capitalised Costs		(12,519)	(11,453)
TOTAL EMPLOYEE COSTS EXPENSED		95,399	95,792
Number of "Equivalent Full Time" Employees at year end		1,009	1,008
(b) Borrowing Costs			
(i) Interest Bearing Liability Costs			
Interest on Loans		1,311	1,104
Total Interest Bearing Liability Costs Expensed		1,311	1,104
(ii) Other Borrowing Costs			
Amortisation of Discount on Interest Free (& favourable) Loans to Council		1,004	1,127
Discount adjustments relating to movements in Provisions (other than ELE)			
- Remediation Liabilities	26	1,722	1,758
Total Other Borrowing Costs		2,726	2,885
TOTAL BORROWING COSTS EXPENSED		4,037	3,989

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2015	Actual 2014
(c) Materials & Contracts			
Auditors Remuneration ⁽¹⁾		105	111
Contractor & Consultancy Costs		93,579	93,280
- Internal Audit		145	145
Legal Expenses:			
- Legal Expenses: Planning & Development		27	94
- Legal Expenses: Other		1,079	733
Operating Leases:			
- Operating Lease Rentals: Minimum Lease Payments ⁽²⁾		100	129
Raw Materials & Consumables		15,780	15,349
Total Materials & Contracts		110,815	109,841
less: Capitalised Costs		(65,168)	(67,156)
TOTAL MATERIALS & CONTRACTS		45,647	42,685

1. Auditor Remuneration

During the year, the following fees were incurred for services provided by the Council's Auditor (& the Auditors of other Consolidated Entities):

Audit and Other Assurance Services

Audit & review of financial statements: Council's Auditor (external)	105	111
Remuneration for audit and other assurance services	105	111
Total Auditor Remuneration	105	111

2. Operating Lease Payments are attributable to:

Other	100	129
	100	129

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Impairment Costs		Depreciation/Amortisation	
		Actual 2015	Actual 2014	Actual 2015	Actual 2014
Asset Reinstatement Costs	9 & 26	-	-	220	220
Buildings - Non Specialised		-	-	6,068	6,653
Buildings - Specialised		-	-	6,396	6,980
Furniture & Fittings		-	-	145	193
Infrastructure:					
- Roads		-	-	20,994	21,682
- Bridges		-	-	1,635	1,252
- Footpaths		-	-	3,709	3,027
- Stormwater Drainage		-	-	9,436	8,906
- Swimming Pools		-	-	597	604
- Other Open Space/Recreational Assets		-	-	3,303	3,328
Intangible Assets	25	-	-	327	274
Office Equipment		-	-	1,421	1,449
Other Structures		-	-	585	651
Plant and Equipment		-	-	4,119	4,129
Other Assets					
- Library Books		-	-	1,031	1,040
- Other		-	-	777	815
TOTAL DEPRECIATION & IMPAIRMENT COSTS EXPENSED		-	-	60,763	61,203

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2015	Actual 2014
(e) Other Expenses			
Advertising		314	356
Bad & Doubtful Debts		(16)	38
Bank Charges		447	403
Carbon Tax Expense		140	2,164
Contributions/Levies to Other Levels of Government			
- Emergency Services Levy (includes FRNSW, SES, and RFS Levies)		295	273
- NSW Fire Brigade Levy		2,552	2,558
- NSW Rural Fire Service Levy		310	476
- Waste & Environment Levy		14,662	12,091
Council Rates		311	322
Councillor Expenses - Mayoral Fee		78	76
Councillor Expenses - Councillors' Fees		380	366
Councillors' Expenses (incl. Mayor) - Other (excluding fees above)		6	5
Donations, Contributions & Assistance to other organisations (Section 356)			
- City Centre Management		724	624
- Crown St Façade Rejuvenation		424	-
- Illawarra Institute of Sport		35	35
- Illawarra Performing Arts Centre		646	635
- Sponsorship Fund		59	79
- Illawarra Regional Information Service		86	83
- Illawarra Surf Life Saving		52	52
- Neighbourhood Youth Program		199	228
- Southern Councils Group		74	67
- Tourism		960	938
- Other		639	715
Insurance		3,217	2,606
Light, Electricity & Heating		2,114	2,415
Membership Fees		174	131
Postage		331	309
Provision for Self Insurance Claims		180	70
Rental Agreements		245	248
Revaluation Decrements (Fair Valuation of Investment Properties)	14	-	975
Sewerage Charges		230	296
Street Lighting		3,145	3,428
Telephone & Communications		740	803
Valuation Fees		396	402
Volunteer Reimbursements		213	224
Water Rates		868	929
Other		1,340	937
Total Other Expenses		36,569	36,357
less: Capitalised Costs		(792)	(511)
TOTAL OTHER EXPENSES		35,777	35,846

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 5. Gains or Losses from the Disposal of Assets

\$ '000	Notes	Actual 2015	Actual 2014
Property (excl. Investment Property)			
Proceeds from Disposal - Property		9,535	1,773
less: Carrying Amount of Property Assets Sold / Written Off		(4,297)	(3,182)
Net Gain/(Loss) on Disposal		5,238	(1,409)
Plant & Equipment			
Proceeds from Disposal - Plant & Equipment		1,490	1,446
less: Carrying Amount of P&E Assets Sold / Written Off		(1,069)	(1,187)
Net Gain/(Loss) on Disposal		421	259
Infrastructure			
Proceeds from Disposal - Infrastructure		-	-
less: Carrying Amount of Infrastructure Assets Sold / Written Off		(1,971)	(3,095)
Net Gain/(Loss) on Disposal		(1,971)	(3,095)
Financial Assets			
Proceeds from Disposal / Redemptions / Maturities - Financial Assets		57,074	14,088
less: Carrying Amount of Financial Assets Sold / Redeemed / Matured		(57,074)	(14,088)
Net Gain/(Loss) on Disposal		-	-
Non Current Assets Classified as "Held for Sale"			
Proceeds from Disposal - Non Current Assets "Held for Sale"		1,545	-
less: Carrying Amount of 'Held for Sale' Assets Sold / Written Off		(1,700)	-
Net Gain/(Loss) on Disposal		(155)	-
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		3,533	(4,245)

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 6a. - Cash Assets and Note 6b. - Investments

\$ '000	Notes	2015	2015	2014	2014
		Actual Current	Actual Non Current	Actual Current	Actual Non Current
Cash & Cash Equivalents (Note 6a)					
Cash on Hand and at Bank		1,175	-	3,003	-
Cash-Equivalent Assets ¹					
- Deposits at Call		32,405	-	30,296	-
Total Cash & Cash Equivalents		33,580	-	33,299	-
Investments (Note 6b)					
- Managed Funds		1,719	-	1,526	-
- Long Term Deposits		91,030	9,000	56,030	21,000
- NCD's, FRN's (with Maturities > 3 months)		4,013	-	1,019	-
- Mortgage Backed Securities		1,736	-	1,765	-
- Other Long Term Financial Assets		3,578	-	3,332	-
Total Investments		102,076	9,000	63,672	21,000
TOTAL CASH ASSETS, CASH EQUIVALENTS & INVESTMENTS		135,656	9,000	96,971	21,000

¹ Those Investments where time to maturity (from date of purchase) is < 3 mths.

Cash, Cash Equivalents & Investments were classified at year end in accordance with AASB 139 as follows:

Cash & Cash Equivalents					
a. "At Fair Value through the Profit & Loss"		33,580	-	33,299	-
Investments					
a. "At Fair Value through the Profit & Loss"					
- "Held for Trading"	6(b-i)	11,046	-	7,642	-
b. "Held to Maturity"	6(b-ii)	91,030	9,000	56,030	21,000
Investments		102,076	9,000	63,672	21,000

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of investments held.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 6b. Investments (continued)

\$ '000	2015	2015	2014	2014
	Actual Current	Actual Non Current	Actual Current	Actual Non Current

Note 6(b-i)**Reconciliation of Investments classified as "At Fair Value through the Profit & Loss"**

Balance at the Beginning of the Year	7,642	-	7,294	-
Revaluations (through the Income Statement)	331	-	386	-
Additions	3,147	-	50	-
Disposals (sales & redemptions)	(74)	-	(88)	-
Balance at End of Year	11,046	-	7,642	-

Comprising:

- Managed Funds	1,719	-	1,526	-
- NCD's, FRN's (with Maturities > 3 months)	4,013	-	1,019	-
- Mortgage Backed Securities	1,736	-	1,765	-
- Other Long Term Financial Assets	3,578	-	3,332	-
Total	11,046	-	7,642	-

Note 6(b-ii)**Reconciliation of Investments classified as "Held to Maturity"**

Balance at the Beginning of the Year	56,030	21,000	-	10,000
Additions	76,000	4,000	60,030	21,000
Disposals (sales & redemptions)	(57,000)	-	(14,000)	-
Transfers between Current/Non Current	16,000	(16,000)	10,000	(10,000)
Balance at End of Year	91,030	9,000	56,030	21,000

Comprising:

- Other Long Term Financial Deposits	91,030	9,000	56,030	21,000
Total	91,030	9,000	56,030	21,000

Note 6(b-iii)**Reconciliation of Investments classified as "Loans & Receivables"**

Nil

Note 6(b-iv)**Reconciliation of Investments classified as "Available for Sale"**

Nil

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 6c. Restricted Cash, Cash Equivalents & Investments - Details

\$ '000	2015	2015	2014	2014
	Actual Current	Actual Non Current	Actual Current	Actual Non Current
Total Cash, Cash Equivalents and Investments	135,656	9,000	96,971	21,000
attributable to:				
External Restrictions (refer below)	68,693	9,000	46,436	21,000
Internal Restrictions (refer below)	41,960	-	22,506	-
Unrestricted	25,003	-	28,029	-
	135,656	9,000	96,971	21,000

2015 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
-----------------	--------------------	------------------------------	--------------------------------	--------------------

Details of Restrictions

External Restrictions - Included in Liabilities

Nil

External Restrictions - Other

Developer Contributions - General (A)	13,953	12,152	(11,011)	15,094
RMS (formerly RTA) Contributions (B)	214	3,252	(3,326)	140
Specific Purpose Unexpended Grants (C)	11,401	11,202	(17,748)	4,855
Domestic Waste Management (D)	8,081	2,661	(45)	10,697
Stormwater Management (D)	441	1,749	(1,819)	371
Private Contributions	3,342	2,357	(878)	4,821
Unexpended Loan (E)	8,473	287	(1,740)	7,020
Special Rates Levy - Wollongong Mall	240	999	(1,038)	201
Special Rates Levy - City Centre	8	372	(376)	4
Carbon Price	4,458	184	(264)	4,378
Local Infrastructure Renewal Scheme Round 1 (F)	13,361	-	(6,756)	6,605
Local Infrastructure Renewal Scheme Round 2 (F)	3,464	-	(773)	2,691
Local Infrastructure Renewal Scheme Round 3 (F)	-	15,000	-	15,000
West Dapto Home Deposit Assistance Program	-	5,816	-	5,816
External Restrictions - Other	67,436	56,031	(45,774)	77,693
Total External Restrictions	67,436	56,031	(45,774)	77,693

A Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).

B RMS Contributions which are not yet expended for the provision of services and amenities in accordance with those contributions.

C Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1)

D Domestic Waste Management (DWM) & other Special Rates/Levies/Charges are externally restricted assets and must be applied for the purposes for which they were raised.

E State Government interest free loan to be administered on infrastructure as part of the West Dapto development.

F State Government subsidised loans to be administered on infrastructure projects over the local government area.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 6c. Restricted Cash, Cash Equivalents & Investments - Details (continued)

G Following repeal of the carbon price, future year carbon price liabilities associated with waste deposited during 2012-13 and 2013-14 were extinguished. In negotiation with ACCC and the Federal Government a Voluntary Waste Industry Protocol is being developed that looks likely to require early charges collected by Council to be acquitted by way of refund to customers in some circumstances, or by investing in abatement projects, or by purchasing carbon abatement credits and voluntarily transferring them to the Government. All carbon charges collected by Council in anticipation of future liabilities will remain as a Restricted Asset until they are acquitted.

2015 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
Internal Restrictions				
Car Parking Strategy	203	510	(460)	253
Darcy Wentworth Park	131	33	-	164
Future Projects	5,200	6,008	-	11,208
MacCabe Park Development Property	541	150	-	691
Sports Priority Program	1,483	2,638	-	4,121
Telecommunications Reserve	777	279	(541)	515
Waste Disposal Facility	87	35	(4)	118
West Dapto Development	13,774	3,464	(7,705)	9,533
Property Investment Fund	310	450	(678)	82
Southern Phone Natural Areas	-	7,845	-	7,845
Future Programs	-	519	(30)	489
	-	6,941	-	6,941
Total Internal Restrictions	22,506	28,872	(9,418)	41,960
TOTAL RESTRICTIONS	89,942	84,903	(55,192)	119,653

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 7. Receivables

\$ '000	Notes	2015		2014	
		Current	Non Current	Current	Non Current
Purpose					
Rates & Annual Charges		8,256	-	7,969	-
Interest & Extra Charges		1,455	-	1,444	-
User Charges & Fees		5,044	-	3,465	-
Accrued Revenues					
- Interest on Investments		1,612	-	2,061	-
- Other Income Accruals		2,186	-	1,983	-
Government Grants & Subsidies		2,791	-	4,557	-
Deferred Debtors		-	-	3	-
Net GST Receivable		1,311	-	2,692	-
Total		22,655	-	24,174	-
less: Provision for Impairment					
User Charges & Fees		(546)	-	(366)	-
Total Provision for Impairment - Receivables		(546)	-	(366)	-
TOTAL NET RECEIVABLES		22,109	-	23,808	-
Externally Restricted Receivables					
Nil					
Internally Restricted Receivables					
Nil					
Unrestricted Receivables		22,109	-	23,808	-
TOTAL NET RECEIVABLES		22,109	-	23,808	-

Notes on Debtors above:

- (i) Rates & Annual Charges Outstanding are secured against the property.
- (ii) Doubtful Rates Debtors are provided for where the value of the property is less than the debt outstanding.
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates & charges at 8.50% (2014 9.00%).
Generally all other receivables are non interest bearing.
- (iv) Please refer to Note 15 for issues concerning Credit Risk and Fair Value disclosures.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 8. Inventories & Other Assets

\$ '000	Notes	2015		2014	
		Current	Non Current	Current	Non Current
Inventories					
Real Estate for resale (refer below)		5,734	-	5,734	-
Stores & Materials		306	-	303	-
Total Inventories		6,040	-	6,037	-
Other Assets					
Prepayments		4,313	-	1,646	-
Total Other Assets		4,313	-	1,646	-
TOTAL INVENTORIES / OTHER ASSETS		10,353	-	7,683	-

Externally Restricted Assets

There are no restrictions applicable to the above assets.

Other Disclosures**(a) Details for Real Estate Development**

Residential		5,734	-	5,734	-
Total Real Estate for Resale		5,734	-	5,734	-

(Valued at the lower of cost and net realisable value)

Represented by:

Acquisition Costs		5,734	-	5,734	-
Total Costs		5,734	-	5,734	-
Total Real Estate for Resale		5,734	-	5,734	-

Movements:

Real Estate assets at beginning of the year		5,734	-	8,611	-
- Transfers in from (out to) Note 9		-	-	(2,877)	-
Total Real Estate for Resale		5,734	-	5,734	-

(b) Current Assets not anticipated to be settled within the next 12 months

The following Inventories & Other Assets, even though classified as current are not expected to be recovered in the next 12 months;

	2015	2014
Real Estate for Resale	5,734	5,734
	5,734	5,734

(c) Inventories recognised as an expense for the year included:

- Stores & Materials	1,300	1,361
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Refer to Note 27 - Fair Value Measurement for information regarding the fair value of other assets held.

Wollongong City Council

Notes to the Financial Statements
for the financial year ended 30 June 2015

Note 9a. Infrastructure, Property, Plant & Equipment

\$ '000	as at 30/6/2014					Asset Movements during the Reporting Period									as at 30/6/2015				
	At	At	Accumulated	Carrying	Asset Additions	WDV of Asset Disposals	Depreciation Expense	Impairment Reversal (via Equity)	WIP Transfers	Adjustments & Transfers	Other Movements Change of Life	Revaluation Decrements to Equity (ARR)	Revaluation Increments to Equity (ARR)	At	At	Accumulated	Carrying		
	Cost	Fair Value	Dep'n	Impairment										Value	Cost	Fair Value	Dep'n	Impairment	Value
Capital Work in Progress	47,266	-	-	-	47,266	26,495	-	-	-	(36,950)	-	-	-	-	36,811	-	-	-	36,811
Plant & Equipment	-	37,192	17,005	-	20,187	4,588	(1,065)	(4,119)	-	193	12	211	-	-	-	37,403	17,396	-	20,007
Office Equipment	-	7,452	3,934	-	3,518	258	-	(1,421)	-	-	-	-	-	-	-	7,036	4,681	-	2,355
Furniture & Fittings	-	1,746	962	-	784	158	(4)	(145)	-	-	6	-	-	-	-	1,513	714	-	799
Land:																			
- Operational Land	-	181,197	-	-	181,197	194	(4,206)	-	-	-	-	-	-	-	-	177,185	-	-	177,185
- Community Land	-	373,121	-	-	373,121	1,218	-	-	-	-	-	-	-	-	-	374,339	-	-	374,339
- Land under Roads (post 30/6/08)	-	26,114	-	-	26,114	675	-	-	-	-	-	-	-	-	-	26,789	-	-	26,789
Land Improvements - non depreciable	-	67,046	-	-	67,046	-	-	-	-	-	(67,046)	-	-	-	-	-	-	-	-
Buildings - Non Specialised	-	198,040	106,727	-	91,313	2,940	(7)	(6,068)	-	186	749	-	-	-	-	201,132	112,019	-	89,113
Buildings - Specialised	-	306,038	186,855	381	118,802	1,963	(39)	(6,396)	-	1,015	(3,147)	-	-	4	-	304,043	191,464	377	112,202
Other Structures	-	22,920	14,616	-	8,304	168	(45)	(585)	-	-	(1,600)	-	-	-	-	14,061	7,819	-	6,242
Infrastructure:																			
- Roads	-	1,307,011	774,463	937	531,611	8,585	(1,109)	(20,994)	937	6,209	974	(105)	-	5,094	-	1,330,838	799,636	-	531,202
- Bridges	-	107,296	43,714	-	63,582	1,188	-	(1,635)	-	86	12,989	(21)	-	2,116	-	124,977	46,672	-	78,305
- Footpaths	-	235,751	135,684	-	100,067	10,182	(490)	(3,709)	-	15,486	465	(832)	(833)	-	-	255,062	134,726	-	120,336
- Stormwater Drainage	-	862,601	351,613	-	510,988	5,770	(248)	(9,436)	-	663	2,774	6	(2,342)	-	-	872,896	364,721	-	508,175
- Swimming Pools	-	30,718	24,534	-	6,184	69	-	(597)	-	-	(392)	-	-	-	-	30,385	25,121	-	5,264
- Other Open Space/Recreational Assets	-	78,271	47,762	-	30,509	11,396	(124)	(3,303)	-	132	61,844	2,422	-	-	-	152,579	49,703	-	102,876
Other Assets:																			
- Heritage Collections	-	12,088	-	-	12,088	138	-	-	-	-	(265)	-	-	-	-	11,961	-	-	11,961
- Library Books	-	6,723	3,031	-	3,692	1,203	-	(1,031)	-	-	-	-	-	-	-	6,832	2,968	-	3,864
- Other	-	-	-	-	-	9,567	-	(777)	-	12,980	10,499	-	-	-	-	41,342	9,073	-	32,269
Reinstatement, Rehabilitation & Restoration Assets (refer Note 26):																			
- Tip Assets	-	19,738	8,269	-	11,469	-	-	(220)	-	-	-	-	-	-	-	19,738	8,489	-	11,249
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIP.	47,266	3,881,063	1,719,169	1,318	2,207,842	86,755	(7,337)	(60,436)	937	-	17,862	1,681	(3,175)	7,214	36,811	3,990,111	1,775,202	377	2,251,343

Asset Additions include Asset Renewals (\$59,357) and New Assets (\$27,398).

Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of other Infrastructure, Property, Plant & Equipment.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 9b. Externally Restricted Infrastructure, Property, Plant & Equipment

\$ '000

Council has no Externally Restricted Infrastructure, Property, Plant & Equipment.

Note 9c. Infrastructure, Property, Plant & Equipment - Current Year Impairments

	Notes	2015	2014
Council has reversed prior period losses relating to the previous impairment of Mt.Keira Road and RFS Bush Fire			
Reversals of Impairment Losses previously recognised direct to Equity (ARR):			
RFS Bushfire Control Centre		5	-
Mount Keira Road		937	-
Total Impairment Reversals		942	-
IMPAIRMENT of ASSETS - DIRECT to EQUITY (ARR)	20 (ii)	942	-

Council has repaired these assets and they are now in use.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 10a. Payables, Borrowings & Provisions

\$ '000	Notes	2015		2014	
		Current	Non Current	Current	Non Current
Payables					
Goods & Services - operating expenditure		7,325	-	8,645	-
Goods & Services - capital expenditure		10,542	-	10,149	-
Payments Received In Advance		2,872	-	2,273	-
Accrued Expenses:					
- Other Expenditure Accruals		5,374	-	5,568	-
Security Bonds, Deposits & Retentions		2,566	-	1,982	-
Carbon Price		4,174	-	264	4,034
Other		1,186	-	479	-
Total Payables		34,039	-	29,360	4,034
Borrowings					
Loans - Secured ¹		6,369	39,758	3,908	31,459
Total Borrowings		6,369	39,758	3,908	31,459
Provisions					
Employee Benefits;					
Annual Leave		8,599	-	8,288	-
Sick Leave		301	-	563	-
Long Service Leave		33,600	537	30,943	491
Other Leave		884	-	844	-
Sub Total - Aggregate Employee Benefits		43,384	537	40,638	491
Self Insurance - Workers Compensation		1,222	3,282	1,316	5,347
Self Insurance - Claims Incurred		325	325	295	175
Asset Remediation/Restoration (Future Works) ²⁶		2,556	38,410	402	39,170
Total Provisions		47,487	42,554	42,651	45,183
Total Payables, Borrowings & Provisions		87,895	82,312	75,919	80,676

(i) Liabilities relating to Restricted Assets

	2015		2014	
	Current	Non Current	Current	Non Current
Externally Restricted Assets				
Loans	6,369	39,758	3,908	31,459
Carbon Price	4,174	-	264	4,034
Liabilities relating to externally restricted assets	10,543	39,758	4,172	35,493

¹. Loans are secured over the General Rating Income of Council

Disclosures on Liability Interest Rate Risk Exposures, Fair Value Disclosures & Security can be found in Note 15.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 10a. Payables, Borrowings & Provisions (continued)

\$ '000	Actual 2015	Actual 2014
(ii) Current Liabilities not anticipated to be settled within the next 12 months		
The following Liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions - Employees Benefits	32,458	29,865
Payables - Security Bonds, Deposits & Retentions	2,028	1,463
	34,486	31,328

Note 10b. Description of and movements in Provisions

Class of Provision	2014		2015			Closing Balance as at 30/6/15
	Opening Balance as at 1/7/14	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	
Annual Leave	8,288	7,776	(7,457)	(8)	-	8,599
Sick Leave	563	17	(287)	8	-	301
Long Service Leave	31,434	4,692	(2,992)	1,003	-	34,137
Other Leave	844	203	(198)	35	-	884
Self Insurance						
- Workers Compensation	6,663	(2,159)	-	-	-	4,504
- Claims Incurred	470	180	-	-	-	650
Asset Remediation	39,572	1,394	-	-	-	40,966
TOTAL	87,834	12,103	(10,934)	1,038	-	90,041

- Employees Leave Entitlements & On-Costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.
- Self Insurance Provisions represent both (i) Claims Incurred but Not reported and (ii) Claims Reported & Estimated as a result of Council's being a self insurer up to certain levels of Excess. Estimates are derived through a process of claim assessment undertaken internally by Council's Risk Insurance team.
- Asset Remediation, Reinstatement & Restoration Provisions represent the Present Value estimate of future costs Council will incur in order to remove, restore & remediate assets &/or activities as a result of past operations. The calculation has been prepared by Finance using information provided by Council's Waste Services team. The major assumptions are the life of the tip, estimate of future costs, timing of future costs and the discount rate.
- Workers Compensation - Self Insurance Provision represents Wollongong City Council's liability in respect of its self-insured outstanding claims incurred up to 30 June 2015. Accrual estimates were provided by David A Zaman Pty Ltd. Council is a licenced self-insurer under the Workers' Compensation Act in NSW. The licence commenced with effect from June 1983.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 11. Statement of Cash Flows - Additional Information

\$ '000	Notes	Actual 2015	Actual 2014
(a) Reconciliation of Cash Assets			
Total Cash & Cash Equivalent Assets	6a	33,580	33,299
Less Bank Overdraft	10	-	-
BALANCE as per the STATEMENT of CASH FLOWS		33,580	33,299
(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities			
Net Operating Result from Income Statement		31,594	12,111
Adjust for non cash items:			
Depreciation & Amortisation		60,763	61,203
Net Losses/(Gains) on Disposal of Assets		(3,533)	4,245
Non Cash Capital Grants and Contributions		(1,906)	(8,167)
Losses/(Gains) recognised on Fair Value Re-measurements through the P&L:			
- Investments classified as "At Fair Value" or "Held for Trading"		(331)	(386)
- Investment Properties		-	975
Amortisation of Premiums & Discounts			
- Interest Free Advances made by Council		(7)	(6)
- Interest Free Loans received by Council (previously Fair Valued)		1,004	1,127
Unwinding of Discount Rates on Reinstatement Provisions		1,722	1,758
Share of Net (Profits) or Losses of Associates/Joint Ventures		22	(198)
+/- Movement in Operating Assets and Liabilities & Other Cash Items:			
Decrease/(Increase) in Receivables		1,516	1,468
Increase/(Decrease) in Provision for Doubtful Debts		180	32
Decrease/(Increase) in Inventories		(3)	26
Decrease/(Increase) in Other Assets		(2,667)	(761)
Increase/(Decrease) in Payables		(1,320)	1,797
Increase/(Decrease) in other accrued Expenses Payable		(194)	1,954
Increase/(Decrease) in Other Liabilities		1,766	34
Increase/(Decrease) in Employee Leave Entitlements		2,792	2,602
Increase/(Decrease) in Other Provisions		(2,307)	1,538
NET CASH PROVIDED FROM/(USED IN)		89,091	81,352
OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS		89,091	81,352

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 11. Statement of Cash Flows - Additional Information (continued)

\$ '000	Notes	Actual 2015	Actual 2014
(c) Non-Cash Investing & Financing Activities			
Other Dedications		1,906	7,577
Contributed Bush Fire Assets		-	590
Total Non-Cash Investing & Financing Activities		1,906	8,167
(d) Financing Arrangements			
(i) Unrestricted access was available at balance date to the following lines of credit:			
Bank Overdraft Facilities ⁽¹⁾		300	300
Credit Cards / Purchase Cards		835	835
Total Financing Arrangements		1,135	1,135
Amounts utilised as at Balance Date:			
- Credit Cards / Purchase Cards		60	57
Total Financing Arrangements Utilised		60	57

1. The Bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.
Interest rates on overdrafts are Interest Rates on Loans & Other Payables are disclosed in Note 15.

(ii) Secured Loan Liabilities

Loans are secured by a mortgage over future years Rate Revenue only.

(e) Bank Guarantees

Council has provided security to Work Cover for outstanding workers compensation claims liability in the form of a bank guarantee to the sum of \$8,646,464.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 12. Commitments for Expenditure

\$ '000	Notes	Actual 2015	Actual 2014
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(a) Capital Commitments (exclusive of GST)

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Property, Plant & Equipment

Buildings		3,599	223
Plant & Equipment		317	-
Infrastructure		1,479	11,889
Total Commitments		5,395	12,112

These expenditures are payable as follows:

Within the next year		5,395	12,112
Total Payable		5,395	12,112

Sources for Funding of Capital Commitments:

Unrestricted General Funds		4,074	3,694
Sect 64 & 94 Funds/Reserves		220	515
Unexpended Grants		-	6,981
Unexpended Loans		1,101	922
Total Sources of Funding		5,395	12,112

Details of Capital Commitments

Buildings include Thomas Dalton Park Amenities, Nicholson Park Amenities, North Beach Kiosk, Berkeley Community Centre, Wollongong Youth Centre & Corrimal Surf Life Saving Club. Infrastructure includes Blue Mile Walk, Kenny Street Traffic Signals, Grand Pacific Walk, Auburn Street Traffic Signals & Wombara Rock Pool Sea Wall Plant includes Port Kembla Pool Intake Pipe & Beaton Park Pool Air Management System.

(b) Finance Lease Commitments

Nil

(c) Operating Lease Commitments (Non Cancellable)

a. Commitments under Non Cancellable Operating Leases at the Reporting date, but not recognised as Liabilities are payable:

Within the next year		97	97
Later than one year and not later than 5 years		388	388
Later than 5 years		872	970
Total Non Cancellable Operating Lease Commitments		1,357	1,455

b. Non Cancellable Operating Leases include the following assets:

Lease of Land for Dapto Ribbonwood Centre

Conditions relating to Operating Leases:

- All Operating Lease Agreements are secured only against the Leased Asset.
- No Lease Agreements impose any financial restrictions on Council regarding future debt etc.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 13a(i). Statement of Performance Measurement - Indicators (Consolidated)

\$ '000	Amounts		Indicator		Prior Periods	
	2015		2015		2014	2013
Local Government Industry Indicators - Consolidated						
1. Operating Performance Ratio						
Total continuing operating revenue ⁽¹⁾						
(excl. Capital Grants & Contributions) - Operating Expenses	<u>5,719</u>		2.31%		-6.53%	-4.43%
Total continuing operating revenue ⁽¹⁾	<u>247,342</u>					
(excl. Capital Grants & Contributions)						
2. Own Source Operating Revenue Ratio						
Total continuing operating revenue ⁽¹⁾						
(excl. ALL Grants & Contributions)	<u>217,023</u>		80.57%		79.70%	74.09%
Total continuing operating revenue ⁽¹⁾	<u>269,375</u>					
3. Unrestricted Current Ratio						
Current Assets less all External Restrictions ⁽²⁾	<u>93,691</u>		2.19x		1.93	2.01
Current Liabilities less Specific Purpose Liabilities ^(3,4)	<u>42,866</u>					
4. Debt Service Cover Ratio						
Operating Result ⁽¹⁾ before capital excluding interest and depreciation / impairment / amortisation	<u>70,519</u>		7.60x		5.87	8.33
Principal Repayments (from the Statement of Cash Flows)	<u>9,281</u>					
+ Borrowing Costs (from the Income Statement)						
5. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage						
Rates, Annual and Extra Charges Outstanding	<u>9,711</u>		5.48%		5.61%	7.09%
Rates, Annual and Extra Charges Collectible	<u>177,086</u>					
5a. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage (excl. Pensioner arrears)						
Rates, Annual and Extra Charges Outstanding	<u>6,980</u>		3.94%		4.21%	5.72%
Rates, Annual and Extra Charges Collectible	<u>177,086</u>					
6. Cash Expense Cover Ratio						
Current Year's Cash and Cash Equivalents						
+ All Term Deposits	<u>133,610</u>		8.01 mths		7.11	7.33
Payments from cash flow of operating and financing activities	<u>16,675</u>	x12				

Notes

⁽¹⁾ Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and the net share of interests in joint ventures & associates.

⁽²⁾ Refer Notes 6-8 inclusive.

Also excludes any real estate & land for resale not expected to be sold in the next 12 months

⁽³⁾ Refer to Note 10(a).

⁽⁴⁾ Refer to Note 10(a)(ii) - excludes all payables & provisions not expected to be paid in the next 12 months (incl. ELE).

Wollongong City Council

Notes to the Financial Statements for the financial year ended 30 June 2015

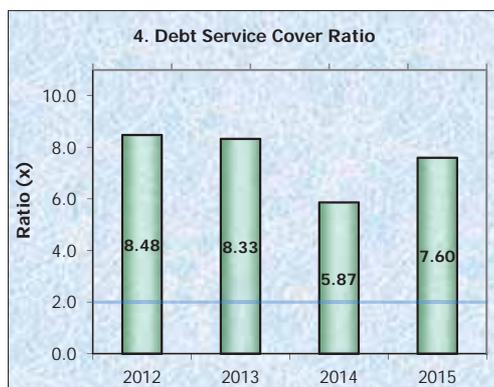
Note 13a(ii). Local Government Industry Indicators - Graphs (Consolidated)

<p>1. Operating Performance Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>-5.87%</td> </tr> <tr> <td>2013</td> <td>-4.43%</td> </tr> <tr> <td>2014</td> <td>-6.53%</td> </tr> <tr> <td>2015</td> <td>2.31%</td> </tr> </tbody> </table> <p>Benchmark: — Minimum $\geq 0.00\%$ Source for Benchmark: Code of Accounting Practice and Financial Reporting #23</p>	Year	Ratio %	2012	-5.87%	2013	-4.43%	2014	-6.53%	2015	2.31%	<p>Purpose of Operating Performance Ratio</p> <p>This ratio measures Council's achievement of containing operating expenditure within operating revenue.</p>	<p>Commentary on 2014/15 Result</p> <p>2014/15 Ratio 2.31%</p> <p>This ratio has been impacted positively by settlement of a legal claim and sale of land holdings that are one off events and resulted in a positive ratio. Council has continued a process of reviewing all services currently provided in consultation with the Community. This work aims to determine service levels, create efficiencies and consider funding levels to improve the underlying result in the short term and create a balanced result in future years.</p>
Year	Ratio %											
2012	-5.87%											
2013	-4.43%											
2014	-6.53%											
2015	2.31%											
<p>2. Own Source Operating Revenue Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>78.11%</td> </tr> <tr> <td>2013</td> <td>74.09%</td> </tr> <tr> <td>2014</td> <td>79.70%</td> </tr> <tr> <td>2015</td> <td>80.57%</td> </tr> </tbody> </table> <p>Benchmark: — Minimum $\geq 60.00\%$ Source for Benchmark: Code of Accounting Practice and Financial Reporting #23</p>	Year	Ratio %	2012	78.11%	2013	74.09%	2014	79.70%	2015	80.57%	<p>Purpose of Own Source Operating Revenue Ratio</p> <p>This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants & contributions.</p>	<p>Commentary on 2014/15 Result</p> <p>2014/15 Ratio 80.57%</p> <p>This result reflects an improvement on this measure during the reporting period. It is noted that total revenue includes non-cash contributed assets.</p>
Year	Ratio %											
2012	78.11%											
2013	74.09%											
2014	79.70%											
2015	80.57%											
<p>3. Unrestricted Current Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio (x)</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>1.79</td> </tr> <tr> <td>2013</td> <td>2.01</td> </tr> <tr> <td>2014</td> <td>1.93</td> </tr> <tr> <td>2015</td> <td>2.19</td> </tr> </tbody> </table> <p>Benchmark: — Minimum ≥ 1.50 Source for Benchmark: Code of Accounting Practice and Financial Reporting #23</p>	Year	Ratio (x)	2012	1.79	2013	2.01	2014	1.93	2015	2.19	<p>Purpose of Unrestricted Current Ratio</p> <p>To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.</p>	<p>Commentary on 2014/15 Result</p> <p>2014/15 Ratio 2.19x</p> <ol style="list-style-type: none"> Council's strategy is to maximise the use of available funds and target a lean unrestricted ratio. Cash assets held for future waste facility requirements are held in the unrestricted ratio. As the requirements to hold funds for waste facility rehabilitation is significant the measure is expected to increase until payments are required.
Year	Ratio (x)											
2012	1.79											
2013	2.01											
2014	1.93											
2015	2.19											

Wollongong City Council

Notes to the Financial Statements for the financial year ended 30 June 2015

Note 13a(ii). Local Government Industry Indicators - Graphs (Consolidated)



Benchmark: — Minimum ≥ 2.00

Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

Purpose of Debt Service Cover Ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2014/15 Result

2014/15 Ratio 7.60x

The result provides an indication that Council can adequately service its outstanding debt.

 Ratio is within Benchmark
 Ratio is outside Benchmark



Benchmark: — Maximum $< 5.00\%$

Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

Purpose of Rates & Annual Charges Outstanding Ratio

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2014/15 Result

2014/15 Ratio 5.48%

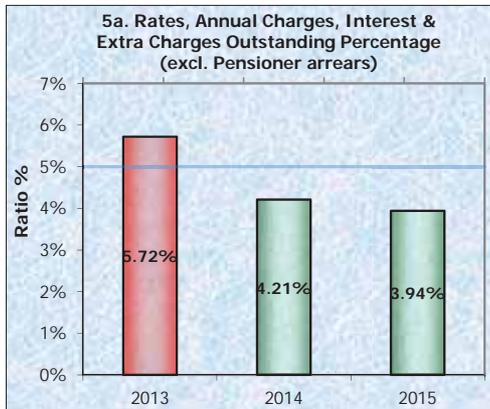
An improved debt recovery process was implemented in 2013/14. The process has continued to generate positive implications on 2014/15 results.

 Ratio is within Benchmark
 Ratio is outside Benchmark

Wollongong City Council

Notes to the Financial Statements for the financial year ended 30 June 2015

Note 13a(ii). Local Government Industry Indicators - Graphs (Consolidated)



Purpose of Rates & Annual Charges Outstanding Ratio (excl. Pensioner arrears)

To assess the impact of uncollected rates and annual charges (excluding pensioner arrears) on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2014/15 Result

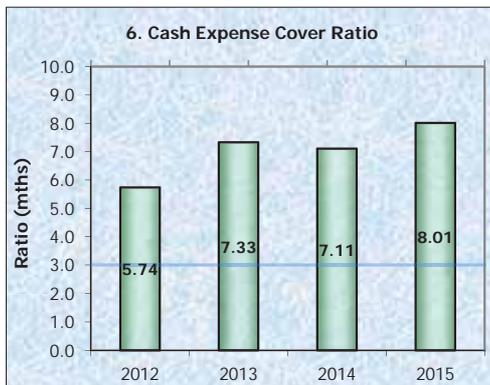
2014/15 Ratio 3.94%

The Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage is negatively impacted by Council's policy to exempt pensioners from debt recovery proceedings. The value of pensioner arrears has been removed the results of this graph.

Benchmark: ——— Maximum 5.00%

Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

 Ratio is within Benchmark
 Ratio is outside Benchmark



Purpose of Cash Expense Cover Ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on 2014/15 Result

2014/15 Ratio 8.01 mths

The result of this measure reflects the short term position of Council's investment portfolio at the end of 2014/15.

Benchmark: ——— Minimum >=3.00

Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

 Ratio is within Benchmark
 Ratio is outside Benchmark

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 14. Investment Properties

\$ '000	Notes	Actual 2015	Actual 2014
(a) Investment Properties at Fair value			
<u>Investment Properties on Hand</u>		<u>2,750</u>	<u>2,750</u>
Reconciliation of Annual Movement:			
Opening Balance		2,750	3,725
- Net Gain/(Loss) from Fair Value Adjustments		-	(975)
CLOSING BALANCE - INVESTMENT PROPERTIES		<u>2,750</u>	<u>2,750</u>

(b) Valuation Basis

The basis of valuation of Investment Properties is Fair Value, being the amounts for which the properties could be exchanged between willing parties in arms length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases.

The 2015 revaluations are not based on an Independent Assessment and Valuation.

The Property Services Manager of Wollongong City Council assessed there has been no movement in the value of Council's investment property.

(c) Contractual Obligations at Reporting Date

Refer to Note 12 for disclosures relating to any Capital and Service obligations that have been contracted.

(d) Leasing Arrangements

Details of leased Investment Properties are as follows;

Future Minimum Lease Payments receivable under non-cancellable Investment Property Operating Leases not recognised in the Financial Statements are receivable as follows:

Within 1 year	287	213
Later than 1 year but less than 5 years	391	388
Total Minimum Lease Payments Receivable	<u>678</u>	<u>601</u>

(e) Investment Property Income & Expenditure - summary

Rental Income from Investment Properties:

- Minimum Lease Payments

	406	416
--	-----	-----

Direct Operating Expenses on Investment Properties:

- that generated rental income

	(123)	(166)
--	-------	-------

Net Revenue Contribution from Investment Properties

	283	250
--	------------	------------

plus:

Fair Value Movement for year

	-	(975)
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Total Income attributable to Investment Properties

	<u>283</u>	<u>(725)</u>
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Refer to Note 27- Fair Value Measurement for information regarding the fair value of investment properties held.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 15. Financial Risk Management

\$ '000

Risk Management

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's Finance Section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's Financial Assets & Financial Liabilities recognised in the financial statements is presented below.

	Carrying Value		Fair Value	
	2015	2014	2015	2014
Financial Assets				
Cash and Cash Equivalents	33,580	33,299	33,580	33,299
Investments				
- "Held for Trading"	11,046	7,642	11,046	7,642
- "Held to Maturity"	100,030	77,030	100,030	77,030
Receivables	22,109	23,808	22,110	23,808
Total Financial Assets	166,765	141,779	166,766	141,779
Financial Liabilities				
Payables	31,167	31,121	31,167	31,121
Loans / Advances	46,127	35,367	46,127	35,367
Total Financial Liabilities	77,294	66,488	77,294	66,488

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables** - are estimated to be the carrying value which approximates mkt value.
- **Borrowings & Held to Maturity Investments** - are based upon estimated future cash flows discounted by the current market interest rates applicable to assets & liabilities with similar risk profiles, unless quoted market prices are available.
- Financial Assets classified (i) "**at fair value through profit & loss**" or (ii) **Available for Sale** - are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of financial assets & liabilities

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 15. Financial Risk Management (continued)

\$ '000

(a) Cash & Cash Equivalents, Financial assets 'at fair value through the profit & Loss' "Available-for-sale" financial assets & "Held-to-maturity" Investments

Council's objective is to maximise its return on cash & investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's Finance area manages the Cash & Investments portfolio with the assistance of independent consultants.

Council has an Investment Policy which complies with the Local Government Act & Minister's Investment Order. This Policy is regularly reviewed by Council and its staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The risks associated with the investments held are:

- **Price Risk** - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.

The investment types primarily affected by price risk at balance date are Council's FRN, MBS and T-Corp holdings. Council views market adjustments made to these securities as the result of the global credit crisis which has highlighted the lack of liquidity in the market. This subsequently led to rating downgrades to some of these assets.

- **Interest Rate Risk** - the risk that movements in interest rates could affect returns and income.

Council manages interest rate risk by investing in a range of short term fixed rate and longer term variable rate deposits. Interest rate risk is mimimised as short term fixed deposits allow regular reinvestment in line with interest rate movements whilst the variable deposits reset on a quarterly basis in line with published interest rates.

- **Credit Risk** - the risk that the investment counterparty) will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council - be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

The following represents a summary of the sensitivity of Council's Income Statement and Accumulated Surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of Values/Rates		Decrease of Values/Rates	
	Profit	Equity	Profit	Equity
2015				
Possible impact of a 10% movement in Market Values	1,105	1,105	(1,105)	(1,105)
Possible impact of a 1% movement in Interest Rates	1,336	1,336	(1,336)	(1,336)
2014				
Possible impact of a 10% movement in Market Values	764	764	(764)	(764)
Possible impact of a 1% movement in Interest Rates	1,103	1,103	(1,103)	(1,103)

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 15. Financial Risk Management (continued)

\$ '000

(b) Receivables

Council's major receivables comprise (i) Rates & Annual charges and (ii) User Charges & Fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts - that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates & annual charges at higher than market rates which further encourages the payment of debt.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

	2015	2015	2014	2014
	Rates & Annual Charges	Other Receivables	Rates & Annual Charges	Other Receivables
(i) Ageing of Receivables - %				
Current (not yet overdue)	49%	43%	38%	65%
Overdue	51%	57%	62%	35%
	100%	100%	100%	100%

		2015	2015	2014	2014
	Rates & Annual Charges	Other Receivables	Rates & Annual Charges	Other Receivables	Other Receivables
(ii) Ageing of Receivables - value					
Current	Current	4,746	7,835	2,995	12,159
< 1 year overdue	0 - 30 days overdue	1,638	3,345	1,641	2,777
1 - 2 years overdue	30 - 60 days overdue	1,041	592	1,043	383
2 - 5 years overdue	60 - 90 days overdue	747	83	748	57
> 5 years overdue	> 90 days overdue	1,539	1,089	1,542	829
		9,711	12,944	7,969	16,205

(iii) Movement in Provision for Impairment of Receivables

Balance at the beginning of the year	2015	2014
	366	334
+ new provisions recognised during the year	206	39
- previous impairment losses reversed	(26)	(7)
Balance at the end of the year	546	366

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 15. Financial Risk Management (continued)

\$ '000

(c) Payables & Borrowings

Payables & Borrowings are both subject to liquidity risk - the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended & overdraft facilities utilised as required.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's Payables & Borrowings are set out in the maturity table below:

\$ '000	Subject to no maturity	payable in:						Total Cash Outflows	Actual Carrying Values
		≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs		
2015									
Trade/Other Payables	2,566	28,601	-	-	-	-	-	31,167	31,167
Loans & Advances	-	8,051	8,051	8,051	8,051	5,151	15,807	53,162	46,127
Total Financial Liabilities	2,566	36,652	8,051	8,051	8,051	5,151	15,807	84,329	77,294
2014									
Trade/Other Payables	1,982	29,139	-	-	-	-	-	31,121	31,121
Loans & Advances	-	6,023	6,163	6,163	6,163	6,163	11,046	41,721	35,367
Total Financial Liabilities	1,982	35,162	6,163	6,163	6,163	6,163	11,046	72,842	66,488

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities & interest rate structures.

The following interest rates were applicable to Council's Borrowings at balance date:

	2015		2014	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Trade/Other Payables	31,167	0.0%	31,121	0.0%
Loans & Advances - Fixed Interest Rate	46,127	1.5%	35,367	1.5%
	<u>77,294</u>		<u>66,488</u>	

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 14/15 was adopted by the Council on 23 June 2014.

While the Income Statement included in this General Purpose Financial Report must disclose the Original Budget adopted by Council, the Local Government Act requires Council to review its Financial Budget on a Quarterly Basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This Note sets out the details of MATERIAL VARIATIONS between Council's Original Budget and its Actual results for the year as per the Income Statement - even though such variations may have been adjusted for during each Quarterly Budget Review.

Note that for Variations* of Budget to Actual :

Material Variations represent those variances that amount to **10%** or more of the original budgeted figure.

F = Favourable Budget Variation, **U** = Unfavourable Budget Variation

\$ '000	2015 Budget	2015 Actual	2015 Variance*		
REVENUES					
Rates & Annual Charges	165,699	166,849	1,150	1%	F
User Charges & Fees	32,487	32,851	364	1%	F
Interest & Investment Revenue	5,238	5,689	451	9%	F
Other Revenues	9,143	11,965	2,822	31%	F
This variation is due to the settlement of a large legal claim relating to advisory services (\$1.8M), reimbursement for prior year insurance claims including events underwritten by HIH post liquidation (\$0.6M), payments for accumulated leave entitlements for staff coming from other councils (\$0.2M) and a range of smaller variances across multiple income streams.					
Operating Grants & Contributions	28,146	30,319	2,173	8%	F
Capital Grants & Contributions	32,604	22,033	(10,571)	(32%)	U
Capital grant & contribution income is impacted by timing and progress of major projects. The reduced level of income in 2014/15 compared to budget is partly due to the early receipt of grants in the prior year (\$7.9M) for the City Centre project and change in timing of aspects of the West Dapto Access projects to future years (\$9.0M). This negative variance has been offset by increased income from developer contributions (\$3.9M), recognition of value of contributed assets (\$1.9M), receipt of grants associated with pathway/cycleway works (\$0.5M) and other more minor variations.					
Net Gains from Disposal of Assets	1,040	3,533	2,493	240%	F
This budget variation is a result of profit on land sales (\$4.0M) and disposal of plant (\$0.4M) offset by write off of residual values on assets that were replaced during the year (2.0M).					

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 16. Material Budget Variations (continued)

\$ '000	2015 Budget	2015 Actual	2015 Variance*		
EXPENSES					
Employee Benefits & On-Costs	96,607	95,399	1,208	1%	F
Borrowing Costs	3,830	4,037	(207)	(5%)	U
Materials & Contracts	49,396	45,647	3,749	8%	F
Depreciation & Amortisation	61,767	60,763	1,004	2%	F
Other Expenses	39,492	35,777	3,715	9%	F

Budget Variations relating to Council's Cash Flow Statement include:

Cash Flows from Operating Activities	88,638	89,091	453	0.5%	F
Cash Flows from Investing Activities	(80,881)	(98,566)	(17,685)	21.9%	U
This is primarily due to an increase in the purchase of long term deposits than originally anticipated. This amount is offset by a similar reduction in cash and cash equivalents.					
Cash Flows from Financing Activities	(4,914)	9,756	14,670	(298.5%)	F
The variation is primarily the result of the LIRS 3 drawdown that occurred during the reporting period.					

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 17. Statement of Developer Contributions

\$ '000

Council recovers contributions, raises levies & enters into planning agreements on development works that are subject to a development consent issued by Council. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions & levies and the value of all remaining funds which are "restricted" in their future use.

SUMMARY OF CONTRIBUTIONS & LEVIES

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections		
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding
Drainage	1,955	999	-	90	-	-	3,044	81,745	(90,310)	(5,521)
Roads	7,875	1,376	-	308	(7,898)	-	1,661	272,678	(542,848)	(268,509)
Open Space	1,978	392	-	79	-	-	2,449	102,616	(103,181)	1,884
Community Facilities	410	81	-	17	-	-	508	18,940	(16,833)	2,615
Administration	109	107	-	6	(12)	-	210	8,350	(7,648)	912
Public Transport	298	66	-	12	-	-	376	19,297	(16,215)	3,458
S94 Contributions - under a Plan	12,625	3,021	-	512	(7,910)	-	8,248	503,626	(777,035)	(265,161)
S94A Levies - under a Plan	1,328	8,512	-	107	(3,101)	-	6,846	14,208	(16,174)	4,880
Total S94 Revenue Under Plans	13,953	11,533	-	619	(11,011)	-	15,094			
Total Contributions	13,953	11,533	-	619	(11,011)	-	15,094	517,834	(793,209)	(260,281)

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN - WEST DAPTO

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections		
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding
Drainage	1,955	999	-	90	-	-	3,044	81,745	(90,310)	(5,521)
Roads	7,875	1,376	-	308	(7,898)	-	1,661	272,678	(542,848)	(268,509)
Open Space	1,978	392	-	79	-	-	2,449	102,616	(103,181)	1,884
Community Facilities	410	81	-	17	-	-	508	18,940	(16,833)	2,615
Administration	109	107	-	6	(12)	-	210	8,350	(7,648)	912
Public Transport	298	66	-	12	-	-	376	19,297	(16,215)	3,458
Total	12,625	3,021	-	512	(7,910)	-	8,248	503,626	(777,035)	(265,161)

A Figures provided above relate to the Draft West Dapto S94 Plan. This plan is currently on public exhibition until 21 August 2015.

B Projections show 50 years of projected income and expenditure in today's dollars that is published in the Section 94 Plan.

C Council is undertaking a process to review the Plan, which will address the funding gap, consider development yields, current cap on contributions and planned expenditure.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94A LEVIES - UNDER A PLAN

CONTRIBUTION PLAN - WOLLONGONG

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections		
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding
City Wide	7,384	4,839	-	332	(2,476)	-	10,079	279	(5,952)	4,406
City Centre	(6,056)	3,673	-	(225)	(625)	-	(3,233)	13,929	(10,222)	474
Total	1,328	8,512	-	107	(3,101)	-	6,846	14,208	(16,174)	4,880

- A** The Wollongong S94A plan is a levy based plan that reflects development activity in the CBD area.
- B** Figures provided include amounts collected under the Section 94A Plan as well as contributions received from relevant development consents approved prior to 2006 that contained conditions for contributions to be made, under now repealed Section 94 plans. These are transferred and applied towards items within the Section 94A Plan Works schedule as the Section 94A is the replacement for the plans repealed in June 2006.
- C** Projections provided at left show 10 years of projected income and expenditure from Council's adopted long term budget.
- D** Projected income includes interest accrued if the restricted fund is in surplus.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 18. Contingencies & Other Assets/Liabilities Not Recognised

\$ '000

The following assets and liabilities do not qualify for recognition in the Balance Sheet, but their knowledge & disclosure is considered relevant to the users of Council's Financial Report.

LIABILITIES NOT RECOGNISED:

1. Bank Guarantees

Council has provided Bank Guarantees totalling \$935,464 as security over damages for work that may impact a third party.

Council is also Guarantor on a mortgage for a third party of \$200,000.

2. Third Party Claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its Insurance Coverage and does not expect any material liabilities to eventuate.

3. S94 Plans

Council levies Section 94/94A Contributions upon various development across the Council area through the required Contributions Plans. As part of these Plans, Council has received funds for which it will be required to expend the monies in accordance with those Plans.

As well, these Plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in

3. S94 Plans (continued)

future years or where a shortfall exists by the use of Council's General Funds.

These future expenses do not yet qualify as liabilities as of the Reporting Date, but represent Councils intention to spend funds in the manner and timing set out in those Plans.

4. Defined Benefit Superannuation Contribution Plans

Council participates in an employer sponsored Defined Benefit Superannuation Scheme, and makes contributions as determined by the Superannuation Scheme's Trustees.

Member Councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The Schemes most recent full actuarial review indicated that the Net Assets of the Scheme were not sufficient to meet the accrued benefits of the Schemes Defined Benefit member category with member Councils required to make a higher contribution during the reporting period. This amounted to \$1.763M for Council in 2014/15 which is consistent with the amount paid in 2013/14.

The Local Government Superannuation Scheme however is unable to provide Council with an accurate estimate of its share of the net deficit and accordingly Council has not recorded any net liability from its Defined Benefit Scheme obligations in accordance with AASB 119.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable - similar to the accounting for Defined Contributions Plans.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 18. Contingencies & Other Assets/Liabilities Not Recognised (continued)

\$ '000

ASSETS NOT RECOGNISED:

1. Liability Insurance - Independent Insurance Company

Council placed its liability insurance with Independent Insurance Company of London (Independent) in 1996. During 2000/2001 Independent went into liquidation. Independent remains responsible for payment of their portion of each Council claim incurred which exceeded Council's insurance excess. The total of Council's unrecovered liability claims is currently estimated at \$3,715,488. At this time, the liquidator is unable to determine how much of Council's claims will be recovered from the remaining assets of Independent, and has not yet established a Scheme of Arrangement.

2. Various Insurance - HIH & CIC

Council placed or was a party to various liability, property and workers compensation insurance policies with HIH & CIC. During 2000/2001 HIH & CIC went into liquidation. Both HIH & CIC remain responsible for payment of their portion of each Council claim incurred which exceeded Council's insurance excess. Council has recovered \$1,040,444 to date. The total of Council's unrecovered claims is currently \$1,257,058.

At this time, the liquidator is unable to determine how much of Council's claims will be recovered from the remaining assets of HIH & CIC.

3. Land Under Roads

As permitted under AASB 1051, Council has elected not to bring to account Land Under Roads that it owned or controlled up to & including 30/6/08.

4. Fit for Future

On 22 June 2015 Council resolved to endorse a submission to the Office of Local Government outlining Council's Improvement Proposal as a result of the Fit for Future program. The improvement proposal builds upon the Independent Local Government Review Panel's position that the Council has enough scale and capacity to maintain its operations as an independent Council, yet seeks to strengthen its relationships with other Councils in the Illawarra region.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 19. Interests in Other Entities

\$ '000

Council's objectives can and in some cases are best met through the use of separate entities & operations.

These operations and entities range from 100% ownership and control through to lower levels of ownership and control via co-operative arrangements with other Councils, Bodies and other Outside Organisations.

The accounting and reporting for these various entities, operations and arrangements varies in accordance with accounting standards, depending on the level of Councils (i) interest and (ii) control and the type (form) of entity/operation, as follows;

Controlled Entities (Subsidiaries)

Note 19(a)

Operational arrangements where Council's control (but not necessarily interest) exceeds 50%.

Joint Ventures & Associates

Note 19(b)

Joint Ventures are operational arrangements where the parties that have joint control have rights to the net assets of the arrangement.

Associates are separate entities where Council has significant influence over the operations (but neither controls nor jointly controls them).

Joint Operations

Note 19(c)

Operational arrangements where the parties that have joint control have rights to specific assets and obligations for specific liabilities relating to the arrangement rather than a right to the net assets of the arrangement.

Unconsolidated Structured Entities

Note 19(d)

Unconsolidated Structured Entities represent "special vehicles" that Council has an interest in but which are not controlled by Council and therefore not consolidated as a Subsidiary, Joint Arrangement or Associate. Attributes of Structured Entities include restricted activities, a narrow and well-defined objective and insufficient equity to finance its activities without financial support.

Subsidiaries, Joint Arrangements and Associates not recognised

Note 19(e)

Accounting Recognition:

(i) Subsidiaries disclosed under Note 19(a) and Joint Operations disclosed at Note 19(c) are accounted for on a "line by line" consolidation basis within the Income Statement and Statement of Financial Position.

(ii) Joint Ventures and Associates as per Notes 19(b)(i) & (ii) are accounted for using the Equity Accounting Method and are disclosed as a 1 line entry in both the Income Statement and Statement of Financial Position.

	Council's Share of Net Income		Council's Share of Net Assets	
	Actual 2015	Actual 2014	Actual 2015	Actual 2014
Joint Ventures	(22)	198	1,160	1,181
Total	(22)	198	1,160	1,181

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 19. Interests in Other Entities (continued)

\$ '000

(a) Controlled Entities (Subsidiaries) - being entities & operations controlled by Council

Council has no interest in any Controlled Entities (Subsidiaries).

(b) Joint Ventures and Associates

Council has incorporated the following Joint Ventures and Associates into its consolidated Financial Statements.

(a) Net Carrying Amounts - Council's Share

Name of Entity	Nature of Relationship	Measurement Method	2015	2014
Westpool	Joint Venture	Equity	146	269
United Independent Pools (UIP)	Joint Venture	Equity	1,014	912
Total Carrying Amounts - Material Joint Ventures and Associates			1,160	1,181

(b) Details

Name of Entity	Principal Activity
Westpool	Insurance
United Independent Pools (UIP)	Insurance

(c) Relevant Interests & Fair Values

Name of Entity	Quoted Fair Value		Interest in Outputs		Interest in Ownership		Proportion of Voting Power	
	2015	2014	2015	2014	2015	2014	2015	2014
Westpool	146	269	1%	1%	1%	1%	10%	11%
United Independent Pools (UIP)	1,014	912	14%	13%	14%	13%	5%	6%

(d) Summarised Financial Information for Joint Ventures & Associates

Statement of Financial Position	Westpool		United Independent Pools (UIP)	
	2015	2014	2015	2014
Current Assets				
Other Current Assets	8,684	29,101	6,027	8,097
Total Current Assets	8,684	29,101	6,027	8,097
Non-Current Assets	48,487	22,700	5,761	2,000
Current Liabilities				
Other Current Liabilities	4,742	23,790	1,808	1,157
Total Current Liabilities	4,742	23,790	1,808	1,157
Non-Current Liabilities	22,486	-	2,462	2,034
Net Assets	29,943	28,011	7,518	6,906

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 19. Interests in Other Entities (continued)

\$ '000

(b) Joint Ventures and Associates (continued)

	Westpool		United Independent Pools (UIP)	
	2015	2014	2015	2014
Reconciliation of the Carrying Amount				
Opening Net Assets (1 July)	28,011	23,591	6,906	6,406
Profit/(Loss) for the period	4,333	4,420	611	500
Dividends Paid	(2,401)	-	-	-
Closing Net Assets	29,943	28,011	7,517	6,906
Council's share of Net Assets (%)	0.5%	1.0%	13.5%	13.2%
Council's share of Net Assets (\$)	146	269	1,014	912
	Westpool		United Independent Pools (UIP)	
	2015	2014	2015	2014
Statement of Comprehensive Income				
Income	11,337	9,728	9,083	9,053
Other Expenses	(7,003)	(5,307)	(8,472)	(8,553)
Profit/(Loss) from Continuing Operations	4,334	4,421	611	500
Profit/(Loss) from Discontinued Operations	-	-	-	-
Profit/(Loss) for Period	4,334	4,421	611	500
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	4,334	4,421	611	500
Council's share of Income (%)	-2.8%	2.7%	16.6%	15.7%
Council's share of Profit/(Loss) (\$)	(123)	119	101	79
Council's share of Comprehensive Income (\$)	(123)	119	101	79

(c) Joint Operations

Council has no interest in any Joint Operations.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 19. Interests in Other Entities (continued)

\$ '000

(d) Unconsolidated Structured Entities

Council did not consolidate the following Structured Entities:

1. Southern Council's Group

Southern Council's Group is an organisation which aims to promote regional leadership, regional forum, strategic partnerships and regional programs and projects. The association is made up of six member councils who each contribute to the expenditure of the association.

Nature of Risks relating to the Unconsolidated Structured Entity

There is a risk that the entity will not be able to deliver the programs and projects proposed resulting in Council having to provide further financial assistance.

	2015	2014
Losses (or expenses) incurred by Council relating to the Structured Entity	74	67

Current Intention to provide financial support

As at the 1st July 2015 the Southern Council's Group will be transitioning to the Illawarra Pilot Joint Organisation. This organisation will have a similar structure to the Southern Council's Group.

2. Wollongong City of Innovation Limited (trading as Destination Wollongong)

Destination Wollongong is an independent company limited by guarantee. This entity is charged with delivering visitor economy growth by positioning Wollongong as a premier regional tourism, events and conference destination. The activities completed by this entity include destination marketing, visitor information services, business events and conferences, and major event acquisition.

Nature of Risks relating to the Unconsolidated Structured Entity

Although Council has no obligation to assist it may be asked to provide further financial assistance to deliver the service. Council may have to provide the service if Destination Wollongong is no longer able to.

	2015	2014
Losses (or expenses) incurred by Council relating to the Structured Entity	960	938

Current Intention to provide financial support

The agreement between Wollongong City Council and Destination Wollongong requires Council to provide funding to Destination Wollongong in exchange for the completion of services including visitor and business information. Council's intentions are to provide financial support as per the agreement unless Destination Wollongong fails to comply with performance measures set out within the agreement.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 19. Interests in Other Entities (continued)

\$ '000

(d) Unconsolidated Structured Entities (continued)

3. Illawarra Performing Arts Centre Limited (trading as Merringong Theatre Company)

Merringong Theatre Company is an independent company incorporated by guarantee. This entity manages the Illawarra Performing Arts Centre and the Wollongong Town Hall, and produces, presents and supports a range of productions.

Nature of Risks relating to the Unconsolidated Structured Entity

Although Council has no obligation to assist it may be asked to provide further financial assistance to deliver the service. Council may have to provide the service if Merringong is no longer able to.

	2015	2014
Losses (or expenses) incurred by Council relating to the Structured Entity	646	635

Current Intention to provide financial support

The agreement between Wollongong City Council and Merringong Theatre Company requires Council to provide funding to Merringong in exchange for the delivery of a program of activities designed to contribute to the strategic outcomes sought by Council. Council's current intentions are to provide financial support as per the agreement unless Merringong fails to meet their obligations under the agreement.

(e) Subsidiaries, Joint Arrangements & Associates not recognised

All Subsidiaries, Joint Arrangements and Associates have been recognised in this Financial Report.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 20. Equity - Retained Earnings and Revaluation Reserves

\$ '000	Notes	Actual 2015	Actual 2014
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(a) Retained Earnings

Movements in Retained Earnings were as follows:

Balance at beginning of Year (from previous years audited accounts)		1,193,467	1,163,160
a. Correction of Prior Period Errors	20 (c)	19,544	10,293
b. Net Operating Result for the Year		31,594	12,111
c. Transfers between Equity		7,713	7,903
Balance at End of the Reporting Period		<u>1,252,318</u>	<u>1,193,467</u>

(b) Reserves

(i) Reserves are represented by:

- Infrastructure, Property, Plant & Equipment Revaluation Reserve		1,011,066	1,013,803
Total		<u>1,011,066</u>	<u>1,013,803</u>

(ii) Reconciliation of movements in Reserves:**Infrastructure, Property, Plant & Equipment Revaluation Reserve**

- Opening Balance		1,013,803	1,226,812
- Revaluations for the year	9(a)	4,039	(205,106)
- (Impairment of revalued assets) / Impairment reversals	9(a),(c)	937	-
- Transfer to Retained Earnings for Asset disposals		(7,713)	(7,903)
- Balance at End of Year		<u>1,011,066</u>	<u>1,013,803</u>

TOTAL VALUE OF RESERVES

<u>1,011,066</u>	<u>1,013,803</u>
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(iii) Nature & Purpose of Reserves**Infrastructure, Property, Plant & Equipment Revaluation Reserve**

- The Infrastructure, Property, Plant & Equipment Revaluation Reserve is used to record increments/decrements of Non Current Asset values due to their revaluation.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 20. Equity - Retained Earnings and Revaluation Reserves (continued)

\$ '000	Notes	Actual 2015	Actual 2014
(c) Correction of Error/s relating to a Previous Reporting Period			
Correction of errors as disclosed in last year's financial statements:			
Council reassessed the useful life of its IPPE and as a result was found to have understated these assets depreciation.			
It also found that IPPE that Council owned had not been recognised and IPPE that had been recognised was disposed of in previous years. A revaluation exercise in 2015 has identified the errors and an adjustment has been made against the current year balances of IPPE and retained earnings to correct the errors because it was found to be impractical to restate the prior year comparatives.			
Details of the amounts and the financial statement lines affected are outlined below:			
- Depreciation Adjustment as a result of an assessment of useful lives		1,681	2,363
- Artworks not recognised in previous years		-	63
- Buildings not recognised in previous years		-	3,316
- Operating Land not recognised in previous years		-	516
- Roads not recognised in previous years		1,684	5,005
- Footpaths not recognised in previous years		1,097	-
- Bridges not recognised in previous years		8,480	-
- Kerb & Gutter not recognised in previous years		23	-
- Other Structures not recognised in previous years		37	-
- Other Infrastructure not recognised in previous years		2,095	-
- Car Parks not recognised in previous years		744	-
- Cycleways not recognised in previous years		350	-
- Stormwater not recognised in previous years		3,544	4,113
- Recreation Assets not recognised in previous years		13	-
- Artwork disposed of in previous years but still recorded		(64)	-
- Other Infrastructure disposed of in previous years but still recorded		(7)	-
- Other Structures disposed of in previous years but still recorded		(5)	-
- Cycleways disposed of in previous years but still recorded		(26)	-
- Transport disposed of in previous years but still recorded		-	(1,282)
- Buildings disposed of in previous years but still recorded		(87)	(727)
- Stormwater disposed of in previous years		(15)	(3,074)
These amounted to the following Equity Adjustments:			
- Adjustments for the 30/06/14 reporting year end		-	10,293
- Adjustments for the 30/06/15 reporting year end (relating to adjustments for the 30/6/14 year end)		19,544	-
Total Prior Period Adjustments - Prior Period Errors		19,544	10,293

(d) Voluntary Changes in Accounting Policies

Council made no voluntary changes in any accounting policies during the year.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 21. Financial Result & Financial Position by Fund

\$ '000

Council utilises only a General Fund for its operations.

Note 22. "Held for Sale" Non Current Assets & Disposal Groups

\$ '000	2015	2015	2014	2014
	Current	Non Current	Current	Non Current

(i) Non Current Assets & Disposal Group Assets

Non Current Assets "Held for Sale"

Land	-	-	1,700	-
Total Non Current Assets "Held for Sale"	-	-	1,700	-

Disposal Group Assets "Held for Sale"

None

\$ '000	Assets "Held for Sale"	
	2015	2014

(ii) Reconciliation of Non Current Assets "Held for Sale" & Disposal Groups - i.e. Discontinued Operations

Opening Balance	1,700	-
less: Carrying Value of Assets/Operations Sold	(1,700)	-
Balance still unsold after 12 months:	-	-
plus New Transfers in:		
- Assets "Held for Sale"	-	1,700
Closing Balance of "Held for Sale"		
Non Current Assets & Operations	-	1,700

Refer to Note 27 - Fair Value Measurement for fair value measurement information.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 23. Events occurring after the Reporting Date

\$ '000

Events that occur between the end of the reporting period (ending 30 June 2015) and the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the applicable "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 20/10/15.

Events that occur after the Reporting Period represent one of two types:

(i) Events that provide evidence of conditions that existed at the Reporting Period

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2015.

(ii) Events that provide evidence of conditions that arose after the Reporting Period

These financial statements (& figures therein) do not incorporate any "non-adjusting events" that have occurred after 30 June 2015 and which are only indicative of conditions that arose after 30 June 2015.

Council is unaware of any material or significant "non-adjusting events" that should be disclosed.

Note 24. Discontinued Operations

Council has not classified any of its Operations as "Discontinued".

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 25. Intangible Assets

\$ '000	Actual 2015	Actual 2014
Intangible Assets represent identifiable non-monetary asset without physical substance.		
Intangible Assets are as follows;		
Opening Values:		
Gross Book Value (1/7)	1,701	1,165
Accumulated Amortisation (1/7)	(771)	(801)
Net Book Value - Opening Balance	930	364
Movements for the year		
- Purchases	617	829
- Amortisation charges	(327)	(274)
- Gross Book Value written off	(682)	(293)
- Accumulated Amortisation charges written off	682	304
Closing Values:		
Gross Book Value (30/6)	1,636	1,701
Accumulated Amortisation (30/6)	(416)	(771)
TOTAL INTANGIBLE ASSETS - NET BOOK VALUE ¹	1,220	930

¹ The Net Book Value of Intangible Assets represent:

- Software	1,220	930
	1,220	930

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 26. Reinstatement, Rehabilitation & Restoration Liabilities

\$ '000

Council has legal/public obligations to make restore, rehabilitate and reinstate the following assets/operations:

Asset/Operation	Estimated year of restoration	NPV of Provision	
		2015	2014
Waste Facility Remediation - Whytes Gully/Helensburgh	2054	40,669	39,170
Flinders Street Land Remediation		297	402
Balance at End of the Reporting Period	10(a)	<u>40,966</u>	<u>39,572</u>

Under AASB 116 - Property, Plant & Equipment, where the use of an asset results in the obligation to dismantle or remove the asset and restore the site on which the asset stands, an estimate of such costs is required to be included in the cost of the asset.

An equivalent liability must be recognised under AASB 137 - Provisions, Contingent Liabilities and Contingent Assets.

The provision has been calculated by determining the present value of the future expenditures expected to be incurred. The discount rate used is the risk free borrowing rate applicable to Council.

Reconciliation of movement in Provision for year:

Balance at beginning of year	39,572	38,482
Amounts capitalised to new or existing assets:		
Flinders Street Land Remediation	-	2,786
Amortisation of discount (expensed to borrowing costs)	1,722	1,758
Expenditure incurred attributable to Provisions	(328)	(3,454)
Total - Reinstatement, rehabilitation and restoration provision	<u>40,966</u>	<u>39,572</u>

Amount of Expected Reimbursements

Of the above Provisions for Reinstatement, Rehabilitation and Restoration works, those applicable to Garbage Services & Waste Management are able to be funded through future charges incorporated within Council's Annual Domestic Waste Management Charge.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 26. Reinstatement, Rehabilitation & Restoration Liabilities (continued)

\$ '000

Provisions for close down and restoration and for environmental clean up costs – Tips and Quarries

Restoration

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The costs are estimated on the basis of a closure plan. The cost estimates are calculated annually during the life of the operation to reflect known developments, eg updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals

Close down and restoration costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations. Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

Other movements in the provisions for close down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

Rehabilitation

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each reporting date and the cost is charged to the income statement.

Provision is made for the estimated present value of the costs of environmental clean up obligations outstanding at the reporting date. These costs are charged to the income statement. Movements in the environmental clean up provisions are presented as an operating cost, except for the unwinding of the discount which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result there could be significant adjustments to the provision for close down and restoration and environmental clean up, which would affect future financial results.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 27. Fair Value Measurement

\$ '000

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, Property, Plant and Equipment
- Investment Property
- Financial Assets & Liabilities

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(1) The following table presents all assets and liabilities that have been measured & recognised at fair values:

2015	Date of latest Valuation	Fair Value Measurement Hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring Fair Value Measurements					
Financial Assets					
Investments					
- "Designated At Fair Value on Initial Recognition"	30/06/15	-	-	11,046	11,046
Total Financial Assets		-	-	11,046	11,046
Investment Properties					
Commercial Building	30/06/14	-	-	2,750	2,750
Total Investment Properties		-	-	2,750	2,750
Infrastructure, Property, Plant & Equipment					
Roads	30/06/15	-	-	531,202	531,202
Bridges	30/06/15	-	-	78,305	78,305
Footpaths	30/06/15	-	-	120,336	120,336
Stormwater	30/06/15	-	-	508,175	508,175
Plant & Equipment	30/06/15	-	-	20,007	20,007
Office Equipment	30/06/15	-	-	2,355	2,355
Furniture & Fittings	30/06/15	-	-	799	799
Operational Land	30/06/14	-	-	177,185	177,185
Community Land	30/06/11	-	-	374,339	374,339
Land Under Roads	30/06/14	-	-	26,789	26,789
Buildings	30/06/14	-	-	201,315	201,315
Other Structures	30/06/14	-	-	6,242	6,242
Swimming Pools	30/06/11	-	-	5,264	5,264
Library Books	30/06/15	-	-	3,864	3,864
Other Open Space / Recreational Assets	30/06/11	-	-	102,876	102,876
Tip Asset	30/06/15	-	-	11,249	11,249
Works in Progress	30/06/15	-	-	36,811	36,811
Artworks	30/06/15	-	-	11,961	11,961
Other	30/06/15	-	-	32,269	32,269
Total Infrastructure, Property, Plant & Equipment		-	-	2,251,343	2,251,343

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 27. Fair Value Measurement (continued)

\$ '000

(1) The following table presents all assets and liabilities that have been measured & recognised at fair values (continued):

2014	Date of latest Valuation	Fair Value Measurement Hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring Fair Value Measurements					
Financial Assets					
Investments					
- "Designated At Fair Value on Initial Recognition"	30/06/14	-	-	7,642	7,642
Total Financial Assets		-	-	7,642	7,642
Investment Properties					
Commercial Building	30/06/14	-	-	2,750	2,750
Total Investment Properties		-	-	2,750	2,750
Infrastructure, Property, Plant & Equipment					
Roads	30/06/14	-	-	531,611	531,611
Bridges	30/06/14	-	-	63,582	63,582
Footpaths	30/06/14	-	-	100,067	100,067
Stormwater	30/06/14	-	-	510,988	510,988
Plant & Equipment	30/06/14	-	-	20,187	20,187
Office Equipment	30/06/14	-	-	3,518	3,518
Furniture & Fittings	30/06/14	-	-	784	784
Operational Land	30/06/14	-	-	181,197	181,197
Community Land	30/06/11	-	-	373,121	373,121
Land Under Roads	30/06/14	-	-	26,114	26,114
Buildings	30/06/14	-	-	210,115	210,115
Other Structures	30/06/14	-	-	8,304	8,304
Land Improvements Non Depreciable	30/06/14	-	-	67,046	67,046
Swimming Pools	30/06/11	-	-	6,184	6,184
Library Books	30/06/14	-	-	3,692	3,692
Other Open Space / Recreational Assets	30/06/11	-	-	30,509	30,509
Tip Asset	30/06/14	-	-	11,469	11,469
Works in Progress	30/06/14	-	-	47,266	47,266
Artworks	30/06/14	-	-	12,088	12,088
Total Infrastructure, Property, Plant & Equipment		-	-	2,207,842	2,207,842
Non-recurring Fair Value Measurements					
Non Current Assets classified as "Held for Sale"					
Lot 1 & 2 Mulda Street Dapto	30/06/14	-	-	1,700	1,700
Total NCA's classified as "Held for Sale"		-	-	1,700	1,700

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 27. Fair Value Measurement

(2) Valuation techniques used to derive Level 2 and Level 3 Fair Values

Where Council is unable to derive Fair Valuations using quoted market prices of identical assets (i.e. Level 1 inputs), Council instead utilises a spread of both observable inputs (Level 2 inputs) and unobservable inputs (Level 3 inputs).

Level 2 inputs include;

- quoted prices for similar assets in active markets,
- quoted prices for identical or similar assets in markets that are not active,
- inputs other than quoted prices that are observable (e.g. interest rates, credit spreads etc.) and
- market corroborated inputs.

Level 3 inputs are unobservable inputs. If an observable input (Level 2) requires an adjustment using an unobservable input and that adjustment results in a significantly higher or lower fair value measurement, the resulting measurement is categorised within Level 3 of the fair value hierarchy. Council uses unobservable inputs to the extent relevant observable inputs are not available. But the objective remains the same; i.e. an exit price from the perspective of market participants. Therefore, unobservable inputs reflect the assumptions market participants would use when pricing, including assumptions about risk. Assumptions about risk include risk inherent in a particular valuation technique and risk inherent in inputs to the technique. Such an adjustment may be necessary if there is a significant measurement uncertainty.

Unobservable inputs have been developed using the best information available, which includes Council's own data. In some cases Council adjusts its own data if reasonable available information indicates other market participants would use different data or if there is an entity specific synergy (i.e. not available to other market participants).

Level 3 inputs include;

- Unit Rates,
- Unit Price,
- Asset Condition,
- Remaining Useful Life,
- Future Demands,
- Borrowing Rates

The Fair Valuation techniques Council has employed while utilising Level 2 and Level 3 inputs are as follows:

Wollongong City Council

Notes to the Financial Statements for the financial year ended 30 June 2015

Note 27. Fair Value Measurement

Financial Assets

Valuation Technique – A portion of Council’s investment portfolio is measured at fair value (i.e. market approach).

Fair Value Hierarchy – the fair value has been derived from the current price in an active market for similar assets. Emerald Reverse Mortgage investment securities form part of this portion of Council’s portfolio. The market for Australian mortgage backed securities, regardless of the robustness of the structure, is highly illiquid as a direct consequence of the global financial crisis. This has caused difficulties in valuing the security as there is limited “price discovery” in the market. As such the level of valuation input for Council’s fair valued investments was considered a Level 3.

Investment Property

Valuation Technique – Council’s Investment Property is measured using sales direct comparison based on a market selling approach (i.e. market approach).

Fair Value Hierarchy - the fair value has been derived from the sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant inputs into this valuation approach are rental yields and price per square metre.

The level of evidence to support the critical assumptions of Council’s investment property valuation was considered to be significant due to high levels of variability in the market for rental yields and future demands. As such the level of valuation input for these properties was considered level 3.

Infrastructure, Property, Plant & Equipment

Infrastructure – Council’s Infrastructure incorporates;

- Roads - Surface and bases, Car Parks, Kerb and Guttering and Traffic Facilities (speed humps, bollards and signs),
- Bridges – Road, Pedestrian and Jetties,
- Footpaths including shared pathways and
- Stormwater Drainage

Valuation Technique – Infrastructure assets are recognised using the cost method, which equates to the current replacement cost of a modern equivalent asset. The cost to replace the asset is to equal the amount that a market participant buyer of that asset would pay to acquire it.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 27. Fair Value Measurement

Fair Value Hierarchy - the general valuation approach to determine the fair value of Council's infrastructure inventory is to determine a unit rate based on square metres or an appropriate unit corroborated by market evidence (Level 2 input). A process is then undertaken to compare these rates with internal unit rates derived by Council as a result of specific projects that have been undertaken. Further to this other inputs such as asset condition and useful life require a significant level of professional judgement and can impact significantly on the fair value. As such the level of valuation input for these assets was considered level 3.

Property Plant & Equipment, Office Equipment & Furniture & Fittings incorporate:

- Property, Plant & Equipment - Trucks, Tractors, Graders, Rollers, Buses, Vans, Passenger Vehicles, Mobile Equipment (i.e. generators, hand mowers, tools), Fluid storage units (i.e. septic tanks, water tanks),
- Office Equipment – Electronic Whiteboards, Printing Equipment, Safes and I.T. equipment such as computers, printers and scanners,
- Furniture & Fittings - Chairs, Tables, Filing Cabinets, Bookshelves, Compactuses,

Valuation Technique – These assets are recognised at depreciated historical cost as an acceptable substitute for fair value because any difference between fair value and depreciated historical cost is unlikely to be material.

Fair Value Hierarchy – The key unobservable unit to the valuation of this category is asset condition and useful life. The condition of assets is reviewed on an annual basis and an assessment of remaining life undertaken based on these results.

Operational Land

Valuation Technique – Council's Operational Land is measured using a comparative market selling approach (i.e. market approach).

Fair Value Hierarchy - the fair value has been derived from the sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant inputs into this valuation approach is price per square metre. The level of evidence to support the critical assumptions of Council's operational land valuation was considered to be significant due to high levels of variability in the market for similar properties and future demands. As such the level of valuation input for these properties was considered level 3.

Community Land

Valuation Technique – Council's Community Land is measured using comparative Land Values (LV) provided by the Valuer General (VG) or an average unit rate based on a comparable LV for similar properties (i.e. market approach).

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 27. Fair Value Measurement

Fair Value Hierarchy - the fair value has been derived from the LV's provided by the Valuer General or an average unit rate based on the LV for similar properties where the Valuer General did not provide a LV. The most significant input into this valuation approach is price per square metre. Valuations provided by the Valuer General are not in the public domain and the application of an average rate requires a level of professional judgement. As such the level of valuation input for these properties was considered level 3.

Land Under Roads

Valuation Technique – Land is generally valued using comparative Land Values (LV) provided by the Valuer General (VG) or an average unit rate based on a comparable LV for similar properties (i.e. market approach).

Fair Value Hierarchy - The existing use fair value of land under roads is best expressed as undeveloped or en globo land (pre-subdivision). However, as sufficient sales evidence of en globo land with similar features to the land being valued is generally not available, it is appropriate to use a proxy to estimate the en globo value. Community land value is used as a reasonable proxy to value land under roads, as such land generally has no feasible alternative use, and it is undeveloped and is publicly accessible. As such the level of valuation input for these properties was considered level 3.

Buildings – Non Specialised and Specialised

Valuation Technique - Buildings are recognised using the cost method, which equates to the current replacement cost of a modern equivalent asset. The cost to replace the asset is equal to the amount that a market participant buyer of that asset would pay to acquire it.

Fair Value Hierarchy – Specialised and Non Specialised buildings are generally assessed at level 3 of the fair value hierarchy due to lack of market evidence. Key inputs are unit rates and remaining useful life. The exception is non specialised residential properties which have been valued using sale prices of comparable properties (level 2). The most significant input into this valuation approach is price per square metre. The level of evidence to support the critical assumptions of Council's residential property valuation was considered to be significant due to high levels of variability in the market for rental yields and future demands. As such the level of valuation input for all buildings was considered level 3.

Intangible Assets

Valuation Technique – These assets are recognised at depreciated historical cost as an acceptable substitute for fair value because any difference between fair value and depreciated historical cost is unlikely to be material.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 27. Fair Value Measurement

Fair Value Hierarchy – The key unobservable unit to the valuation of this category is asset condition and useful life. The condition of assets is reviewed on an annual basis and an assessment of remaining life undertaken based on these results.

Other Structures

Other Structures incorporates Bus Shelters, Shade Structures, Picnic Shelters and BBQ Shelters.

Valuation Technique – Other Structures are recognised at depreciated historical cost as an acceptable substitute for fair value because any difference between fair value and depreciated historical cost is unlikely to be material.

Fair Value Hierarchy -- The key unobservable unit to the valuation of this category is asset condition and useful life. The condition of assets is reviewed on an annual basis and an assessment of remaining life undertaken based on these results.

Other Open Space / Recreational Assets

Other Open Space/Recreational Assets incorporate Off-road Footpaths, Park Assets including Playgrounds, Skateboard Facilities, Tennis Courts, Furniture and Landscaping and Power Poles.

Valuation Technique - Other Open Space/Recreational Assets are recognised using the cost method (e.g. Off-Road Footpaths).

Fair Value Hierarchy – while some elements of the cost method can be supported by market evidence (Level 2) others factors require professional judgement such as asset condition and useful life. As these inputs can have a significant impact on the fair value the valuation input all Other Open Space / Recreational Assets were considered level 3.

Swimming Pools - Structures

Valuation Technique – Swimming Pools and Rock Pools are valued using the cost approach, which equates to the current replacement cost of a modern equivalent asset. The cost to replace the asset is to equal the amount that a market participant buyer of that asset would pay to acquire it. External Valuer Ninnes Fong undertook the original valuation in 2009.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 27. Fair Value Measurement

Fair Value Hierarchy - the general valuation approach to determine the fair value of Council's swimming pool inventory is to determine a unit rate based on square metres corroborated by market evidence (Level 2 input). A process is then undertaken to compare these rates with internal unit rates derived by Council as a result of specific work that has been undertaken. Further to this other inputs such as asset condition and useful life require a significant level of professional judgement and can impact significantly on the fair value. As such the level of valuation input for these properties was considered level 3.

Artworks

Valuation Technique – Art Works are valued using the cost approach, which equates to the current replacement cost of a modern equivalent asset. The cost to replace the asset is to equal the amount that a market participant buyer of that asset would pay to acquire it.

Fair Value Hierarchy - the general valuation approach to determine the fair value of Council's Artworks is to use the market price or purchase price of the original transaction or if the work is in the form of a donation an external valuation is undertaken corroborated by market evidence (Level 2 input). It is noted that the valuation process requires a significant level of professional judgement and this can impact significantly on the fair value. As such the level of valuation input for artworks was considered level 3.

Library Books

Valuation Technique – These assets are recognised at depreciated historical cost as an acceptable substitute for fair value because any difference between fair value and depreciated historical cost is unlikely to be material.

Fair Value Hierarchy – The key unobservable unit to the valuation of this category is asset condition and useful life. The condition of assets is reviewed on an annual basis and an assessment of remaining life undertaken based on these results.

Other Assets

Other Assets is a catch all for the remaining assets held by Council and includes Waste Assets such as Cell Development and Liners, Public Art, Power Poles and Crematorium and Cemetery Beams and Walls.

Valuation Technique - Other Assets are recognised using the cost method.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 27. Fair Value Measurement

Fair Value Hierarchy – while some elements of the cost method can be supported by market evidence (Level 2) others factors require professional judgement such as asset condition and useful life. As these inputs can have a significant impact on the fair value the valuation input all Other Assets were considered level 3.

Tip Remediation Asset

Valuation Technique – Council's Tip Remediation Asset is measured at fair value (i.e. market approach).

Fair Value Hierarchy – Whytes Gully Waste Disposal Depot will require remediation works to be carried out during and at the end of its useful life. The cash outflows relating to these remediation works have been modelled and recognised as an asset in Note 9 of Council's statements. Key unobservable inputs are the discount rate, cost escalation rate, timing of costs and future environmental management requirements. As such the level of valuation input for Council's fair valued loan was considered a Level 3.

Wollongong City Council

Notes to the Financial Statements for the financial year ended 30 June 2015

Note 27. Fair Value Measurement

A summary of the Fair Valuation techniques Council has employed while utilising Level 2 and Level 3 inputs are as follows:

Asset Category	Valuation Frequency	Description of Process	Valuer	Responsibility
Financial Assets	Monthly	Monthly valuation using the current price in an active market for similar assets	External	Finance Division
Investment Properties	3 Years	Full valuation every 3 years or index applied annually if material	External	Property Division
Infrastructure	5 years	Full valuation using current unit rates or index applied annually if material	Internal	Infrastructure & Strategic Planning Division
Property Plant & Equipment, Office Equipment & Furniture & Fittings	Annually	Assessment of remaining useful life undertaken with adjustments to consumption patterns that may impact fair value	Internal	Finance Division
Operational Land	5 Years	Full valuation every 5 years or index applied annually if material	External	Property Division
Community Land	5 Years	Valuer General Land Values or Average Unit Rate for similar properties if not available	Valuer General / Internal	Property / Finance Division
Land Under Roads	5 Years	Valuer General Land Values or Average Unit Rate used as proxy to derive en globo rate	Valuer General / Internal	Finance Division
Buildings – Non Specialised & Specialised	5 Years	Full valuation every 5 years or index applied annually if material	External / Internal	Infrastructure & Strategic Planning Division / Property Division

Wollongong City Council

Notes to the Financial Statements
for the financial year ended 30 June 2015

Note 27. Fair Value Measurement

Asset Category	Valuation Frequency	Description of Process	Valuer	Responsibility
Intangibles	Annually	Assessment of remaining useful life undertaken with adjustments to consumption patterns that may impact fair value	Internal	Finance Division
Other Structures	Annually	Assessment of remaining useful life undertaken with adjustments to consumption patterns that may impact fair value	Internal	Infrastructure & Strategic Planning Division
Other Open Space / Recreational Assets	5 years	Full valuation every 5 years or index applied annually if material	Internal	Infrastructure & Strategic Planning Division
Swimming Pools - Structures	5 years	Full valuation every 5 years or index applied annually if material	External / Internal	Infrastructure & Strategic Planning Division
Library Books	Annually	Assessment of remaining useful life undertaken with adjustments to consumption patterns that may impact fair value	Internal	Finance Division
Other Assets	5 years	Full valuation every 5 years or index applied annually if material	Internal	Various
Tip Remediation Asset	Annually	Reassessment of discount rate and application to discounted cash flows if material	Internal	Finance Division

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 27. Fair Value Measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (Level 3)

The following tables present the changes in Level 3 Fair Value Asset Classes.

	Held for Sale Assets	Financial Assets	Investment Property	IPP&E	Total
Opening Balance - 1/7/13	-	7,294	3,725	2,376,962	2,387,981
Transfers from/(to) another asset class	1,700	-	-	1,177	2,877
Purchases (GBV)	-	50	-	92,910	92,960
Disposals (WDV)	-	(88)	-	(7,464)	(7,552)
Depreciation & Impairment	-	-	-	(60,929)	(60,929)
FV Gains - Other Comprehensive Income	-	-	-	(205,106)	(205,106)
FV Gains - Income Statement ¹	-	386	-	-	386
FV Loss - Income Statement	-	-	(975)	-	(975)
Adjustments & Transfers	-	-	-	10,292	10,292
Closing Balance - 30/6/14	1,700	7,642	2,750	2,207,842	2,219,934
Purchases (GBV)	-	3,147	-	86,754	89,901
Disposals (WDV)	(1,700)	(74)	-	(7,337)	(9,111)
Depreciation & Impairment	-	-	-	(60,436)	(60,436)
FV Gains - Other Comprehensive Income	-	-	-	4,039	4,039
FV Gains - Income Statement ¹	-	331	-	-	331
Adjustments & Transfers	-	-	-	20,481	20,481
Closing Balance - 30/6/15	-	11,046	2,750	2,251,343	2,265,139

(5). Highest and best use

All of Council's non financial assets are considered as being utilised for their highest and best use.

Wollongong City Council

Notes to the Financial Statements

for the financial year ended 30 June 2015

Note 28. Council Information & Contact Details

Principal Place of Business:

41 Burelli Street
Wollongong NSW 2500

Contact Details**Mailing Address:**

Locked Bag 8821
Wollongong NSW 2500

Opening Hours:

Administration Building: 8:30am - 5:00pm

Telephone: (02) 4227 7111

Facsimile: (02) 4227 7277

Internet: www.wollongong.nsw.gov.au

Email: council@wollongong.nsw.gov.au

Officers**GENERAL MANAGER**

David Farmer

RESPONSIBLE ACCOUNTING OFFICER

Brian Jenkins

PUBLIC OFFICER

Kylee Cowgill

AUDITORS

PricewaterhouseCoopers

Elected Members**LORD MAYOR**

Gordon Bradberry

COUNCILLORS

Leigh Colacino

Janice Kershaw

Jill Merrin

Greg Petty

Michelle Blicavs

David Brown

John Dorahy

George Takacs

Chris Connor

Bede Crasnich

Vicki Curran

Ann Martin

Other Information

ABN: 63 139 525 939



The Wollongong City Council

Independent auditor's report to the Council – s417(2) Report on the general purpose financial statements

Report on the financial statements

We have audited the accompanying financial statements of the Wollongong City Council, which comprise the statement of financial position as at 30 June 2015 and the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, accompanying notes to the financial statements and the Statement by Councillors and Management in the approved form as required by Section 413(2) of the Local Government Act 1993.

Councillors' responsibility for the financial statements

The Councillors of the Council are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1993 and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Councillors, as well as evaluating the overall presentation of the financial statements.

When this audit report is included in an Annual Report, our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial statements.

Our audit responsibility does not extend to the Original Budget Figures included in the Income Statement, Statement of Cash Flows and the Original Budget disclosures in notes 2(a) and 16 and the Projections disclosed in note 17 to the financial statements, nor the attached Special Schedules, and accordingly, we express no opinion on them.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Auditor's opinion:

In our opinion:

- (a) the Council's accounting records have been kept in accordance with the requirements of the Local Government Act 1993, Chapter 13 part 3 Division 2 (the Division); and
- (b) the financial statements:
 - (i) have been presented, in all material respects, in accordance with the requirements of this Division
 - (ii) are consistent with the Council's accounting records
 - (iii) present fairly, in all material respects, the Council's financial position as at 30 June 2015 and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- (c) all information relevant to the conduct of the audit has been obtained; and
- (d) there are no material deficiencies in the accounting records or financial statements that have come to light during the course of the audit.

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PricewaterhouseCoopers

A handwritten signature in blue ink, appearing to read 'Peter Buchholz', written over a light blue circular stamp.

Peter Buchholz
Partner

Sydney
21 October 2015

Wollongong City Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2015



Wollongong City Council

Special Purpose Financial Statements

for the financial year ended 30 June 2015

Contents	Page
1. Statement by Councillors & Management	2
2. Special Purpose Financial Statements:	
Income Statement - Water Supply Business Activity	n/a
Income Statement - Sewerage Business Activity	n/a
Income Statement - Other Business Activities	3
Statement of Financial Position - Water Supply Business Activity	n/a
Statement of Financial Position - Sewerage Business Activity	n/a
Statement of Financial Position - Other Business Activities	5
3. Notes to the Special Purpose Financial Statements	8
4. Auditor's Report	11

Background

(i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Division of Local Government in fulfilling their requirements under National Competition Policy.

(ii) The principle of competitive neutrality is based on the concept of a "level playing field" between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, State or Local, should operate without net competitive advantages over other businesses as a result of their public ownership.

(iii) For Council, the principle of competitive neutrality & public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation and **(b)** those activities with a turnover of over \$2 million that Council has formally declared as a Business Activity (defined as Category 1 activities).

(iv) In preparing these financial statements for Council's self classified Category 1 businesses and ABS defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax equivalent regime payments & debt guarantee fees (where the business benefits from councils borrowing position by comparison with commercial rates).

Wollongong City Council

Special Purpose Financial Statements for the financial year ended 30 June 2015

Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

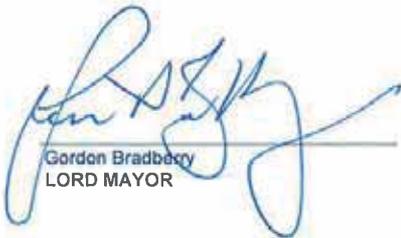
- The NSW Government Policy Statement "Application of National Competition Policy to Local Government".
- The Division of Local Government Guidelines "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality".
- The Local Government Code of Accounting Practice and Financial Reporting.
- The NSW Office of Water (Department of Environment, Climate Change and Water) Guidelines - "Best Practice Management of Water and Sewerage".

To the best of our knowledge and belief, these Financial Statements:

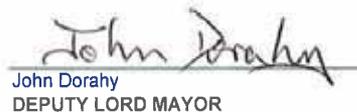
- Present fairly the Operating Result and Financial Position for each of Council's declared Business Activities for the year, and
- Accord with Council's accounting and other records.

We are not aware of any matter that would render these Statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 19 October 2015.



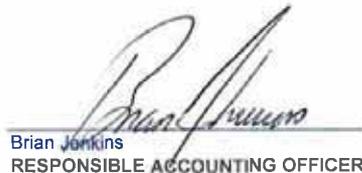
Gordon Bradbery
LORD MAYOR



John Dorahy
DEPUTY LORD MAYOR



David Farmer
GENERAL MANAGER



Brian Jenkins
RESPONSIBLE ACCOUNTING OFFICER

Wollongong City Council

Income Statement of Council's Other Business Activities

for the financial year ended 30 June 2015

\$ '000	Waste Disposal		Tourist Parks	
	Category 1		Category 1	
	Actual 2015	Actual 2014	Actual 2015	Actual 2014
Income from continuing operations				
Access charges	-	-	-	-
User charges	27,598	27,178	5,693	5,580
Fees	-	-	-	-
Interest	-	-	-	-
Grants and contributions provided for non capital purposes	-	-	-	-
Profit from the sale of assets	-	-	13	11
Other income	568	347	178	159
Total income from continuing operations	28,166	27,525	5,884	5,750
Expenses from continuing operations				
Employee benefits and on-costs	1,525	1,512	2,404	2,389
Borrowing costs	1,722	1,758	-	-
Materials and contracts	1,492	1,297	826	765
Depreciation and impairment	635	623	1,021	877
Loss on sale of assets	-	-	-	-
Calculated taxation equivalents	414	399	801	772
EPA Levy	14,230	11,880	-	-
Debt guarantee fee (if applicable)	-	-	-	-
Other expenses	2,193	4,457	1,074	1,026
Total expenses from continuing operations	22,211	21,926	6,126	5,829
Surplus (deficit) from Continuing Operations before capital amounts	5,955	5,599	(242)	(79)
Grants and contributions provided for capital purposes	-	-	-	-
Surplus (deficit) from Continuing Operations after capital amounts	5,955	5,599	(242)	(79)
Surplus (deficit) from discontinued operations	-	-	-	-
Surplus (deficit) from ALL Operations before tax	5,955	5,599	(242)	(79)
less: Corporate Taxation Equivalent (30%) [based on result before capital]	(1,787)	(1,680)	-	-
SURPLUS (DEFICIT) AFTER TAX	4,169	3,919	(242)	(79)
plus Opening Retained Profits	22,506	16,508	7,782	7,089
plus/less: Prior Period Adjustments	-	-	-	-
plus Adjustments for amounts unpaid:				
- Taxation equivalent payments	414	399	801	772
- Debt guarantee fees	-	-	-	-
- Corporate taxation equivalent	1,787	1,680	-	-
add:				
- Subsidy Paid/Contribution To Operations	-	-	-	-
less:				
- TER dividend paid	-	-	-	-
- Dividend paid	-	-	-	-
Closing Retained Profits	28,875	22,506	8,341	7,782
Return on Capital %	34.2%	226.6%	-2.2%	-0.7%
Subsidy from Council	-	-	577	493

Wollongong City Council

Income Statement of Council's Other Business Activities

for the financial year ended 30 June 2015

	Health & Fitness		Crematorium & Cemeteries	
	Category 1		Category 1	
	Actual 2015	Actual 2014	Actual 2015	Actual 2014
\$ '000				
Income from continuing operations				
Access charges	-	-	-	-
User charges	2,476	2,521	2,579	2,450
Fees	-	-	-	-
Interest	-	-	-	-
Grants and contributions provided for non capital purposes	11	29	-	-
Profit from the sale of assets	-	-	-	-
Other income	28	32	1,369	1,340
Total income from continuing operations	2,515	2,582	3,948	3,790
Expenses from continuing operations				
Employee benefits and on-costs	2,187	2,164	1,493	1,518
Borrowing costs	-	-	-	-
Materials and contracts	311	284	366	377
Depreciation and impairment	14	3	-	-
Loss on sale of assets	-	-	-	-
Calculated taxation equivalents	255	244	111	108
Debt guarantee fee (if applicable)	-	-	-	-
Other expenses	945	1,286	1,920	1,983
Total expenses from continuing operations	3,712	3,981	3,890	3,986
Surplus (deficit) from Continuing Operations before capital amounts	(1,197)	(1,399)	58	(196)
Grants and contributions provided for capital purposes	-	-	-	-
Surplus (deficit) from Continuing Operations after capital amounts	(1,197)	(1,399)	58	(196)
Surplus (deficit) from discontinued operations	-	-	-	-
Surplus (deficit) from ALL Operations before tax	(1,197)	(1,399)	58	(196)
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-	(17)	-
SURPLUS (DEFICIT) AFTER TAX	(1,197)	(1,399)	41	(196)
plus Opening Retained Profits	(8,134)	(6,979)	(1,301)	(1,213)
plus/less: Prior Period Adjustments	-	-	-	-
plus Adjustments for amounts unpaid:				
- Taxation equivalent payments	255	244	111	108
- Debt guarantee fees	-	-	-	-
- Corporate taxation equivalent	-	-	17	-
add:				
- Subsidy Paid/Contribution To Operations	-	-	-	-
less:				
- TER dividend paid	-	-	-	-
- Dividend paid	-	-	-	-
Closing Retained Profits	(9,076)	(8,134)	(1,132)	(1,301)
Return on Capital %	-767.3%	-1059.8%	161.1%	-544.4%
Subsidy from Council	1,202	1,446	-	233

Wollongong City Council

Statement of Financial Position - Council's Other Business Activities

as at 30 June 2015

\$ '000	Waste Disposal		Tourist Parks	
	Category 1		Category 1	
	Actual 2015	Actual 2014	Actual 2015	Actual 2014
ASSETS				
Current Assets				
Cash and cash equivalents	-	-	-	-
Investments	9,533	13,774	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Other	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-
Total Current Assets	9,533	13,774	-	-
Non-Current Assets				
Investments	-	-	-	-
Receivables	37,599	44,660	1,912	810
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	22,416	3,246	11,083	11,626
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Intangible Assets	-	-	-	-
Total Non-Current Assets	60,015	47,906	12,995	12,436
TOTAL ASSETS	69,548	61,680	12,995	12,436
LIABILITIES				
Current Liabilities				
Bank Overdraft	-	-	-	-
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	-	-	-	-
Total Current Liabilities	-	-	-	-
Non-Current Liabilities				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	40,669	39,170	-	-
Other Liabilities	-	-	-	-
Total Non-Current Liabilities	40,669	39,170	-	-
TOTAL LIABILITIES	40,669	39,170	-	-
NET ASSETS	28,879	22,510	12,995	12,436
EQUITY				
Retained earnings	28,875	22,506	8,341	7,782
Revaluation reserves	4	4	4,654	4,654
Council equity interest	28,879	22,510	12,995	12,436
Non-controlling equity interest	-	-	-	-
TOTAL EQUITY	28,879	22,510	12,995	12,436

Wollongong City Council

Statement of Financial Position - Council's Other Business Activities

as at 30 June 2015

\$ '000	Health & Fitness		Crematorium & Cemeteries	
	Category 1		Category 1	
	Actual 2015	Actual 2014	Actual 2015	Actual 2014
ASSETS				
Current Assets				
Cash and cash equivalents	-	-	-	-
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Other	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-
Total Current Assets	-	-	-	-
Non-Current Assets				
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	156	132	36	36
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Intangible Assets	-	-	-	-
Total Non-Current Assets	156	132	36	36
TOTAL ASSETS	156	132	36	36
LIABILITIES				
Current Liabilities				
Bank Overdraft	-	-	-	-
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	-	-	-	-
Total Current Liabilities	-	-	-	-
Non-Current Liabilities				
Payables	9,232	8,266	1,168	1,337
Interest bearing liabilities	-	-	-	-
Provisions	-	-	-	-
Other Liabilities	-	-	-	-
Total Non-Current Liabilities	9,232	8,266	1,168	1,337
TOTAL LIABILITIES	9,232	8,266	1,168	1,337
NET ASSETS	(9,076)	(8,134)	(1,132)	(1,301)
EQUITY				
Retained earnings	(9,076)	(8,134)	(1,132)	(1,301)
Revaluation reserves	-	-	-	-
Council equity interest	(9,076)	(8,134)	(1,132)	(1,301)
Non-controlling equity interest	-	-	-	-
TOTAL EQUITY	(9,076)	(8,134)	(1,132)	(1,301)

Wollongong City Council

Special Purpose Financial Statements

for the financial year ended 30 June 2015

Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	8
2	Water Supply Business Best Practice Management disclosure requirements	n/a
3	Sewerage Business Best Practice Management disclosure requirements	n/a

Wollongong City Council

Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2015

Note 1. Significant Accounting Policies

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by Council and the Office of Local Government.

For the purposes of these statements, the Council is not a reporting not-for-profit entity.

The figures presented in these special purpose financial statements, unless otherwise stated, have been prepared in accordance with:

- the recognition and measurement criteria of relevant Australian Accounting Standards,
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB) &
- Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with:

- the Local Government Act and Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

The statements are also prepared on an accruals basis, based on historic costs and do not take into account changing money values nor current values of non-current assets (except where specifically stated).

Certain taxes and other costs (appropriately described) have been imputed for the purposes of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 Government Policy statement on the "Application of National Competition Policy to Local Government".

The "Pricing & Costing for Council Businesses A Guide to Competitive Neutrality" issued by the Office of Local Government in July 1997 has also been adopted.

The pricing & costing guidelines outline the process for identifying and allocating costs to activities and provide a standard of disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents; council subsidies; return on investments (rate of return); and dividends paid.

Declared Business Activities

In accordance with *Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

a. Waste Disposal

Manages the disposal of solid waste generated within the city.

b. Tourist Parks

Operation, management & development of tourist parks at Bulli, Corrimal & Windang.

c. Health & Fitness

Responsible for the management and upkeep of Council's Leisure Centres.

d. Crematorium & Cemeteries

Provision of quality crematorium, cemetery & memorial facilities & services

Category 2

(where gross operating turnover is less than \$2 million)

None

Monetary Amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollars.

(i) Taxation Equivalent Charges

Council is liable to pay various taxes and financial duties in undertaking its business activities. Where this is the case, they are disclosed in these statements as a cost of operations just like all other costs.

Wollongong City Council

Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2015

Note 1. Significant Accounting Policies

However, where Council is exempt from paying taxes which are generally paid by private sector businesses (such as income tax), equivalent tax payments have been applied to all Council nominated business activities and are reflected in these financial statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all council nominated business activities (this does not include council's non-business activities):

Notional Rate Applied %

Corporate Income Tax Rate – 30%

Land Tax – The first **\$432,000** of combined land values attracts **0%**. From \$432,001 to \$2,641,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$2,641,000, a premium marginal rate of **2.0%** applies.

Payroll Tax – **5.45%** on the value of taxable salaries and wages in excess of \$750,000.

Income Tax

An income tax equivalent has been applied on the profits of each reported Business Activity.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account of in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level (gain/(loss) from ordinary activities before capital amounts) as would be applied by a private sector competitor – that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income Tax is only applied where a positive gain/(loss) from ordinary activities before capital amounts has been achieved.

Since this taxation equivalent is notional - that is, it is payable to the "Council" as the owner of business operations, it represents an internal payment and has no effect on the operations of the council. Accordingly, there is no need for disclosure of internal charges in Council's General Purpose Financial Statements.

The rate applied of 30% is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations that have occurred during the year.

Local Government Rates & Charges

A calculation of the equivalent rates and charges payable on all Category 1 businesses has been applied to all land assets owned or exclusively used by the Business Activity.

Loan & Debt Guarantee Fees

The debt guarantee fee is designed to ensure that council business activities face "true" commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, council has determined what the differential borrowing rate would have been between the commercial rate and the council's borrowing rate for its business activities.

(ii) Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed.

Subsidies occur where council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for council to meet its community service obligations.

Accordingly, Subsidies disclosed (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by the council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported Business Activity.

(iii) Return on Investments (Rate of Return)

The Policy statement requires that councils with Category 1 businesses "would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field".

Wollongong City Council

Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2015

Note 1. Significant Accounting Policies

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The Rate of Return on Capital is calculated as follows:

Operating Result before Capital Income + Interest Expense

Written Down Value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 3.02% at 30/6/15.

The actual rate of return achieved by each Business Activity is disclosed at the foot of each respective Income Statement.

(iv) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

(v) Amendments to comparable figures

A review of the assumptions used to develop these statements was conducted during the financial year. As a result of this the comparable figures from the 2013/14 financial year have been updated in line with these assumptions.



The Wollongong City Council

Independent auditor's report Report on the special purpose financial statements

Report on the financial statements

We have audited the accompanying financial statements, being the special purpose financial statements, of the Wollongong City Council (the Council), which comprises the Statement of Financial Position by Business Activity for the year ended 30 June 2015, the Income Statements by Business Activity for the year then ended, Notes to the financial statements for the Business Activities identified by Council and the Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting for the year ended 30 June 2015.

Councillors' responsibility for the financial report

The Councillors of the Council are responsible for the preparation and fair presentation of the financial statements and have determined that the accounting policies described in note 1 to the financial statements which form part of the financial statements, are appropriate to meet the requirements of the Local Government Code of Accounting Practice and Financial Reporting. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Councillors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Auditor's opinion:

In our opinion, the financial statements presents fairly, in all material respects, the financial position by Business Activity of Wollongong City Council as of 30 June 2015 and its financial performance by Business Activity for the year then ended in accordance with the requirements of those applicable Accounting Standards detailed in Note 1 to the financial statements, and the Local Government Code of Accounting Practice and Financial Reporting.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describe the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the Local Government Code of Accounting Practice and Financial Reporting. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Council.

A handwritten signature in blue ink, appearing to read 'Peter Buchholz', is written over a light blue rectangular background.

PricewaterhouseCoopers

A handwritten signature in blue ink, appearing to read 'Peter Buchholz', is written over a light blue rectangular background.

Peter Buchholz
Partner

Sydney
21 October 2015

Wollongong City Council

SPECIAL SCHEDULES
for the year ended 30 June 2015



Wollongong City Council

Special Schedules

for the financial year ended 30 June 2015

Contents

Page

Special Schedules¹

- Special Schedule No. 1	Net Cost of Services	2
- Special Schedule No. 2(a)	Statement of Long Term Debt (all purposes)	4
- Special Schedule No. 2(b)	Statement of Internal Loans (Sect. 410(3) LGA 1993)	n/a
- Special Schedule No. 3	Water Supply Operations - incl. Income Statement	n/a
- Special Schedule No. 4	Water Supply - Statement of Financial Position	n/a
- Special Schedule No. 5	Sewerage Service Operations - incl. Income Statement	n/a
- Special Schedule No. 6	Sewerage Service - Statement of Financial Position	n/a
- Notes to Special Schedules No. 3 & 5		n/a
- Special Schedule No. 7	Report on Infrastructure Assets (as at 30 June 2015)	5
- Special Schedule No. 8	Financial Projections	n/a
- Special Schedule No. 9	Permissible Income Calculation	11

¹ Special Schedules are not audited (with the exception of Special Schedule 9).

Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
- the NSW Grants Commission
 - the Australian Bureau of Statistics (ABS),
 - the NSW Office of Water (NOW), and
 - the Office of Local Government (OLG).
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
 - the incorporation of Local Government financial figures in national statistics,
 - the monitoring of loan approvals,
 - the allocation of borrowing rights, and
 - the monitoring of the financial activities of specific services.

Wollongong City Council

Special Schedule No. 1 - Net Cost of Services

for the financial year ended 30 June 2015

\$'000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Governance	-	-	-	-
Administration	29,759	6,965	85	(22,709)
Public Order and Safety				
Fire Service Levy, Fire Protection, Emergency Services	4,692	646	-	(4,046)
Beach Control	4,947	6	-	(4,941)
Enforcement of Local Govt. Regulations	1,940	2,456	-	516
Animal Control	1,403	680	-	(723)
Other	95	1	-	(94)
Total Public Order & Safety	13,077	3,789	-	(9,288)
Health	1,391	734	-	(657)
Environment				
Noxious Plants and Insect/Vermin Control	-	-	-	-
Other Environmental Protection	6,507	452	615	(5,440)
Solid Waste Management	35,506	43,188	-	7,682
Street Cleaning	4,630	12	-	(4,618)
Drainage	11,566	1,636	-	(9,930)
Stormwater Management	-	-	-	-
Total Environment	58,209	45,288	615	(12,306)
Community Services and Education				
Administration & Education	50	11	-	(39)
Social Protection (Welfare)	4,223	3,038	-	(1,185)
Aged Persons and Disabled	1,131	518	-	(613)
Children's Services	2,912	1,149	-	(1,763)
Total Community Services & Education	8,316	4,716	-	(3,600)
Housing and Community Amenities				
Public Cemeteries	2,410	2,579	-	169
Public Conveniences	690	-	-	(690)
Street Lighting	3,145	645	-	(2,500)
Town Planning	11,831	4,780	11,604	4,553
Other Community Amenities	2,091	1,404	-	(687)
Total Housing and Community Amenities	20,167	9,408	11,604	845
Water Supplies	-	-	-	-
Sewerage Services	-	-	-	-

Wollongong City Council

Special Schedule No. 1 - Net Cost of Services (continued)

for the financial year ended 30 June 2015

\$'000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Recreation and Culture				
Public Libraries	11,112	748	-	(10,364)
Museums	-	-	-	-
Art Galleries	2,269	175	-	(2,094)
Community Centres and Halls	4,407	493	-	(3,914)
Performing Arts Venues	1,986	12	-	(1,974)
Other Performing Arts	-	-	-	-
Other Cultural Services	576	60	-	(516)
Sporting Grounds and Venues	4,054	516	235	(3,303)
Swimming Pools	6,648	590	25	(6,033)
Parks & Gardens (Lakes)	17,411	562	35	(16,814)
Other Sport and Recreation	3,233	2,504	-	(729)
Total Recreation and Culture	51,696	5,660	295	(45,741)
Fuel & Energy	-	-	-	-
Agriculture	-	-	-	-
Mining, Manufacturing and Construction				
Building Control	-	-	-	-
Other Mining, Manufacturing & Construction	-	-	-	-
Total Mining, Manufacturing and Const.	-	-	-	-
Transport and Communication				
Urban Roads (UR) - Local	35,825	813	8,170	(26,842)
Urban Roads - Regional	-	-	-	-
Sealed Rural Roads (SRR) - Local	-	-	-	-
Sealed Rural Roads (SRR) - Regional	-	-	-	-
Unsealed Rural Roads (URR) - Local	-	-	-	-
Unsealed Rural Roads (URR) - Regional	-	-	-	-
Bridges on UR - Local	-	-	-	-
Bridges on SRR - Local	-	-	-	-
Bridges on URR - Local	-	-	-	-
Bridges on Regional Roads	-	-	-	-
Parking Areas	2,447	712	-	(1,735)
Footpaths	7,271	-	1,264	(6,007)
Aerodromes	-	-	-	-
Other Transport & Communication	968	-	-	(968)
Total Transport and Communication	46,511	1,525	9,434	(35,552)
Economic Affairs				
Camping Areas & Caravan Parks	5,269	5,820	-	551
Other Economic Affairs	7,228	10,746	-	3,518
Total Economic Affairs	12,497	16,566	-	4,069
Totals – Functions	241,623	94,651	22,033	(124,939)
General Purpose Revenues ⁽²⁾		156,555		156,555
Share of interests - joint ventures & associates using the equity method	22	-		(22)
NET OPERATING RESULT ⁽¹⁾	241,645	251,206	22,033	31,594

(1) As reported in the Income Statement

(2) Includes: Rates & Annual Charges (incl. Ex Gratia, excl. Water & Sewer), Non Capital General Purpose Grants, Interest on Investments (excl. Ext. Restricted Assets) & Interest on overdue Rates & Annual Charges

Wollongong City Council

Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose)

for the financial year ended 30 June 2015

\$'000

Classification of Debt	Principal outstanding at beginning of the year			New Loans raised during the year	Debt redemption during the year		Transfers to Sinking Funds	Interest applicable for Year	Principal outstanding at the end of the year		
	Current	Non Current	Total		From Revenue	Sinking Funds			Current	Non Current	Total
Loans (by Source)											
Commonwealth Government	-	-	-	-	-	-	-	-	-	-	-
Treasury Corporation	-	-	-	-	-	-	-	-	-	-	-
Other State Government	4,912	34,221	39,133	15,000	5,244	-	-	1,311	6,369	42,520	48,889
Public Subscription	-	-	-	-	-	-	-	-	-	-	-
Financial Institutions	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Total Loans	4,912	34,221	39,133	15,000	5,244	-	-	1,311	6,369	42,520	48,889
Other Long Term Debt											
Ratepayers Advances	-	-	-	-	-	-	-	-	-	-	-
Government Advances	-	-	-	-	-	-	-	-	-	-	-
Finance Leases	-	-	-	-	-	-	-	-	-	-	-
Deferred Payments	-	-	-	-	-	-	-	-	-	-	-
Total Long Term Debt	-	-	-	-	-	-	-	-	-	-	-
Total Debt	4,912	34,221	39,133	15,000	5,244	-	-	1,311	6,369	42,520	48,889

Notes: Excludes (i) Internal Loans & (ii) Principal Inflows/Outflows relating to Loan Re-Financing.

This Schedule is prepared using the **face value** of debt obligations, rather than **fair value** (which are reported in the GPFS).

Wollongong City Council

Special Schedule No. 7 - Report on Infrastructure Assets

as at 30 June 2015

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard refer (1)	Required Annual Maintenance refer (2)	Actual Maintenance 2014/15 refer (3)	Written Down Value (WDV) refer (4)	Assets in Condition as a % of WDV				
						1	2	3	4	5
						refer (4) & (5)				
Buildings	Buildings	8,589	5,052	5,209	201,315	2%	22%	75%	1%	0%
	sub total	8,589	5,052	5,209	201,315	2.0%	22.0%	75.0%	1.0%	0.0%
Other Structures	Other Structures	2,672	141	141	6,242	4%	35%	54%	7%	0%
	sub total	2,672	141	141	6,242	4.0%	35.0%	54.0%	7.0%	0.0%
Roads	Roads and Road Related Assets	68,550	5,968	6,542	510,359	8%	18%	73%	1%	0%
	Footpaths and Shared Paths	856	2,551	1,544	120,336	27%	22%	51%	0%	0%
	Bridges, Boardwalks and Jetties	934	312	74	78,305	36%	22%	42%	0%	0%
	Other Transport Assets	1,093	166	69	20,843	10%	45%	44%	1%	0%
	sub total	71,433	8,997	8,229	729,843	14.2%	19.9%	65.2%	0.7%	0.0%
Stormwater Drainage	Stormwater Drainage	87	2,182	1,790	508,175	5%	20%	75%	0%	0%
	sub total	87	2,182	1,790	508,175	5.0%	20.0%	75.0%	0.0%	0.0%
Open Space/ Recreational Assets	Open Space / Recreational Assets	13,241	1,154	1,718	50,459	73%	3%	19%	5%	0%
	sub total	13,241	1,154	1,718	50,459	73.0%	3.0%	19.0%	5.0%	0.0%
TOTAL - ALL ASSETS		96,022	17,526	17,087	1,496,034	11.4%	19.7%	68.3%	0.7%	0.0%

Refer Notes on next page

Wollongong City Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)

as at 30 June 2015

Notes:

- (1). Cost to bring up to satisfactory standard' refers to estimated cost to replace the nominated percentage of each asset type which is deemed to be below satisfactory standard. Satisfactory standard is generally defined as condition 2 (see Asset Condition Definitions). As identified through Council's Securing our Future community engagement, footpaths and shared paths condition 3. Cost estimates are based on adopted valuation methodologies, and do not generally include the cost of enhancements/upgrades to existing assets. The nominated percentage of each asset type below satisfactory standard is detailed under Condition of Public Works in the Annual Report.
- (2). Required Annual Maintenance is what should be spent to maintain assets in a satisfactory standard and to ensure that the estimated remaining life of the asset is achieved.
- (3). Current Annual Maintenance is what should be spent in the current year to maintain assets. It does not include operational costs (e.g. energy or water supply, cleaning, administration staff) or capital replacement costs.
- (4). Below is a summary of asset types included in Asset Class:
- Buildings** : Community Facilities, Cultural Facilities, Childcare Centres, Public Toilets, Exelooos, Grandstands, Surf Life Saving Clubs, Amenities, Office/Shops, Industrial, Residences, Cabins and Leisure Centres
- Roads and Road Related Assets** : Road seal, base, sub-base, kerb and gutter, guardrails and traffic facilities (roundabouts, speedhumps, medians etc)
- Bridge, Boardwalks and Jetties** : Road Bridges, Pedestrian Bridges, Boardwalks and Jetties
- Footpaths and Cycleways** : Footpaths and cycleways (excluding off road footpaths in parks)
- Car parks**: Surface car parks (not multi-storey) and Boat ramps
- Stormwater** : Pits, Pipes, Headwalls, Culverts and Riparian Assets
- Recreation** : Pools, Playgrounds, Sport Courts, Park Furniture, Picnic Shelters and Landscaping. Does not include non-depreciable land and earthworks
- (5). **Condition of Public Assets**
- In accessing the condition of Public Assets, Council has considered the existing condition and function of each asset. The results shown for the condition of assets within each category are an average. Therefore, significant numbers of assets in each category are above and below the average result. Council recognise that the ratings scale used (as outlined below) may be different from those used by other Councils, but has been based on the rating scale in the International Infrastructure Management Manual.

Asset Condition Definitions

Rating	Status	Definition
1	As new	95 -100% of asset life remaining. Asset is near new and in excellent condition and fit for current usage.
2	Good	75-95% of asset life remaining. Asset is in good condition and fit for current usage.
3	Fair	Between 75% and 5 years of expected life remaining.
4	Poor	Between 1 and 4 years of expected remaining life. Asset is in an adequate condition and maintenance requirements are increasing to keep the asset fit for current usage.
5	To be replaced	Asset due to be replaced with one year remaining life expected. Generally these are listed on the current year capital works program

Wollongong City Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)
as at 30 June 2015

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard refer (1)	Required Annual Maintenance refer (2)	Actual Maintenance 2014/15 refer (3)	Written Down Value (WDV) refer (4)	Assets in Condition as a % of WDV					Current Replacement Cost (CRC) refer (4)	Assets in Condition as a % of CRC				
						1	2	3	4	5		1	2	3	4	5
						refer (4) & (5)						refer (4) & (5)				
Buildings	Buildings	8,589	5,052	5,209	201,315	2%	22%	75%	1%	0%	505,175	1%	10%	86%	2%	1%
	sub total	8,589	5,052	5,209	201,315	2.0%	22.0%	75.0%	1.0%	0.0%	505,175	1.0%	10.0%	86.0%	2.0%	1.0%
Other Structures	Other Structures	2,672	141	141	6,242	4%	35%	54%	7%	0%	14,061	2%	18%	50%	26%	4%
	sub total	2,672	141	141	6,242	4.0%	35.0%	54.0%	7.0%	0.0%	14,061	2.0%	18.0%	50.0%	26.0%	4.0%
Roads	Roads and Road Related Assets	68,550	5,968	6,542	510,359	8%	18%	73%	1%	0%	1,297,662	3%	8%	81%	7%	1%
	Footpaths and Shared Paths	856	2,551	1,544	120,336	27%	22%	51%	0%	0%	124,977	23%	15%	60%	1%	1%
	Bridges, Boardwalks and Jetties	934	312	74	78,305	36%	22%	42%	0%	0%	255,062	13%	12%	70%	3%	2%
	Other Transport Assets	1,093	166	69	20,843	10%	45%	44%	1%	0%	33,176	6%	31%	57%	6%	0%
	sub total	71,433	8,997	8,229	729,843	14.2%	19.9%	65.2%	0.7%	0.0%	1,710,877	7.5%	10.2%	75.7%	5.6%	1.1%
Stormwater Drainage	Stormwater Drainage	87	2,182	1,790	508,175	5%	20%	75%	0%	0%	872,896	3%	14%	83%	0%	0%
	sub total	87	2,182	1,790	508,175	5.0%	20.0%	75.0%	0.0%	0.0%	872,896	3.0%	14.0%	83.0%	0.0%	0.0%
Open Space/ Recreational Assets	Open Space / Recreational Assets	13,241	1,154	1,718	50,459	73%	3%	19%	5%	0%	115,402	44%	2%	40%	11%	3%
	sub total	13,241	1,154	1,718	50,459	73.0%	3.0%	19.0%	5.0%	0.0%	115,402	44.0%	2.0%	40.0%	11.0%	3.0%

Refer Notes on next page

Wollongong City Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)
as at 30 June 2015**Notes:**

- (1). Cost to bring up to satisfactory standard' refers to estimated cost to replace the nominated percentage of each asset type which is deemed to be below satisfactory standard. Satisfactory standard is generally defined as condition 2 (see Asset Condition Definitions).As identified through Council's Securing our Future community engagement, footpaths and shared paths condition 3. Cost estimates are based on adopted valuation methodologies, and do not generally include the cost of enhancements/upgrades to existing assets. The nominated percentage of each asset type below satisfactory standard is detailed under Condition of Public Works in the Annual Report.
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Asset Condition Definitions #

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5	To be replaced	Asset due to be replaced with one year remaining life expected. Generally these are listed on the current year capital works program

Wollongong City Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)
for the financial year ended 30 June 2015

\$ '000	Amounts	Indicator	Prior Periods	
	2015	2015	2014	2013
Infrastructure Asset Performance Indicators Consolidated				
1. Building, Infrastructure & Other Structures				
Renewals Ratio				
Asset Renewals				
<u>(Building, Infrastructure & Other Structures) ⁽¹⁾</u>	<u>48,215</u>	91.45%	43.18%	48.97%
Depreciation, Amortisation & Impairment	<u>52,723</u>			
2. Infrastructure Backlog Ratio				
Estimated Cost to bring Assets to a Satisfactory Condition	<u>96,022</u>	6.18%	8.84%	11.00%
Total value ⁽²⁾ of Infrastructure, Building, Other Structures & depreciable Land Improvement Assets	<u>1,553,715</u>			
3. Asset Maintenance Ratio				
Actual Asset Maintenance	<u>17,087</u>	0.97	0.78	0.70
Required Asset Maintenance	<u>17,526</u>			
4. Capital Expenditure Ratio				
Annual Capital Expenditure	<u>79,418</u>	1.31	1.40	1.22
Annual Depreciation	<u>60,763</u>			

Notes

⁽¹⁾ Asset Renewals represent the replacement &/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance. Asset Renewals include building, infrastructure & Other Structure assets only.

⁽²⁾ Written Down Value

Wollongong City Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued) for the financial year ended 30 June 2015



Benchmark: Minimum $\geq 100.00\%$
Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

Purpose of Asset Renewals Ratio

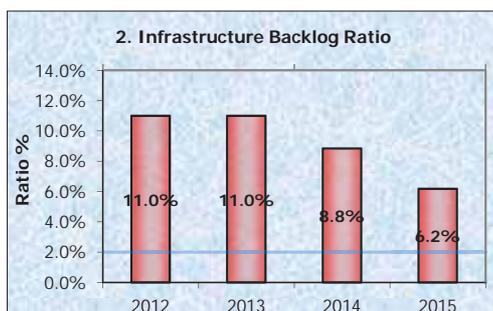
To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

Commentary on 2014/15 Result

2014/15 Ratio 91.45%

The method for determining the actual spend on renewal of assets was reviewed during the 2014/15 financial year to achieve a greater level of detail. The expenditure of each project in the capital works program is now allocated a proportion of renewal of assets. The sum total of the renewal component of each infrastructure, building and other structures project is the calculated total amount of asset renewal. The calculation of depreciation of these assets remains the same.

Ratio is within Benchmark
 Ratio is outside Benchmark



Benchmark: Maximum < 0.02
Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

Purpose of Infrastructure Backlog Ratio

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

Commentary on 2014/15 Result

2014/15 Ratio 6.18%

The cost to bring to satisfactory is defined as the cost difference of the written down value of assets in condition 4 and 5, to their written down value at condition 2, with the exception of path assets at condition 3. During Councils 'Securing our Future' financial review significant community engagement was undertaken regarding a community accepted level of service for paths, with a level of 3 deemed satisfactory.

Ratio is within Benchmark
 Ratio is outside Benchmark



Benchmark: Minimum > 1.00
Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

Purpose of Asset Maintenance Ratio

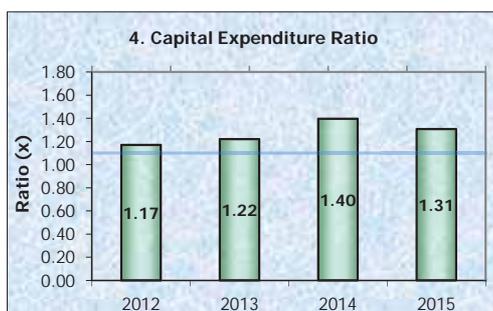
Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the Infrastructure Backlog growing.

Commentary on 2014/15 Result

2014/15 Ratio 0.97 x

The improvement in this ratio reflects an increase in the actual spend on maintenance of council assets, specifically community buildings. Additionally, the required maintenance expenditure figure has been reviewed on all asset types during 2014/15, with the amount required for bridges and stormwater assets slightly decreased. For bridges, this better represents the real expenditure on pedestrian bridges while for stormwater, an acknowledgment that the stock is in condition 1-3.

Ratio is within Benchmark
 Ratio is outside Benchmark



Benchmark: Minimum > 1.10
Source for Benchmark: Code of Accounting Practice and Financial Reporting #23

Purpose of Capital Expenditure Ratio

To assess the extent to which a Council is expanding its asset base thru capital expenditure on both new assets and the replacement and renewal of existing assets.

Commentary on 2014/15 Result

2014/15 Ratio 1.31 x

Council maintains its strong capital expenditure position with allocation of the first instalment of Special Rate Variation income increasing. Annual capital expenditure was very similar to 2013/14, the slight decrease in the ratio is due to a lower value of contributed assets in 2014/15.

In coming years Council expects this ratio to remain strong, specifically with construction of new major road and bridge assets supporting the West Dapto Urban Release Area.

Ratio is within Benchmark
 Ratio is outside Benchmark

Wollongong City Council

Special Schedule No. 9 - Permissible Income Calculation

for the financial year ended 30 June 2016

\$'000		Calculation 2014/15	Calculation 2015/16
Notional General Income Calculation ⁽¹⁾			
Last Year Notional General Income Yield	a	128,911	137,844
Plus or minus Adjustments ⁽²⁾	b	956	573
Notional General Income	c = (a + b)	129,867	138,417
Permissible Income Calculation			
Special variation percentage ⁽³⁾	d	6.13%	6.23%
or Rate peg percentage	e	2.30%	2.40%
or Crown land adjustment (incl. rate peg percentage)	f	0.00%	0.00%
less expiring Special variation amount	g	-	-
plus Special variation amount	h = d x (c-g)	7,961	8,623
or plus Rate peg amount	i = c x e	-	-
or plus Crown land adjustment and rate peg amount	j = c x f	-	-
sub-total	k = (c+g+h+i+j)	137,828	147,040
plus (or minus) last year's Carry Forward Total	l	1	135
less Valuation Objections claimed in the previous year	m	2	(148)
sub-total	n = (l + m)	3	(13)
Total Permissible income	o = k + n	137,831	147,027
less Notional General Income Yield	p	137,844	146,990
Catch-up or (excess) result	q = o - p	(13)	37
plus Income lost due to valuation objections claimed ⁽⁴⁾	r	148	6
less Unused catch-up ⁽⁵⁾	s	-	(3)
Carry forward to next year	t = q + r - s	135	40

Notes

- The Notional General Income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called "supplementary valuations" as defined in the Valuation of Land Act 1916.
- The Special Variation Percentage is inclusive of the Rate Peg percentage and where applicable crown land adjustment.
- Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- Carry forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the NSW Government Gazette in accordance with section 512 of the Local Government Act 1993. The OLG will extract these amounts from councils' Special Schedule 9 in the Financial Data Return (FDR) to administer this process.



The Wollongong City Council

Independent auditor's report Report on the Special Schedule No. 9

Report on the Special Schedule No. 9

We have audited the accompanying special purpose financial statement comprising the reconciliation of total permissible general income (Special Schedule No. 9) of the Wollongong City Council ("the Council") for the year ending 30 June 2016.

Councillors' responsibility for Special Schedule No. 9

The Councillors of the Council are responsible for the preparation and fair presentation of Special Schedule No. 9 in accordance with the Local Government Code of Accounting Practice and Financial Reporting (Guidelines) Update No. 23. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Special Schedule No. 9 that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on Special Schedule No. 9 based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether Special Schedule No. 9 is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in Special Schedule No. 9. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of Special Schedule No. 9, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of Special Schedule No. 9.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Australian Auditing Standards.

In making our risk assessments, we consider internal controls relevant to the entity's preparation of Special Schedule No. 9 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

PricewaterhouseCoopers, ABN 52 780 433 757
Darling Park Tower 2, 201 Sussex Street, GPO BOX 2650, SYDNEY NSW 1171
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.



Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, Special Schedule No. 9 of the Wollongong City Council for the year ending 30 June 2016 is properly drawn up in all material respects in accordance with the requirements of the Office of Local Government and in accordance with the books and records of the Council.

Restriction on distribution

Without modifying our opinion, we advise that this schedule has been prepared for distribution to the Office of Local Government for the purposes of confirming that Council's reconciliation of the total permissible general income is presented fairly. As a result, the schedule may not be suitable for another purpose. Our report is intended solely for the council and the Office of Local Government.

A handwritten signature in blue ink, appearing to read 'PricewaterhouseCoopers', is written over a light yellow rectangular background.

PricewaterhouseCoopers

A handwritten signature in blue ink, appearing to read 'Peter Buchholz', is written over a light yellow rectangular background.

Peter Buchholz
Partner

Sydney
21 October 2015

WOLLONGONG CITY COUNCIL

1 July 2015 to 25 September 2015

	2015/16 Original Budget \$'000	2015/16 Current Budget \$'000	2015/16 YTD Budget \$'000	2015/16 Actual YTD \$'000
Income Statement				
Income From Continuing Operations				
Revenue:				
Rates and Annual Charges	173,253	173,253	41,183	41,419
User Charges and Fees	33,194	33,194	7,688	7,299
Interest and Investment Revenues	4,772	4,772	1,171	1,222
Other Revenues	9,454	9,454	2,078	2,931
Grants & Contributions provided for Operating Purposes	28,846	28,846	6,820	7,431
Grants & Contributions provided for Capital Purposes	14,520	14,520	3,298	3,813
Other Income:				
Profit/Loss on Disposal of Assets	0	0	0	25
Total Income from Continuing Operations	264,040	264,040	62,237	64,140
Expenses From Continuing Operations				
Employee Costs	113,797	113,797	27,235	26,436
Borrowing Costs	4,206	4,206	1,000	1,088
Materials, Contracts & Other Expenses	89,130	89,130	20,523	20,175
Depreciation, Amortisation + Impairment	62,074	62,074	15,603	16,317
Internal Charges (labour)	(11,876)	(11,876)	(2,803)	(2,633)
Internal Charges (not labour)	(1,400)	(1,400)	(333)	(321)
Total Expenses From Continuing Operations	255,932	255,932	61,225	61,061
Operating Results From Continuing Operations	8,108	8,108	1,012	3,079
Net Operating Result for the Year	8,108	8,108	1,012	3,079
Net Operating Result for the Year before Grants & Contributions provided for Capital Purposes	(6,412)	(6,412)	(2,286)	(734)
NET SURPLUS (DEFICIT) [Pre capital] %	3.1%	3.1%	1.6%	4.8%
Funding Statement				
Net Operating Result for the Year	8,108	8,108	1,012	3,079
Add back :				
- Non-cash Operating Transactions	77,378	77,378	19,348	20,150
- Restricted cash used for operations	15,464	15,464	2,765	5,805
- Income transferred to Restricted Cash	(34,812)	(34,812)	(7,398)	(12,327)
- Payment of Accrued Leave Entitlements	(11,550)	(11,550)	(2,784)	(2,696)
- Payment of Carbon Contributions	0	0	0	0
Funds Available from Operations	54,588	54,588	12,943	14,010
Borrowings repaid	(6,371)	(6,371)	(886)	(885)
Operational Funds Available for Capital Budget	48,217	48,217	12,057	13,125
CAPITAL BUDGET				
Assets Acquired	(86,256)	(90,086)	(16,460)	(12,483)
Contributed Assets	0	0	0	0
Transfers to Restricted Cash	0	0	0	0
Funded From :-				
- Operational Funds	48,217	48,217	12,057	13,125
- Sale of Assets	2,008	1,626	114	253
- Internally Restricted Cash	5,136	5,056	29	127
- Borrowings	0	0	0	0
- Capital Grants	9,439	14,186	2,432	2,451
- Developer Contributions (Section 94)	6,510	6,276	(199)	681
- Other Externally Restricted Cash	9,460	9,454	2,436	2,368
- Other Capital Contributions	2,365	2,150	334	404
TOTAL FUNDS SURPLUS / (DEFICIT)	(3,122)	(3,122)	744	6,926

**Manager Project Delivery Division
Commentary on September 2015 Capital Budget Report**

As at 25 September 2015, year to date expenditure was \$12.5M of the approved capital budget of \$90.1M. This value is \$4.0M behind the initial forecast expenditure of \$16.5M for this period.

The following table summarises the proposed changes to the total Capital budget by transfer of budget between programs and reduction or introduction of various types of external or loan funding. These changes result in a net decrease in the capital budget of \$2.1M to \$88.0M.

Program	Major Points of change to Capital Budget
Road Works	Allocate funds from contingency for various existing projects in this program. Remove R.M.S. funding from an existing project to match project estimate.
West Dapto Infrastructure	Rephase LIRS3 funding for West Dapto Access strategy Implementation.
Crematorium/Cemetery Upgrades and Renewal –	Transfer project and corresponding budget from Capital to Operational due to clarification of work on Garrawarra Cemetery.
Recreation Facilities	Allocate budget from Recreation Facilities to Sporting Facilities Program. Correct funding allocation.
Sporting Facilities	Reallocate funding from Sports Priority Reserve. Correct funding allocation.
Capital Project Contingency	Distributions to various capital programs above.

CAPITAL PROJECT REPORT

as at the period ended 25 September 2015

ASSET CLASS PROGRAMME	\$'000		\$'000		YTD EXPENDITURE	\$'000		
	CURRENT BUDGET		WORKING BUDGET			VARIATION		
	EXPENDITURE	OTHER FUNDING	EXPENDITURE	OTHER FUNDING		EXPENDITURE	OTHER FUNDING	
Roads And Related Assets								
Traffic Facilities	3,576	(2,356)	3,574	(2,354)	1,389	(2)	2	
Public Transport Facilities	441	(172)	441	(172)	115	(0)	0	
Roadworks	12,232	(3,666)	12,567	(3,651)	1,744	335	15	
Bridges, Boardwalks and Jetties	1,750	(350)	1,750	(350)	237	(0)	(0)	
TOTAL Roads And Related Assets	17,999	(6,544)	18,332	(6,527)	3,486	333	17	
West Dapto								
West Dapto Infrastructure Expansion	7,794	(6,705)	5,954	(4,865)	310	(1,840)	1,840	
TOTAL West Dapto	7,794	(6,705)	5,954	(4,865)	310	(1,840)	1,840	
Footpaths And Cycleways								
Footpaths	7,017	(4,527)	7,017	(4,527)	2,324	(0)	(0)	
Cycle/Shared Paths	8,040	(5,560)	8,040	(5,560)	1,431	0	0	
Commercial Centre Upgrades - Footpaths and Cyclew	4,140	(435)	4,140	(435)	123	(0)	0	
TOTAL Footpaths And Cycleways	19,197	(10,522)	19,197	(10,522)	3,878	0	(0)	
Carparks								
Carpark Construction/Formalising	710	(500)	710	(500)	170	0	(0)	
Carpark Reconstruction or Upgrading	1,040	0	1,040	0	59	(0)	0	
TOTAL Carparks	1,750	(500)	1,750	(500)	229	0	(0)	
Stormwater And Floodplain Management								
Floodplain Management	2,210	(680)	2,210	(680)	61	0	0	
Stormwater Management	1,740	(430)	1,740	(430)	208	(0)	(0)	
Stormwater Treatment Devices	250	(150)	250	(150)	0	(0)	(0)	
TOTAL Stormwater And Floodplain M	4,200	(1,260)	4,200	(1,260)	269	(0)	(0)	
Buildings								
Cultural Centres (IPAC, Gallery, Townhall)	1,100	0	1,100	0	22	0	0	
Administration Buildings	1,280	0	1,280	0	29	0	0	
Community Buildings	13,309	(3,375)	13,309	(3,375)	2,240	(0)	0	
Public Facilities (Shelters, Toilets etc.)	615	0	615	0	138	(0)	0	
TOTAL Buildings	16,304	(3,375)	16,304	(3,375)	2,428	(0)	0	
Commercial Operations								
Tourist Park - Upgrades and Renewal	750	0	750	0	28	(0)	0	
Crematorium/Cemetery - Upgrades and Renewal	390	(200)	190	0	28	(200)	200	
Leisure Centres & RVGC	195	0	195	0	1	(0)	0	
TOTAL Commercial Operations	1,335	(200)	1,135	0	57	(200)	200	
Parks Gardens And Sportfields								
Play Facilities	1,145	(50)	1,145	(50)	36	(0)	(0)	
Recreation Facilities	3,398	(2,025)	3,340	(1,992)	63	(58)	33	
Sporting Facilities	804	(176)	804	(151)	62	(0)	25	
Lake Illawarra Foreshore	200	0	200	0	12	(0)	0	
TOTAL Parks Gardens And Sportfiel	5,547	(2,251)	5,489	(2,193)	173	(58)	58	
Beaches And Pools								
Beach Facilities	555	0	555	0	45	(0)	0	
Rock/Tidal Pools	1,180	0	1,180	0	335	(0)	0	
Treated Water Pools	650	0	650	0	243	0	0	
TOTAL Beaches And Pools	2,385	0	2,385	0	623	(0)	0	

CAPITAL PROJECT REPORT

as at the period ended 25 September 2015

ASSET CLASS PROGRAMME	\$'000		\$'000		YTD EXPENDITURE	\$'000		
	CURRENT BUDGET		WORKING BUDGET			VARIATION		
	EXPENDITURE	OTHER FUNDING	EXPENDITURE	OTHER FUNDING		EXPENDITURE	OTHER FUNDING	
Natural Areas								
Environmental Management Program	0	0	0	0	0	(0)	0	
Natural Area Management and Rehabilitation	175	(25)	175	(25)	23	0	0	
TOTAL Natural Areas	175	(25)	175	(25)	23	0	0	
Waste Facilities								
Whytes Gully New Cells	1,061	(1,061)	1,061	(1,061)	99	(0)	(0)	
Whytes Gully Renewal Works	300	(300)	300	(300)	1	(0)	0	
Helensburgh Rehabilitation	1,598	(1,598)	1,598	(1,598)	22	(0)	0	
TOTAL Waste Facilities	2,959	(2,959)	2,959	(2,959)	122	(0)	(0)	
Fleet								
Motor Vehicles	1,748	(1,130)	1,748	(1,130)	70	(0)	(0)	
TOTAL Fleet	1,748	(1,130)	1,748	(1,130)	70	(0)	(0)	
Plant And Equipment								
Portable Equipment (Mowers etc.)	480	(296)	480	(296)	11	(0)	0	
Mobile Plant (trucks, backhoes etc.)	2,021	(221)	2,021	(221)	91	(0)	(0)	
Fixed Equipment	300	0	300	0	(0)	(0)	0	
TOTAL Plant And Equipment	2,801	(517)	2,801	(517)	102	(0)	(0)	
Information Technology								
Information Technology	895	0	895	0	(139)	0	0	
TOTAL Information Technology	895	0	895	0	(139)	0	0	
Library Books								
Library Books	1,150	0	1,150	0	505	(0)	0	
TOTAL Library Books	1,150	0	1,150	0	505	(0)	0	
Public Art								
Public Art Works	200	0	200	0	31	(0)	0	
Art Gallery Acquisitions	110	0	110	0	34	(0)	0	
TOTAL Public Art	310	0	310	0	65	(0)	0	
Emergency Services								
Emergency Services Plant and Equipment	635	0	635	0	31	(0)	0	
TOTAL Emergency Services	635	0	635	0	31	(0)	0	
Land Acquisitions								
Land Acquisitions	130	0	130	0	157	0	0	
TOTAL Land Acquisitions	130	0	130	0	157	0	0	
Non-Project Allocations								
Capital Project Contingency	2,242	0	1,892	0	0	(350)	0	
Capital Project Plan	530	0	530	0	94	(0)	0	
TOTAL Non-Project Allocations	2,772	0	2,422	0	94	(350)	0	
Loans								
West Dapto Loan	0	(2,760)	0	(2,760)	0	0	0	
TOTAL Loans	0	(2,760)	0	(2,760)	0	0	0	
GRAND TOTAL	90,086	(38,748)	87,972	(36,633)	12,483	(2,115)	2,115	

WOLLONGONG CITY COUNCIL

	Actual 2015/16 \$'000	Actual 2014/15 \$'000
BALANCE SHEET		
	as at 25/09/2015	as at 30/06/15
CURRENT ASSETS		
Cash Assets	138,520	124,611
Investment Securities	14,002	11,046
Receivables	22,681	22,108
Inventories	6,072	6,040
Other	7,314	4,313
Total Current Assets	188,589	168,118
NON-CURRENT ASSETS		
Non Current Cash Assets	9,000	9,000
Property, Plant and Equipment	2,247,312	2,251,345
Investment Properties	2,750	2,750
Westpool Equity Contribution	1,159	1,159
Intangible Assets	1,085	1,219
Total Non-Current Assets	2,261,307	2,265,474
TOTAL ASSETS	2,449,896	2,433,592
CURRENT LIABILITIES		
Current Payables	42,972	29,868
Current Provisions payable < 12 months	17,127	16,790
Current Provisions payable > 12 months	34,871	34,871
Current Interest Bearing Liabilities	6,369	6,369
Total Current Liabilities	101,340	87,899
NON-CURRENT LIABILITIES		
Non Current Interest Bearing Liabilities	39,091	39,758
Non Current Provisions	43,005	42,554
Total Non-Current Liabilities	82,096	82,312
TOTAL LIABILITIES	183,436	170,210
NET ASSETS	2,266,460	2,263,381
EQUITY		
Accumulated Surplus	1,135,260	1,132,670
Asset Revaluation Reserve	1,011,062	1,011,064
Restricted Assets	120,139	119,648
TOTAL EQUITY	2,266,460	2,263,381

WOLLONGONG CITY COUNCIL

CASH FLOW STATEMENT

as at 25 September 2015

	YTD Actual 2015/16 \$ '000	Actual 2014/15 \$ '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts:		
Rates & Annual Charges	40,184	166,562
User Charges & Fees	29,801	33,505
Interest & Interest Received	1,444	5,789
Grants & Contributions	13,280	54,189
Other	2,383	23,908
Payments:		
Employee Benefits & On-costs	(17,569)	(92,705)
Materials & Contracts	(13,917)	(58,052)
Borrowing Costs	(407)	(1,311)
Other	(16,210)	(42,795)
Net Cash provided (or used in) Operating Activities	38,989	89,090
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts:		
Sale of Infrastructure, Property, Plant & Equipment	253	12,570
Deferred Debtors Receipts	-	10
Payments:		
Purchase of Investments	-	-
Purchase of Investment Property	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(21,455)	(85,072)
Purchase of Interests in Joint Ventures & Associates	-	-
Net Cash provided (or used in) Investing Activities	(21,202)	(72,492)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts:		
Proceeds from Borrowings & Advances	-	15,000
Payments:		
Repayment of Borrowings & Advances	(919)	(5,244)
Repayment of Finance Lease Liabilities	-	-
Net Cash Flow provided (used in) Financing Activities	(919)	9,756
Net Increase/(Decrease) in Cash & Cash Equivalents	16,868	281
plus: Cash & Cash Equivalents and Investments - beginning of year	144,656	144,375
Cash & Cash Equivalents and Investments - year to date	161,524	144,656

WOLLONGONG CITY COUNCIL

CASH FLOW STATEMENT

as at 25 September 2015

	YTD Actual 2015/16 \$ '000	Actual 2014/15 \$ '000
Total Cash & Cash Equivalents and Investments - year to date	161,524	144,656
Attributable to:		
External Restrictions (refer below)	72,797	63,961
Internal Restrictions (refer below)	47,345	24,384
Unrestricted	41,382	56,311
	161,524	144,656
External Restrictions		
Developer Contributions	11,596	11,758
RMS Contributions	246	238
Specific Purpose Unexpended Grants	5,783	10,910
Special Rates Levy Wollongong Centre Improvement Fund	-	-
Special Rates Levy Wollongong Mall	209	251
Special Rates Levy Wollongong City Centre	-	11
Local Infrastructure Renewal Scheme	21,986	18,791
Unexpended Loans	7,070	12,877
Domestic Waste Management	10,782	6,408
Private Subsidies	4,777	1,883
West Dapto Home Deposit Assistance Program	9,665	-
Stormwater Management Service Charge	683	834
Total External Restrictions	72,797	63,961
Internal Restrictions		
Property Development	4,122	(252)
Property Investment Fund	7,961	-
Strategic Projects	11,208	-
Future Projects	6,877	-
Sports Priority Program	573	850
Car Parking Strategy	512	489
MacCabe Park Development	728	391
Darcy Wentworth Park	173	99
Garbage Disposal Facility	9,987	20,281
Telecommunications Revenue	127	279
West Dapto Development Additional Rates	226	71
Southern Phone Natural Areas	472	-
Carbon Price	4,379	2,176
Total Internal Restrictions	47,345	24,384

**WOLLONGONG CITY COUNCIL
STATEMENT OF INVESTMENTS
25 September 2015**

DIRECT INVESTMENTS

Investment Body	Rating	Purchase Price \$	Fair Value of Holding \$	Security	Purchase Date	Maturity Date	Interest / Coupon Rate
NAB Professional Maximiser	A-1+	-	20,286,076	11am	25/09/2015	25/09/2015	2.05%
Bendigo Bank	A-2	2,000,000	2,000,000	T/Deposit	26/03/2015	28/09/2015	3.00%
ANZ	A-1+	2,000,000	2,000,000	T/Deposit	29/08/2014	29/09/2015	3.74%
Bendigo Bank	A-2	2,000,000	2,000,000	T/Deposit	29/06/2015	29/09/2015	3.00%
BankWest	A-2	1,000,000	1,000,000	T/Deposit	7/08/2015	6/10/2015	2.65%
Bank of Queensland	A-2	2,000,000	2,000,000	T/Deposit	7/01/2015	7/10/2015	3.50%
CBA	A-1	3,000,000	3,000,000	T/Deposit	13/03/2015	9/10/2015	3.10%
Bendigo Bank	A-2	1,500,000	1,500,000	T/Deposit	24/04/2015	26/10/2015	2.85%
ME Bank	A-2	1,000,000	1,000,000	T/Deposit	1/04/2015	28/10/2015	2.95%
ANZ	A-1+	2,000,000	2,000,000	T/Deposit	29/08/2014	29/10/2015	3.74%
ME Bank	A-2	2,000,000	2,000,000	T/Deposit	31/07/2015	29/10/2015	2.85%
BankWest	A-2	1,000,000	1,000,000	T/Deposit	7/08/2015	5/11/2015	2.80%
CBA	A-1+	2,000,000	2,000,000	T/Deposit	11/09/2015	10/11/2015	2.71%
IMB	A-2	2,000,000	2,000,000	T/Deposit	18/05/2015	16/11/2015	2.80%
ME Bank	A-2	3,000,000	3,000,000	T/Deposit	28/05/2015	24/11/2015	2.85%
ANZ	A-1+	2,000,000	2,000,000	T/Deposit	29/08/2014	29/11/2015	3.74%
NAB	A-1+	2,000,000	2,000,000	T/Deposit	28/11/2014	30/11/2015	3.61%
BankWest	A-2	1,000,000	1,000,000	T/Deposit	7/08/2015	7/12/2015	2.85%
IMB	A-2	2,000,000	2,000,000	T/Deposit	17/12/2014	17/12/2015	3.20%
NAB	A-1+	1,030,000	1,030,000	T/Deposit	17/12/2014	17/12/2015	3.60%
CBA	A-1+	1,000,000	1,000,000	T/Deposit	24/09/2015	23/12/2015	2.88%
CBA	A-1	1,000,000	1,000,000	T/Deposit	28/08/2015	29/12/2015	2.83%
BankWest	A-2	1,000,000	1,000,000	T/Deposit	7/08/2015	4/01/2016	2.85%
Bendigo Bank	A-2	3,000,000	3,000,000	T/Deposit	29/05/2015	4/01/2016	2.85%
Bank of Queensland	A-2	2,000,000	2,000,000	T/Deposit	26/03/2015	4/01/2016	3.00%
ME Bank	A-2	3,000,000	3,000,000	T/Deposit	18/02/2015	18/01/2016	3.20%
CBA	A-1	5,000,000	5,000,000	T/Deposit	27/02/2015	27/01/2016	3.08%
BankWest	A-2	1,000,000	1,000,000	T/Deposit	7/08/2015	3/02/2016	2.85%
ME Bank	A-2	2,500,000	2,500,000	T/Deposit	21/09/2015	18/02/2016	2.80%
Bank of Queensland	A-2	2,000,000	2,000,000	T/Deposit	27/02/2014	26/02/2016	4.05%
NAB	A-1+	4,000,000	4,000,000	T/Deposit	27/02/2014	29/02/2016	4.13%
Bank of Queensland	A-2	2,000,000	2,000,000	T/Deposit	11/09/2015	10/03/2016	2.90%
SUN Corp	A-1+	2,000,000	2,000,000	T/Deposit	11/09/2015	14/03/2016	2.91%
ME Bank	A-2	2,000,000	2,000,000	T/Deposit	18/02/2015	18/03/2016	3.20%
CBA	A-1	1,000,000	1,000,000	T/Deposit	28/08/2015	24/03/2016	2.79%
CBA	A-1	3,000,000	3,000,000	T/Deposit	26/03/2015	24/03/2016	2.95%
NAB	A-1+	2,000,000	2,000,000	T/Deposit	18/09/2015	18/04/2016	2.99%
SUN Corp	A-1+	1,000,000	1,000,000	T/Deposit	24/09/2015	21/04/2016	2.90%
BankWest	A-2	1,000,000	1,000,000	T/Deposit	31/07/2015	27/04/2016	2.90%
IMB	A-2	2,000,000	2,000,000	T/Deposit	28/05/2015	28/04/2016	2.80%
Westpac	A-1+	1,000,000	1,009,560	FRN	30/01/2012	9/05/2016	3.27%
NAB	A-1+	2,000,000	2,000,000	T/Deposit	24/09/2015	24/05/2016	2.97%
SUN Corp	A-1+	1,500,000	1,500,000	T/Deposit	24/09/2015	24/05/2016	2.85%
CBA	A-1+	2,000,000	2,000,000	T/Deposit	11/09/2015	7/06/2016	2.86%
IMB	A-2	2,000,000	2,000,000	T/Deposit	11/09/2015	10/06/2016	2.80%
Bank of Queensland	A-2	3,000,000	3,000,000	T/Deposit	16/09/2015	16/06/2016	2.80%
Bank of Queensland	A-2	3,000,000	3,000,000	T/Deposit	23/09/2015	23/06/2016	2.93%
IMB	A-2	1,000,000	1,000,000	T/Deposit	28/08/2015	1/07/2016	2.80%
BankWest	A-2	2,000,000	2,000,000	T/Deposit	31/07/2015	29/07/2016	2.90%
ANZ	A-1+	2,500,000	2,500,000	T/Deposit	6/08/2015	6/08/2016	3.06%
NAB	A-1+	2,500,000	2,500,000	T/Deposit	6/08/2014	6/08/2016	3.74%
CBA	A-1+	2,000,000	2,000,000	T/Deposit	11/09/2015	9/08/2016	2.85%
CBA	A-1	2,000,000	2,000,000	T/Deposit	27/02/2015	22/08/2016	3.05%
ME Bank	A-2	2,500,000	2,500,000	T/Deposit	27/02/2015	22/08/2016	2.90%
IMB	A-2	2,000,000	2,000,000	T/Deposit	11/09/2015	12/09/2016	2.80%
WBC	A-1+	2,000,000	2,000,000	T/Deposit	24/04/2015	19/10/2016	2.90%
WBC	A-1+	3,000,000	3,000,000	T/Deposit	31/07/2015	31/01/2017	2.74%
NAB	A-1+	1,500,000	1,500,000	T/Deposit	31/08/2015	28/02/2017	2.78%
IMB	A-2	2,000,000	2,000,000	T/Deposit	28/08/2015	28/02/2017	2.80%
Bendigo Bank	A-2	1,000,000	1,000,000	T/Deposit	11/09/2015	13/03/2017	2.90%
Bendigo Bank	A-2	2,000,000	2,000,000	T/Deposit	31/07/2015	31/07/2017	3.00%
IMB	A-2	5,000,000	5,000,000	T/Deposit	30/07/2015	31/07/2017	2.80%
Bank of Queensland	A-2	3,000,000	3,000,000	T/Deposit	28/08/2015	28/08/2017	2.80%
Bendigo Bank	A-2	1,000,000	1,000,000	T/Deposit	11/09/2015	11/09/2017	2.95%
Commonwealth Bank Australia zero coupon bond with a \$4M face value	A-1+	2,000,000	3,624,000	BOND	21/01/2008	22/01/2018	
Bendigo Bank	A-2	1,000,000	999,960	FRN	16/09/2015	17/09/2019	3.11%
NAB	A-1+	3,000,000	2,985,840	FRN	24/06/2015	3/06/2020	2.95%
Bendigo Bank	A-2	2,000,000	1,999,660	FRN	18/08/2015	18/08/2020	3.24%
EMERALD A Mortgage Backed Security *	AAA	715,214	563,217	M/Bac	17/07/2006	22/08/2022	2.58%
EMERALD B Mortgage Backed Security *	AA	2,000,000	1,345,540	M/Bac	17/07/2006	23/08/2027	2.88%

MANAGED FUNDS

Investment Body	Rating	Purchase Price \$	Fair Value of Holding \$	Purchase Date	Monthly Return (Actual)	Annualised % p.a.	FYTD (Actual)
TCorp Long Term Growth Facility Trust	N/A	1,131,841	1,684,387	13/06/2007	-1.41%	-18.34%	-9.65%

Investment Body	Face Value	Security
Southern Phone Company	2	shares

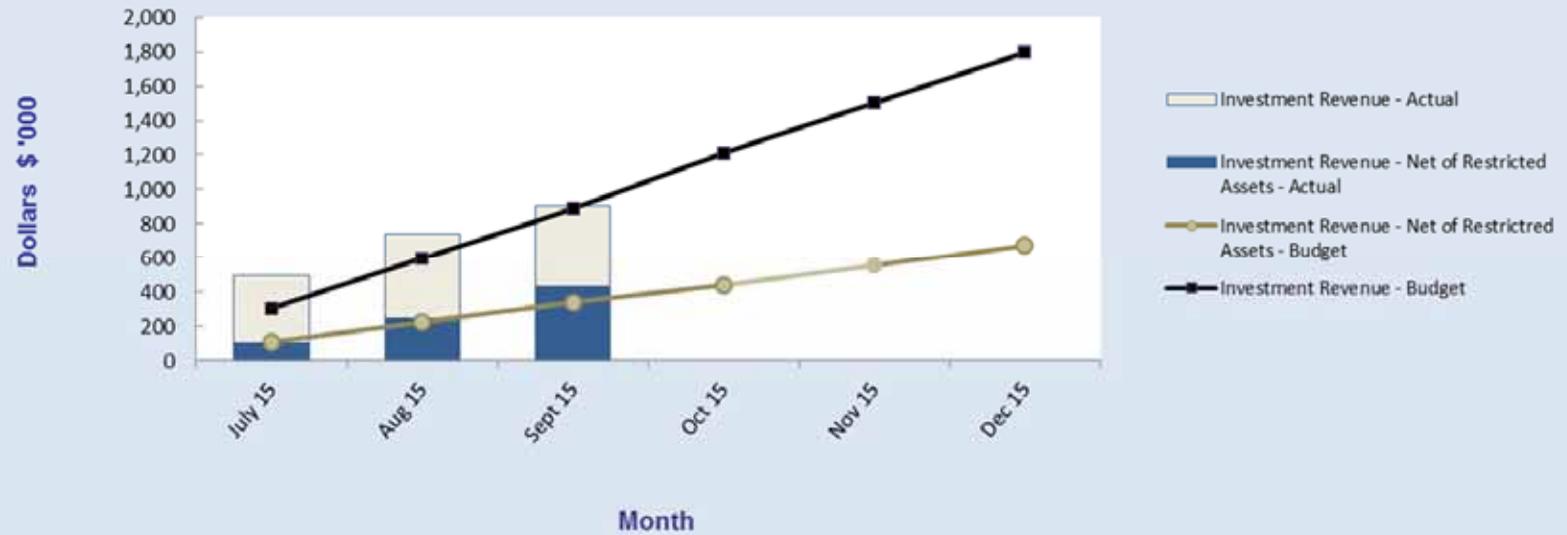
TOTAL
\$ 161,028,242

* The maturity date provided is the weighted-average life of the security. This is the average amount of time that will elapse from the date of security's issuance until each dollar is repaid based on an actuarial assessment. Assessments are carried out on a regular basis which can potentially extend the life of the investment. Current assessments anticipate an extension of life of the investment.

This is to certify that all of the above investments have been placed in accordance with the Act, the regulations and Council's Investment Policies.

Brian Jenkins
RESPONSIBLE ACCOUNTING OFFICER

Investment Income Compared to Budget 2015-2016



Attachment 1 –Standard Conditions for Road Closures

Standard Conditions for Road Closures

For Special Events and Work Related activities Within Council Road Reserves.

Following approval by Wollongong City Council, road closures are subject to the additional Council conditions:

1. **The Applicant must complete the Council form** 'Application to Open and Occupy or Underbore a Roadway or Footpath' (Refer to Checklist below – relates to Section 138 of the Roads Act.)
2. **NSW Police Approval:** The Applicant must obtain written approval from NSW Police, where required under the Roads Act.
3. **If the Road Closure is within 100m of any traffic control signals or on a 'State Classified Road'** the Applicant must obtain a Road Occupancy Licence (ROL) from NSW Roads & Maritime Services (RMS).
4. **The Applicant must advise all affected residents and business owners** within the closure area of the date/s and times for the closure, at least 7 days prior to the intended date of works.
5. **The Applicant must advise Emergency Services:** Ambulance, Fire Brigade and Police, Taxi and Bus Companies of the closure dates and times in writing, 7 days prior to the intended date of works. The Applicant must endeavour to minimise the impact on bus services during the closure.
6. **Traffic Management Plan:** The closure must be set up in accordance with the approved **Traffic Management Plan (TMP)** prepared by an appropriately qualified traffic controller; a copy of whose qualifications must be included with the submitted TMP.
7. **Traffic Management Plan Setup:** The Traffic Management Plan must be set up by appropriately qualified traffic control persons or the NSW Police.
8. **Access to properties affected by the road closure must be maintained where possible.** Where direct access cannot be achieved, an alternative arrangement must be agreed to by both the applicant and the affected person/s.
9. **Public Notice Advertisement:** The Applicant must advertise the road closure in the Public Notices section of the local paper, detailing closure date/s and times at least 7 days prior to the closure.
10. **Public Liability Policy:** The Applicant must provide Council with a copy of their current insurance policy to a value of no less than \$20 million dollars to cover Wollongong City Council from any claims arising from the closure.

Checklist:

- Completed Council Form:**
'Application to Open and Occupy or Underbore a Roadway or Footpath'.

Required information as shown below MUST be attached:

- A copy of the letter from the Traffic Committee authorising the closure
- The Traffic Management Plan (TMP)
- The Road Occupancy Licence (ROL) *if required*
- Written approval from NSW Police
- Public Liability Insurance

Applications may be lodged in the Customer Service Centre located on the Ground Floor of Council's Administration Building, 41 Burelli Street Wollongong between 8.30am and 5pm Monday to Friday.

STANDARD CONDITIONS FOR ROAD CLOSURES FOR STREET PARTIES

- 1 Each road affected by the closure approval shall be restored to full and uninterrupted traffic flow prior to the end of the closure.
- 2 The road shall be cleared sufficiently to allow an emergency vehicle access to a property within the closure area. For this reason, no barbeques, heavy tables or other heavy equipment is to be set up on the road pavement.
- 3 You are required to advertise the road closure in the local newspaper
e.g. Temporary Road Closure – Larkins Lane, Yallah
Date: 18 December 2015
Time: 2 pm – 7 pm
Event: Street Party
- 4 Council will notify emergency services and the Police Service.
- 5 NSW Police Service directions are to be strictly adhered to.
- 6 Council will endeavour to make available to you the following equipment for the closure

Regular Street Equipment Requirements	Cul - De - Sac Street Equipment Requirements
6 Barrier legs	3 Barrier legs
12 Road Barriers	6 Road Barriers
2 Road Closed Signs	1 Road Closed Signs
4 Flashing Lights	2 Flashing Lights

It should be noted that Council does not supply 9 volt batteries for flashing lights, however batteries can be made available for approximately \$3.40 each.

The flashing lights must be fixed to the barriers and operating prior to sunset.

It is your responsibility to collect this equipment from Council's Works Depot Store, Montague Street, North Wollongong, prior to 2.00 pm on the last working day prior to your proposed road closure, and return same on the next working day following the closure. Please ensure you sign a receipt when collecting and returning this equipment.

Equipment, which is returned damaged beyond use or not returned at all, will be replaced at your cost.

A sufficient number of people (at least 2), together with a vehicle suitable for the purpose of transporting the relevant equipment, are to be provided by the organisers for the loading and unloading of this equipment at the Depot.

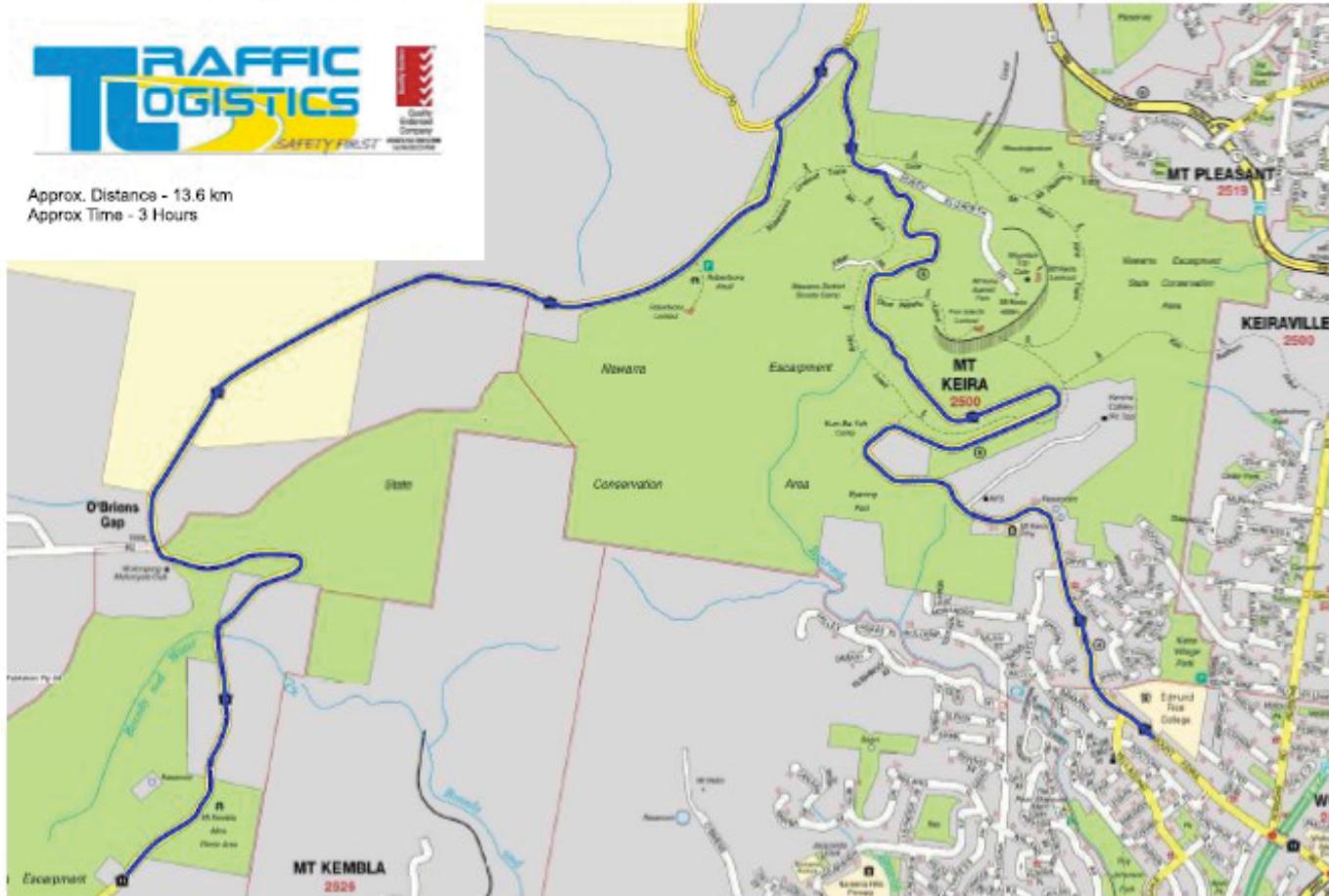
- 7 You are requested to email Council's Events and Functions Coordinator events@wollongong.nsw.gov.au **two weeks prior to pick-up** to ensure availability of the equipment.
- 8 If Council's Store does not have sufficient equipment to lend, you are to obtain equipment from another source (e.g. hire firm), at your expense.

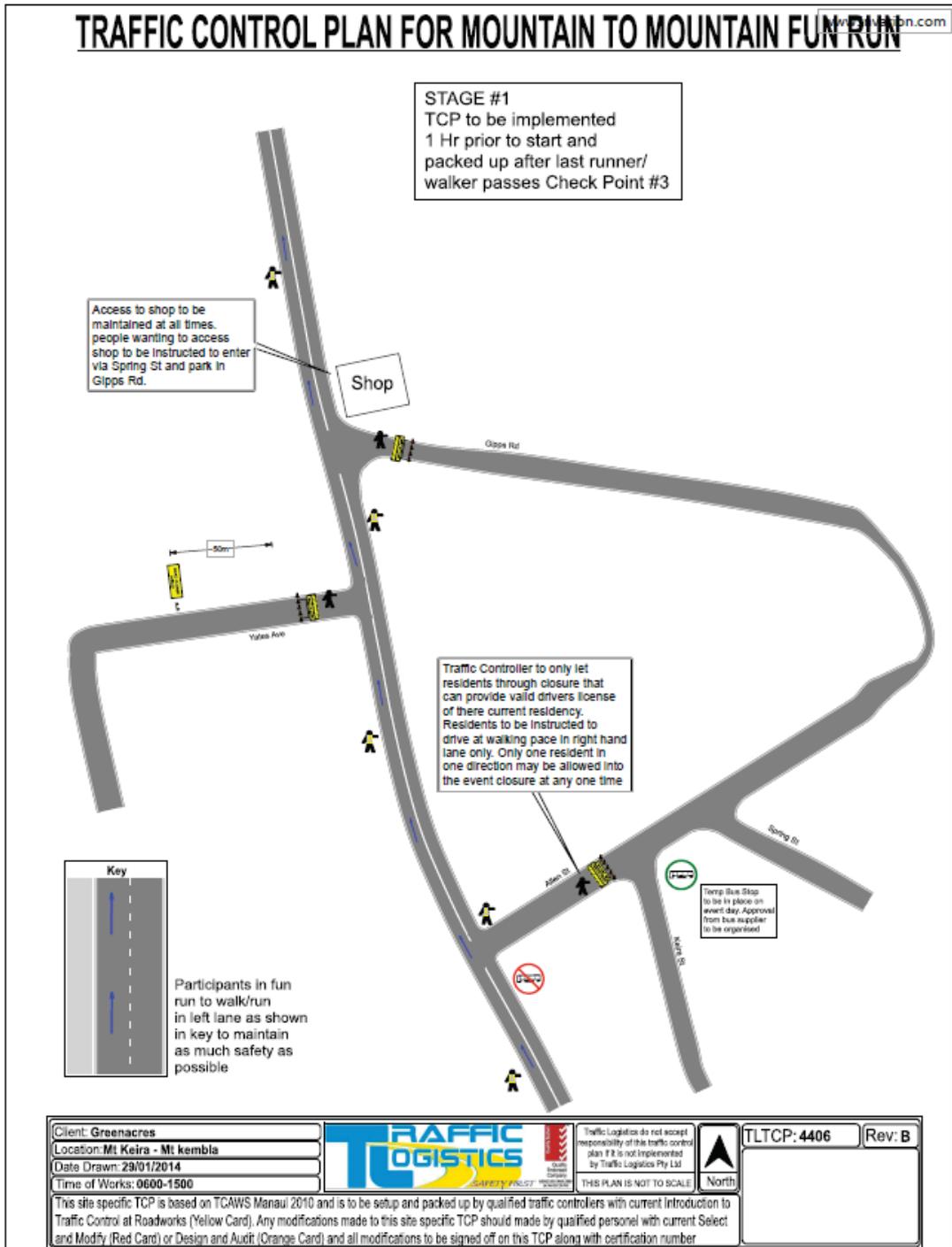
Proposed Route for Greenacres Fun Run

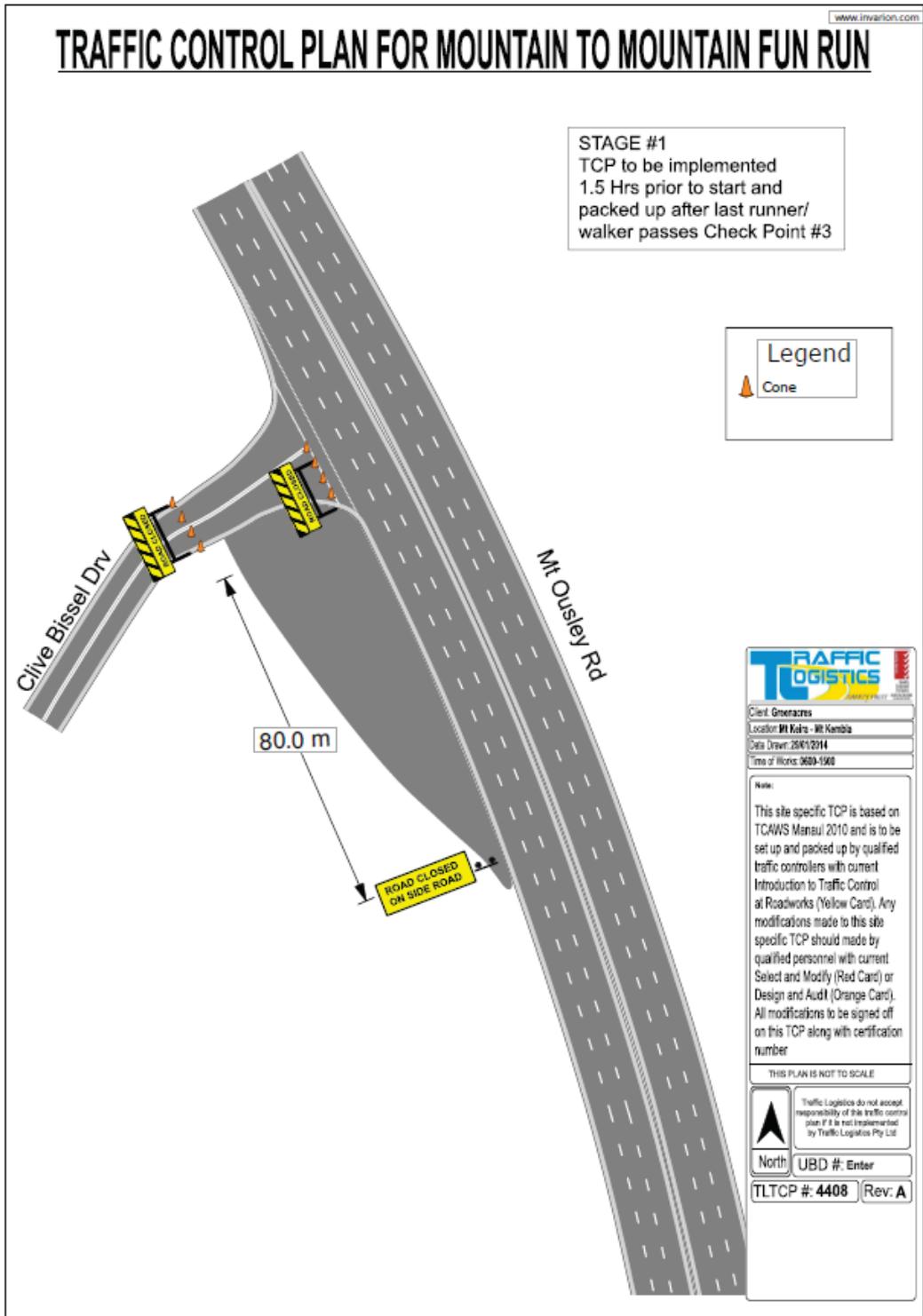
www.invarion.com

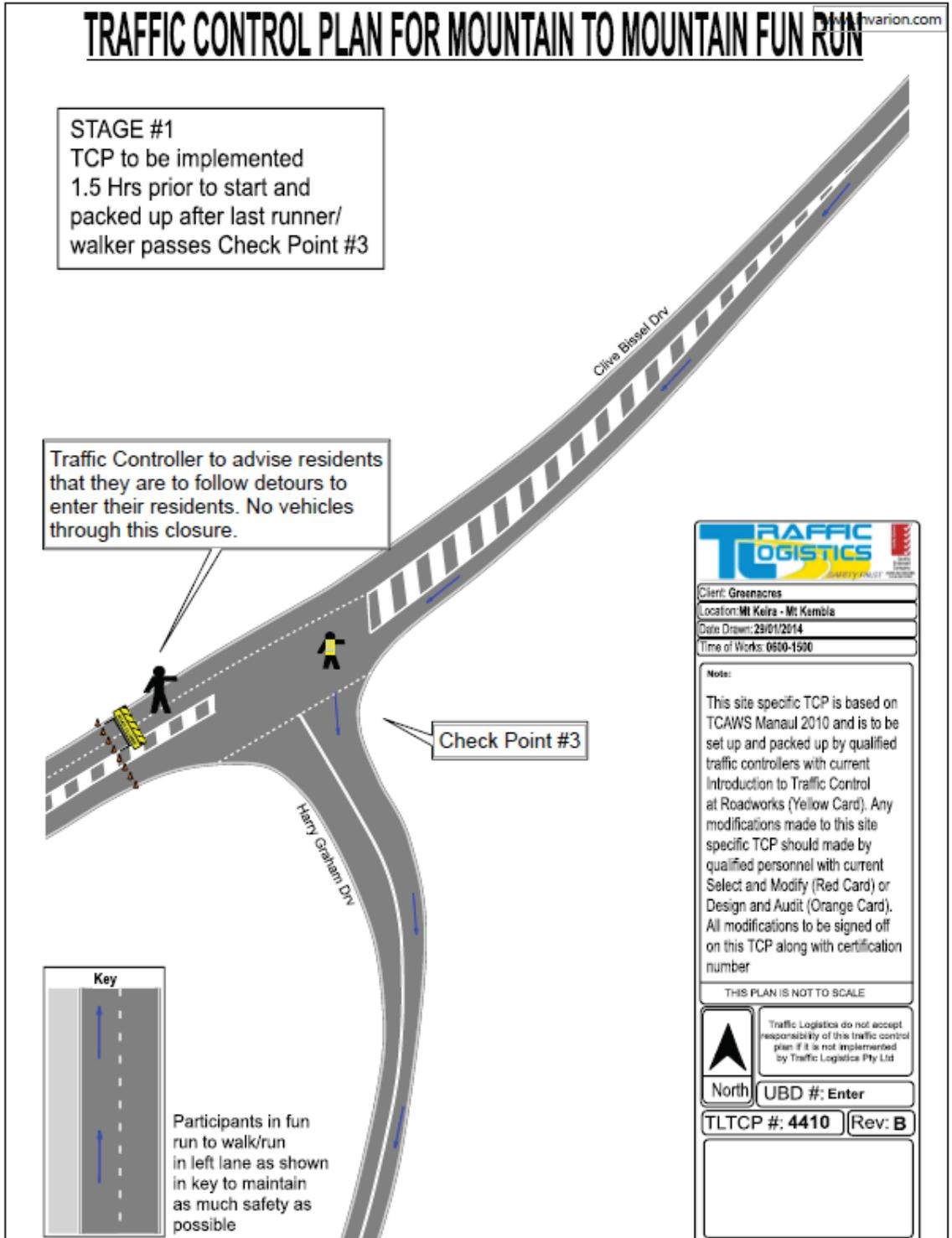


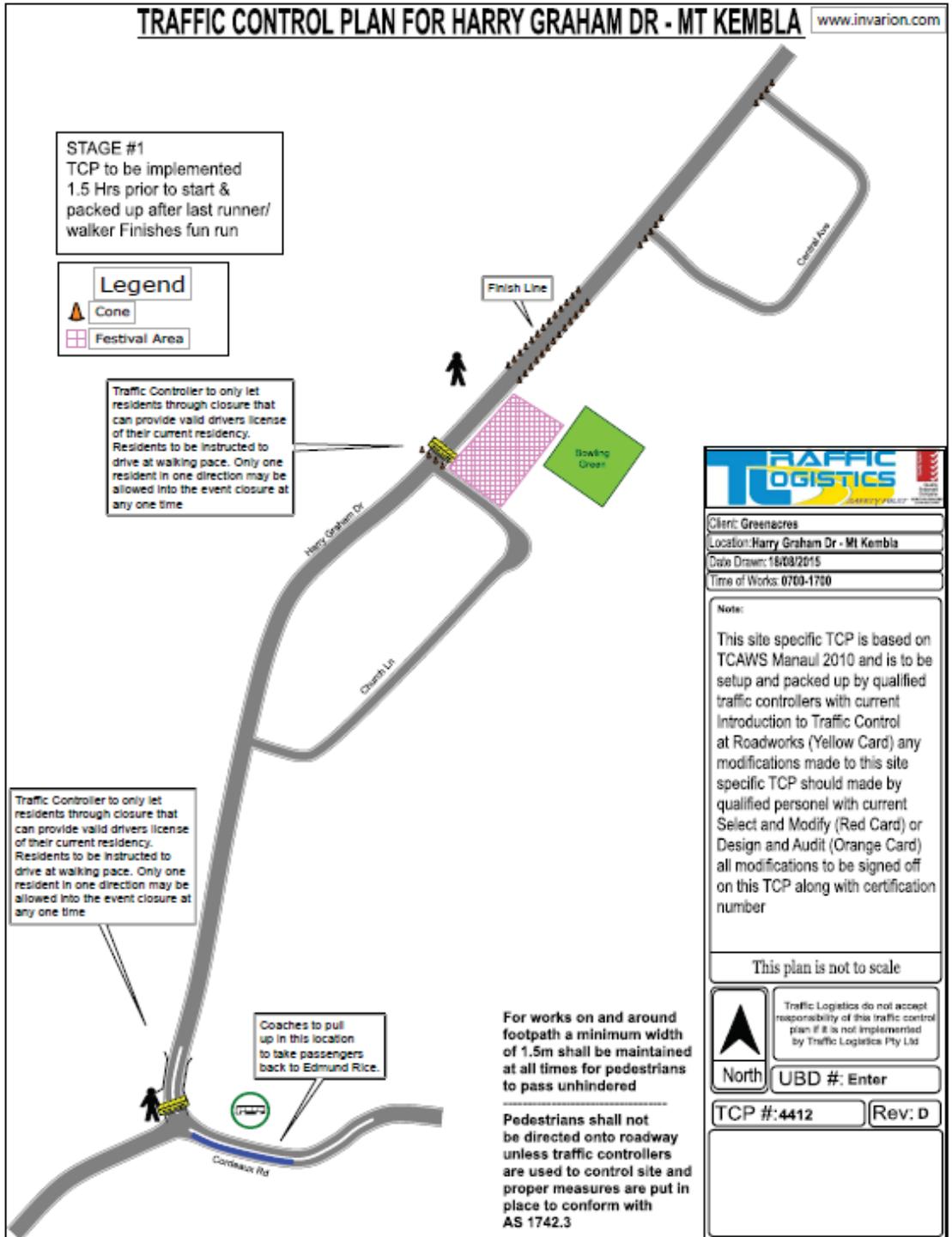
Approx. Distance - 13.6 km
Approx Time - 3 Hours

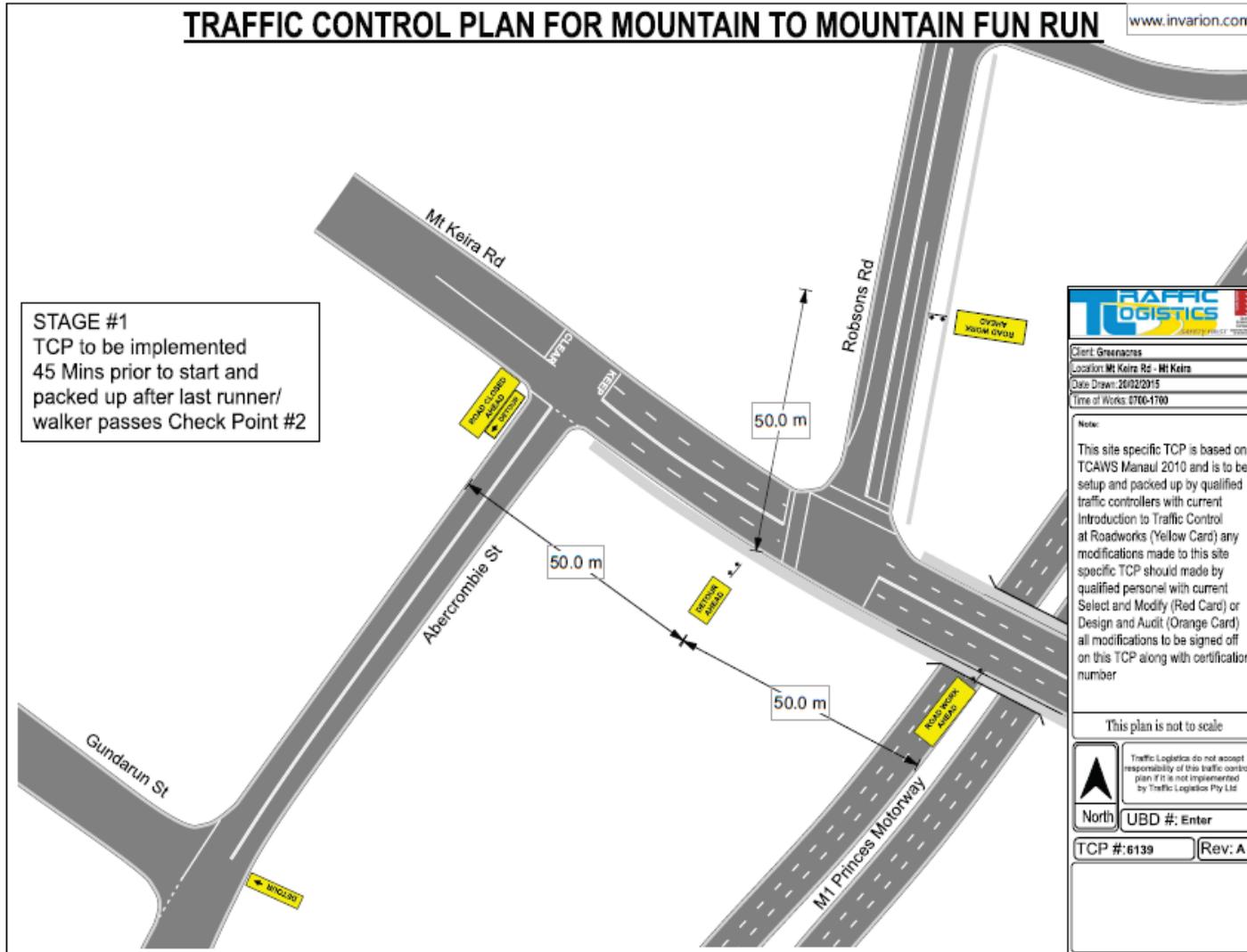






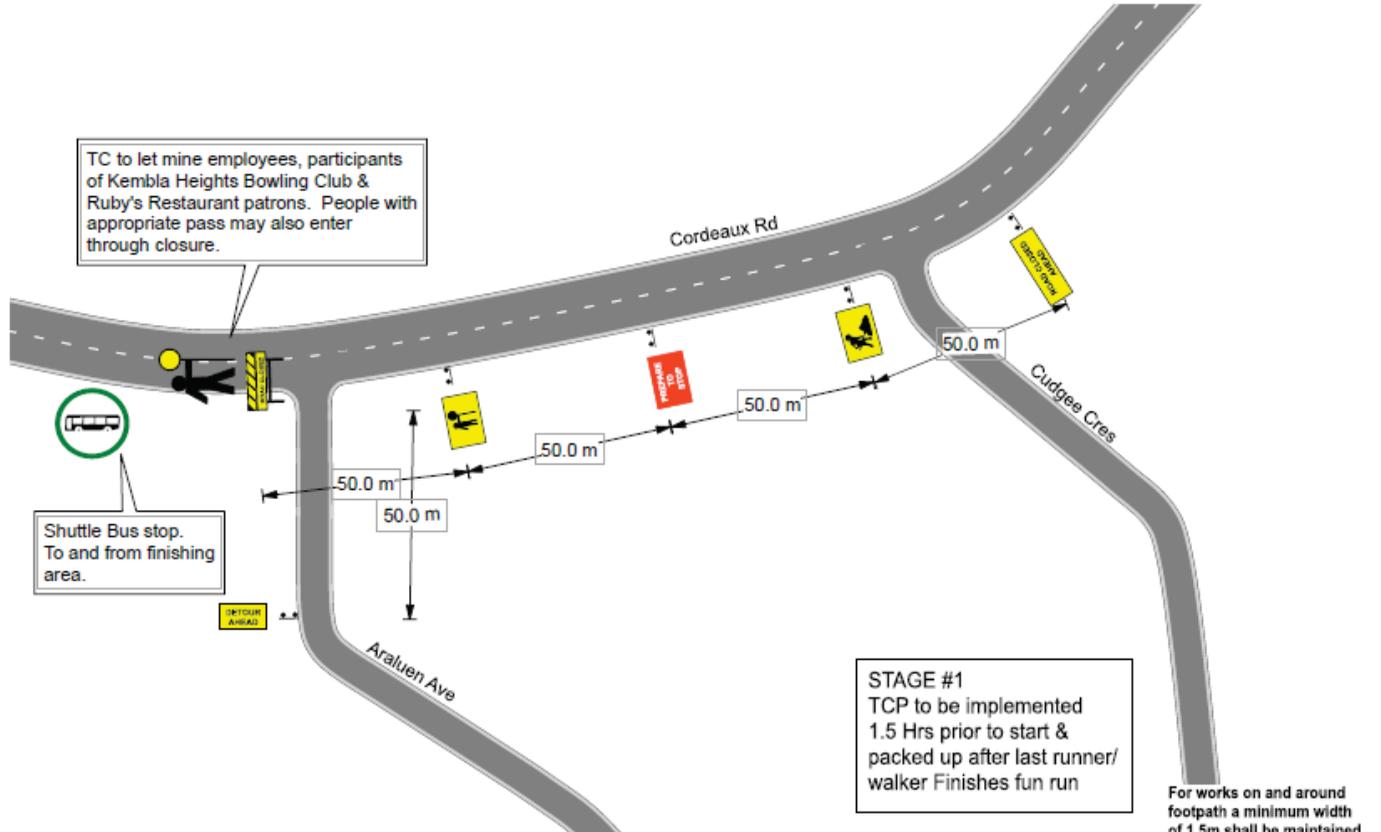






TRAFFIC CONTROL PLAN FOR CORDEAUX RD - MT KEMBLA

www.invarion.com



Client: **Greenacres**
 Location: **Cordeaux Rd - Mt Kembla**
 Date Drawn: **18/08/2015**
 Time of Works: **0700-1700**



Traffic Logistics do not accept responsibility of this traffic control plan if it is not implemented by Traffic Logistics Pty Ltd
 THIS PLAN IS NOT TO SCALE



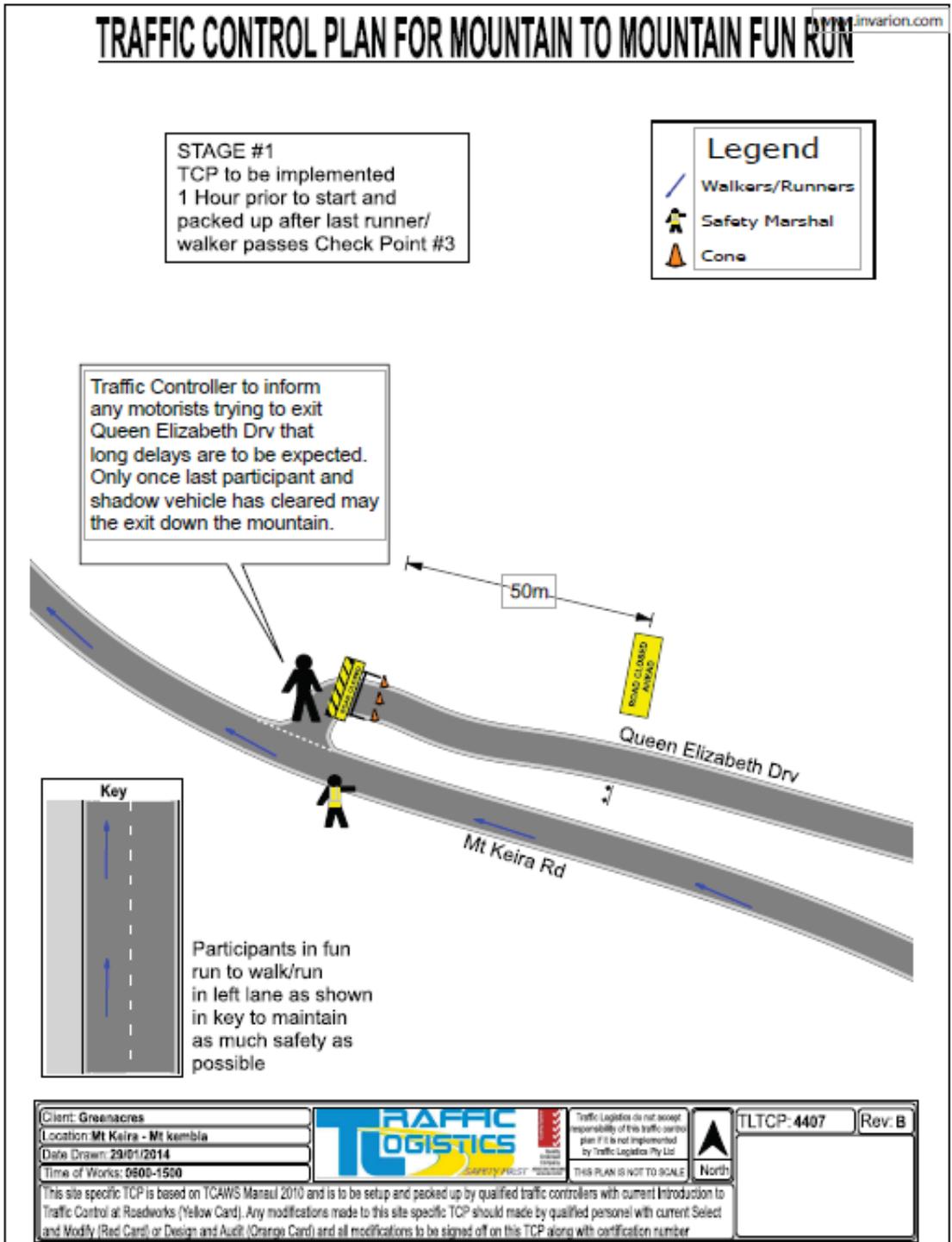
TLTCP: 7014

Rev: A

This site specific TCP is based on TCAWS Manual 2010 and is to be setup and packed up by qualified traffic controllers with current Introduction to Traffic Control at Roadworks (Yellow Card). Any modifications made to this site specific TCP should be made by qualified personnel with current Select and Modify (Red Card) or Design and Audit (Orange Card) and all modifications to be signed off on this TCP along with certification number

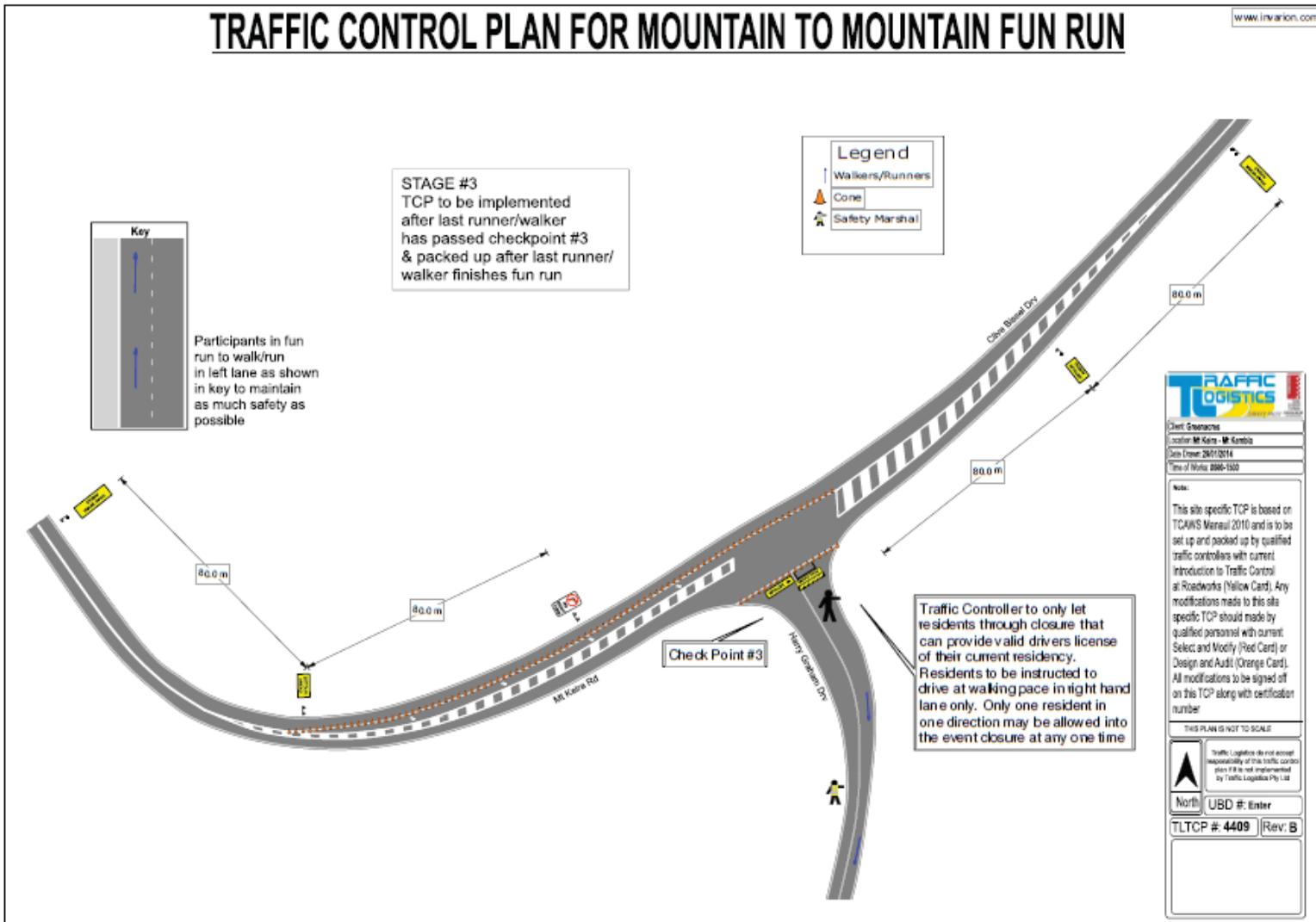
For works on and around footpath a minimum width of 1.5m shall be maintained at all times for pedestrians to pass unhindered

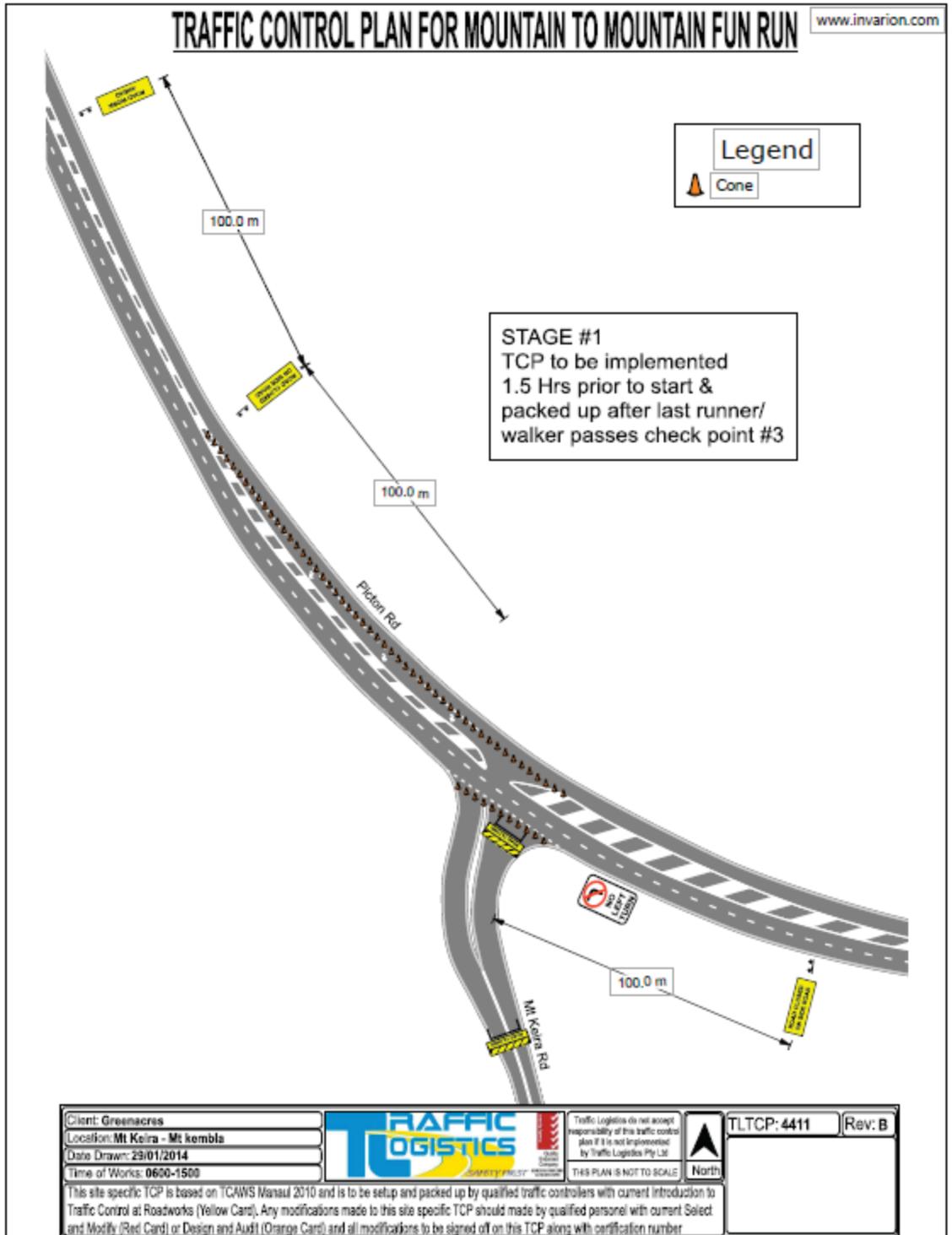
Pedestrians shall not be directed onto roadway unless traffic controllers are used to control site and proper measures are put in place to conform with AS 1742.3

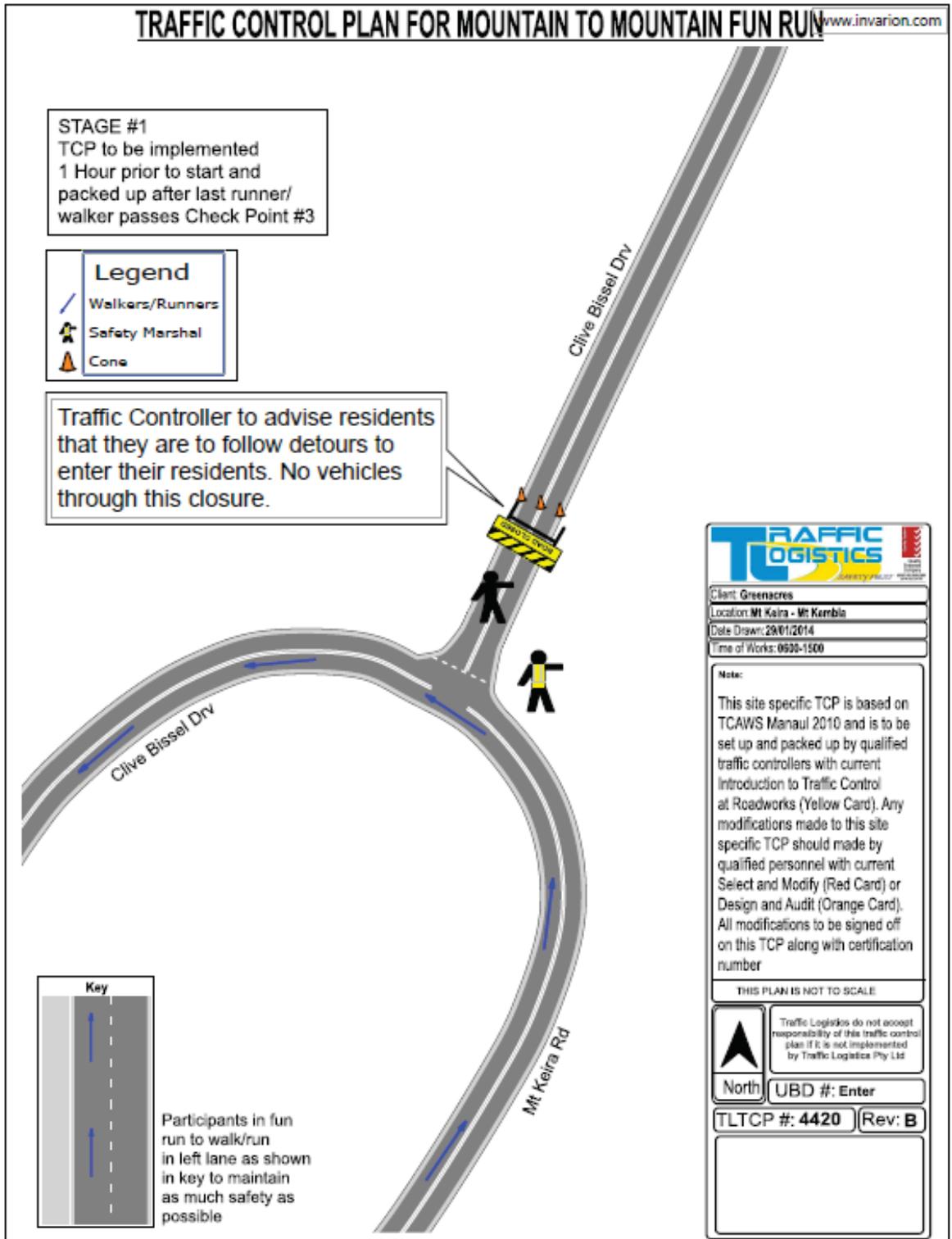


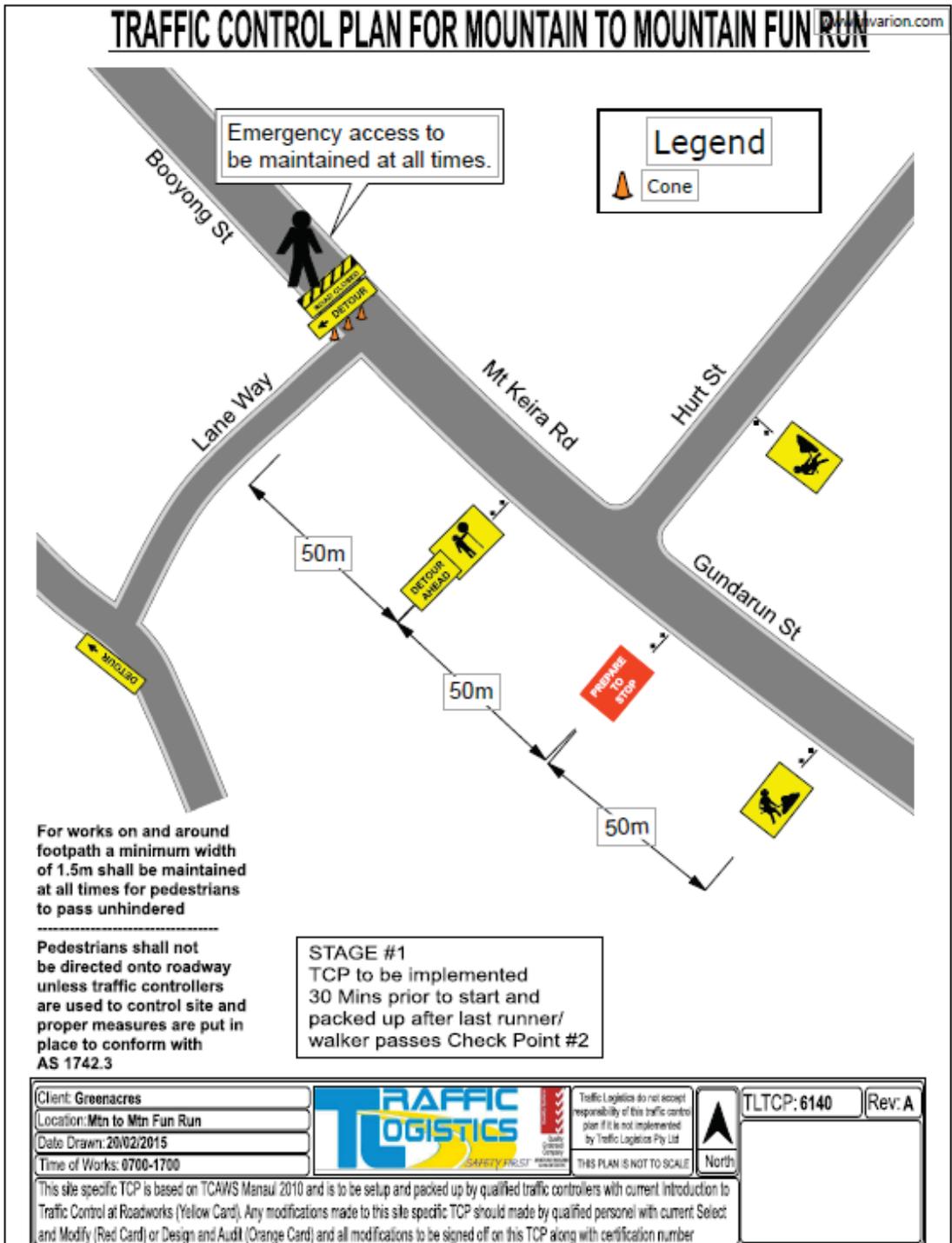
TRAFFIC CONTROL PLAN FOR MOUNTAIN TO MOUNTAIN FUN RUN

www.invarion.com





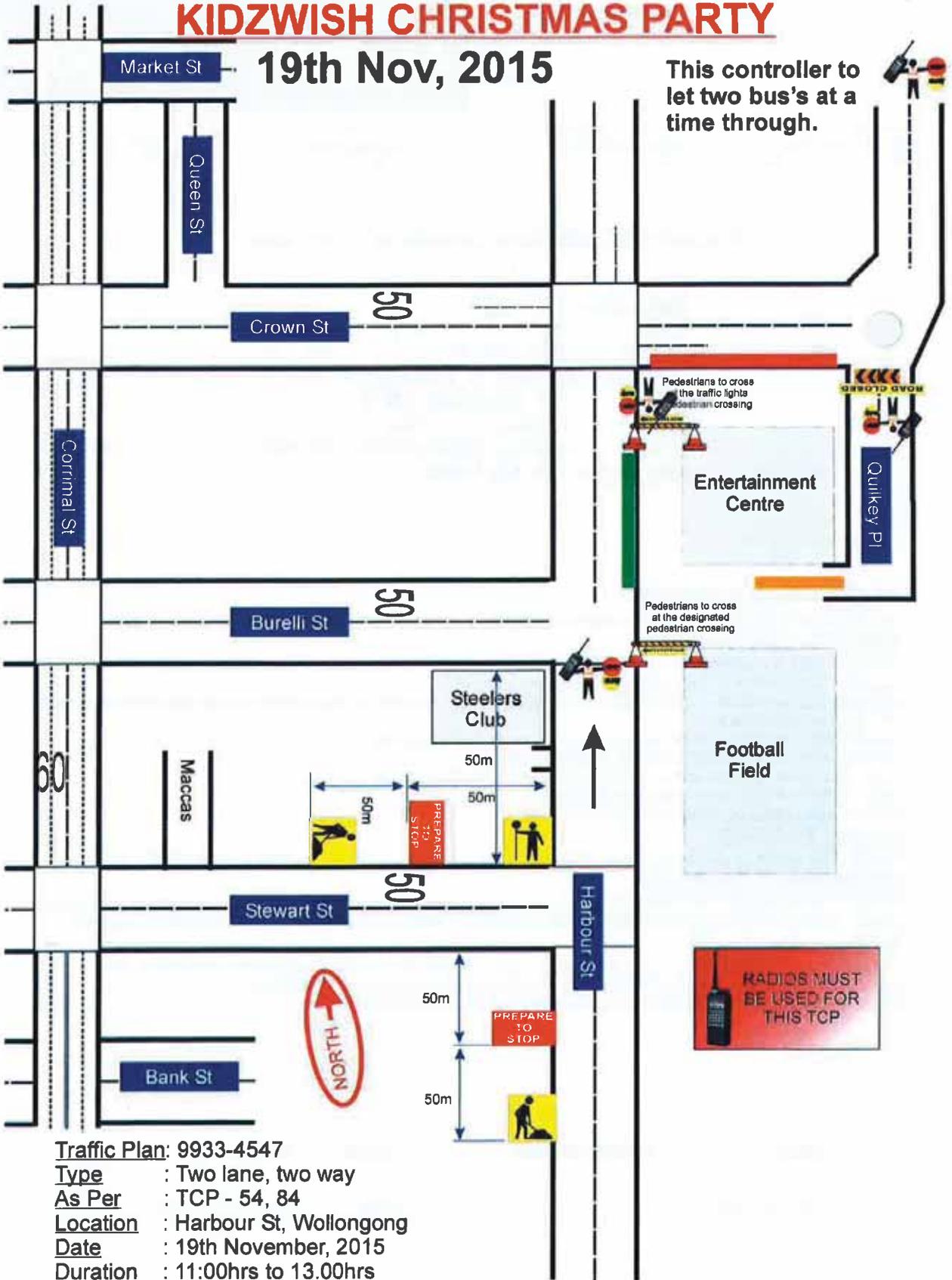




KIDZWISH CHRISTMAS PARTY

19th Nov, 2015

This controller to let two bus's at a time through.



Traffic Plan: 9933-4547

Type : Two lane, two way

As Per : TCP - 54, 84

Location : Harbour St, Wollongong

Date : 19th November, 2015

Duration : 11:00hrs to 13.00hrs

Contact

After Hours

