

ITEM 16 DRAFT QUARTERLY REVIEW STATEMENT SEPTEMBER 2018

The draft Quarterly Review outlines the progress made to achieve Council's Our Wollongong 2028 strategic management plans, in particular the Delivery Program 2018-21 and Operational Plan 2018-19. It addresses the financial and operational performance of Council for the first quarter of 2018-19. The draft Quarterly Review Statement also includes the September 2018 Budget Review Statement.

RECOMMENDATION

- 1 The draft Quarterly Review Statement September 2018 be adopted.
- 2 The Budget Review Statement as at September 2018 be adopted and revised totals of income and expenditure be approved and voted.

REPORT AUTHORISATIONS

Report of: Fiona Rudd, Executive Strategy Manager (Acting)
Authorised by: David Farmer, General Manager

ATTACHMENTS

- 1 Draft Quarterly Review Statement September 2018

BACKGROUND

Council's draft Quarterly Review Statement September 2018 outlines the operational and financial performance of Council's Our Wollongong 2028 Strategic Management Plans, in particular the Delivery Program 2018-21 and Operational Plan 2018-19.

This report also provides an overview of achievements against priority areas and demonstrates organisational performance through the inclusion of performance indicators.

In addition, the draft Quarterly Review Statement September 2018 details how Council is tracking against its budgets with a concise visual summary of Council's financial position for the quarter.

Significant highlights during the quarter include:

- NAIDOC Week celebrations and activities taking place across the Wollongong Local Government Area.
- Council hosting a Civic Reception to welcome His Excellency General the Honourable Sir Peter Cosgrove AK, MC – Governor General of the Commonwealth of Australia and Her Excellency Lady Cosgrove.
- The Botanic Gardens Conservation International [BGCI] awarded Wollongong Botanic Garden recognition with '*Conservation Practitioner*' status – the first such garden awarded in Australia.
- Commencement of piling and excavation of floodways for Bridge 2 on the Fowlers Road to Fairwater Drive project.
- The delivery of two highly successful inclusive events that reflect our diverse community.

CONSULTATION AND COMMUNICATION

Consultation took place with Council's Executive Management Committee and Senior Management Group.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 Goal 4 - *We are a connected and engaged community.*

It specifically delivers on core business activities as detailed in the Corporate Strategy Service Plan 2018-19

FINANCIAL IMPLICATIONS

The review of financial estimates at September proposes a range of adjustments that have impacted the forecast Operating Result [pre capital] but do not greatly impact the Funds Result. Proposed adjustments include the reintroduction of operational projects that were in progress at 30 June 2018, introduction of new funded projects, the impact of the Enterprise Agreement finalisation and a notional positive budget adjustment for anticipated improvements. The proposed variations generate a deterioration in the Operating Result [pre capital] of \$3.2M, and a relatively minor deterioration in both the Funds Available from Operations and Funds Result of \$0.2M.

Full financial performance details and implications on Council's financial position are contained within the attached Quarterly Review Statement.

Supporting Documents – Planning Studies & Investigations

Changes during this quarter have included the reintroduction of projects that were in progress but not completed at 30 June 2018, a review of individual projects costs and timing of delivery. Further details of these are provided in the schedules contained in the attached Quarterly Review Statement.

CONCLUSION

This draft Quarterly Review Statement September 2018 has been prepared following input and assistance from all divisions. It is submitted for consideration by Council.



OUR WOLLONGONG 2028

QUARTERLY REVIEW STATEMENT

From the mountains to the sea



WOLLONGONG 2021
Draft Quarterly
Review Statement
September 2018

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This draft Quarterly Review Statement (July – September 2018) reports on progress towards achieving the five Councillor Strategic Priorities from the Delivery Program 2018-21 and Annual Deliverables from the Operational Plan 2018 -19.

Highlights and significant progress with key projects from the Operational Plan 2018 - 19 are reported by the six Community Goals from the Our Wollongong 2028 Community Strategic Plan.

Highlights from this quarter include:

1. NAIDOC Week celebrated, with celebrations and activities taking place across the Wollongong City Council Local Government Area
2. Council hosted a civic reception for the Governor General of Australia, Sir Peter Cosgrove *AK MC (Retd)* and Her Excellency Lady Cosgrove, following a tour of the Blue Mile Tramway
3. The Botanic Garden Conservation International awarded Wollongong Botanic Garden recognition with 'Conservation Practitioner' status, the first such garden in Australia. The Botanic Garden Masterplan was also put on public exhibition
4. Delivery of two highly successful events that demonstrated Wollongong City Libraries' commitment to diversity and inclusion.

Organisational performance is also reported by the inclusion of the performance indicators which monitor the status and progress our Council programs, activities, projects, finances, people and processes.

This report also includes an overview of how Council is tracking against its budgets and expenditure. It is a concise visual summary of Council's financial situation for the quarter including budget, capital budget and expenditure. The Budget Review Statement is also included in this report.

I would like to thank all staff and the community for their contributions to the achievements identified in this draft Quarterly Review and Budget Review Statement. This review will inform the Annual Report due in November 2019.

David Farmer
General Manager

Strategic Priorities

PROGRESS REPORT

Our Councillors have made a commitment to support our organisation and the community in making Wollongong a better place to live, work, visit and play. To focus Council's attention to achieve this, Councillors have agreed to five Strategic Priorities. These are outlined in the Delivery Program 2018 - 2021. Progress made in the September 2018 quarter is outlined below:

Activating Our Suburbs

We are committed to enhancing and activating spaces and places across our local government area through sound planning and focused programs.

Our Delivery Program includes an ambitious plan of action to establish our city, towns and villages to be connected and liveable spaces offering a variety of attractions and opportunities for people to work, live, play, learn, visit and invest. Our program supports a variety of infrastructure spending to enhance recreation, sporting and cultural opportunities.

Project Sponsor: Director Community Services
Project Manager: Manager Community Cultural and Economic Development

Strategic Priority Progress



On Track

Program Achievements

Council has delivered a range of activation activities in our suburbs over the quarter in partnership with our community. Dapto Square saw the arrival of the Creative Container and the completion of the Dapto Square activation project. These initiatives, including art murals by young people, a play space for young children and tables, seats and shade for everyone, have created a place for the Dapto community to meet and participate in projects delivered by both the community and Council. One such program delivered in the space was yarn bombing, which is a tree decoration place making project. A wide range of community members have participated in this project thus far including the local Aboriginal and Torres Strait Islander community, local schools and the general public.

The Connecting Neighbours grants program has enabled Council to support projects that are being delivered by community members in their local suburb. Underway or delivered in this period are projects in Tarrawanna, Cringila, Coniston, Bellambi, Warrawong and Wollongong.

Council has also engaged young people in Wollongong, Bellambi, Corrimal, Cringila, Bundaleer Estate, Warrawong, Koonawarra and Kanahooka areas. Through the Neighbourhood Youth Work Program, services were also delivered to young people in Helensburgh, Port Kembla, Berkeley and Dapto.

In addition, Council's \$400m four-year Infrastructure Delivery Program includes a suite of programs and projects that directly respond to activating and enhancing our community centres, public domain and open spaces. Further to the many footpaths, cycle ways and open space upgrades, these initiatives include streetscape and public domain improvements in Warrawong, the Wollongong CBD, Corrimal, Dapto, Thirroul and Helensburgh town centres.

Progress has also been made on the City Centre planning and urban design review with exhibition of the draft Urban Design Framework anticipated during the March 2019 quarter.

Strategic Priorities PROGRESS REPORT

Urban Greening

Urban Greening forms a significant focus during this Council term. Our program includes the implementation of key priorities within Council's Urban Greening Strategy, in conjunction with projects and services that impact sustainability and the quality of our environment.

Project Sponsor: Director Infrastructure + Works
Project Manager: Parks and Open Spaces Manager

Strategic Priority Progress



On Track

Program Achievements

Delivery of the Urban Greening Strategy is occurring in accordance with the Urban Greening Strategy Implementation Plan and under the guidance of the Urban Greening Strategy Planning and Implementation Group.

Key deliverables achieved during the quarter include 300 advanced tree installations in high priority locations and tree asset data inventory collections completed in Wollongong CBD, Dapto, Corrimal and Port Kembla town precincts. Work is also underway to develop a communications strategy to engage stakeholders on the benefits of urban greening, and continuation of tree planting in high priority urban sites, with Corrimal and Dapto being key focus areas.

Existing programs focused on bush restoration continue to deliver positive outcomes in natural areas. A public tree management policy and tree and vegetation vandalism and response policy has also been adopted to provide protection and guidance on trees in public spaces.

Strategic Priorities PROGRESS REPORT

West Dapto

We will continue to work in collaboration with key agencies to provide the infrastructure needed to support growth and employment lands within the West Dapto Urban Release Area. This will include coordinated planning for access improvements including new roads and bridges which are needed to support the additional 17,000 future housing lots and 8,500 jobs required over the next 30 years.

Project Sponsor: Director Planning + Environment
Project Manager: Manager Urban Release Manager

Strategic Priority Progress



On Track

Program Achievements

Council exhibited the draft West Dapto Vision document during the quarter. Staff will finalise the Vision document for Council adoption once all submissions are considered. The Vision will guide future planning decisions for the release area.

Works have commenced on Stage 2 of the Fowlers to Fairwater Drive link road which provides the main bridge and connecting embankments over the South Coast Rail Line and Mullet Creek Floodplain. These early works include piling for the bridgeworks, excavation of the flood ways and formation of the road embankments.

The pace of land development within West Dapto continues to be strong and Council continues to assess and determine draft planning proposal requests, neighbourhood plans and development applications that facilitate urban development. To date, neighbourhood plans have been adopted within stages 1 and 2 for over 3,350 lots. Neighbourhood plans to support a further 3,643 lots are currently being assessed. Of these, Council has approved development applications to create 1,781 new lots.

Program Risks

Council staff progressed the biennial review of the West Dapto Section 94 Plan during the quarter to ensure the contributions plan continues to reflect local infrastructure requirements with an aim to further reduce the financial risk to Council in the funding of essential local infrastructure. The biennial review will be completed by June 2019. The Department of Planning and Environment (DPE) issued Council a draft funding agreement for Local Infrastructure Growth Scheme (LIGS) funding during the quarter. Council has executed the funding agreement.

The 1st payment of LIGS is expected from DPE during the next quarter. Council continues to make representations to the state requesting progress on an Illawarra / Shoalhaven Special Infrastructure Contribution determination to support Council's ongoing commitment to infrastructure funding at West Dapto.

Strategic Priorities PROGRESS REPORT

Active Transport and Connectivity

We are planning for and progressively working towards an integrated and active transport network with improved connectivity across the local government area. A series of actions will be undertaken across this term of Council to facilitate the upgrade of our public transport and bicycle networks and pedestrian access. This renewed focus is complemented by a significant investment into our footpaths and cycle ways.

Project Sponsor: Director Infrastructure + Works
Project Manager: Manager Infrastructure Strategy and Planning

Strategic Priority Progress



On Track

Program Achievements

Actions identified within the Wollongong Bike Plan and Wollongong Pedestrian Plan are incorporated into the Infrastructure Delivery Program and operational programs for progressive implementation. Of note is the significant budget increase for the 2018/19 financial year for new footpaths and to implement actions in the pedestrian plan. Recruitment is almost complete for new senior traffic engineers to support planning and community engagement on prioritising footpath and connectivity projects around schools, as well as planning for the next stages of the Grand Pacific Walk.

The concept design of the Smith and Kembla Street on road cycle way, which will provide dedicated access for cyclists into the city centre, is nearing completion. Discussions are underway with Roads and Maritime Services and Transport for NSW to discuss funding priorities for these projects and other active transport programs.

Council continues to seek grant funding through a range of state and Commonwealth initiatives to support active transport and connectivity improvements including streetscape upgrades in commercial centres such as Warrawong, Corrimal and Helensburgh.

Council has also received funding to undertake an initial feasibility assessment to use the Otford Railway Tunnel as a shared pathway or rail trail.

Strategic Priorities PROGRESS REPORT

Business and Investment

We will continue to grow the Wollongong economy through attracting business, investment, major events and tourism to the region. We will continue to promote our local advantages, including our proximity to Sydney, supportive business environment, innovative ecosystem, vibrant CBD and superb liveability to attract businesses and encourage local jobs growth. We will work with key stakeholders, including state and federal governments to further promote our city and attract greater investment in infrastructure and other key assets.

Project Sponsor: Director Community Services

Project Manager: Manager Community Cultural and Economic Development

Strategic Priority Progress



On Track

Program Achievements

Advantage Wollongong continues to promote Wollongong as a place to invest and do business to grow the Wollongong economy.

During the quarter Advantage Wollongong continued its multiplatform social media presence on LinkedIn, Facebook and a new Twitter account. The September edition of the Advantage Wollongong e-newsletter was also released. Advantage Wollongong has also commenced a brand audit project, which is expected to be launched as part of the Advantage Wollongong 10th Anniversary celebrations in the first half of 2019.

Advantage Wollongong continued to promote positive news stories about Wollongong to a national audience, including:

- Forge Magazine: 'A city transformed: Wollongong positions itself for a digital revolution' outlining the regions recently endorsed Smart Region Strategy and work of the SMART Infrastructure Facility.
- Domain will run a series of stories/ advertisements about Wollongong throughout October 2018. These stories, on Wollongong's transformation and its growing knowledge services sector feature local success stories and case studies.

Advantage Wollongong has commissioned a research company to undertake a study into the competitiveness of Wollongong's shared services sector, compared to Sydney and other metro locations. This work will further quantify the benefits of doing business in the shared services sector throughout Wollongong, including intangible benefits such as staff retention, work/life balance and lower training/recruitment costs due to our high staff retention rates.

Advantage Wollongong exhibited at Land Forces 2018 at the Adelaide Convention Centre in South Australia with the Parliamentary Secretary for the Illawarra and South Coast, Gareth Ward MP. This was an opportunity to showcase the regions defence capabilities and facilitate introductions for Wollongong companies with major primes. The Wollongong Defence Industry Directory has also been updated, which outlines the capabilities of local defence companies.

Operational Plan

2018/19 PROGRESS

The following section provides an overview of Council's progress with delivering Our Wollongong 2028. It provides a summary of progress for 2018 - 2019 annual deliverables [Council's programs, projects and activities] and highlights significant progress with annual projects as outlined in the Our Wollongong 2028 community goals. This exception based reporting provides an overview of achievements for the September 2018 quarter. The organisations performance is also reported by the key performance indicators, budget summary information and Budget Review Statement.

The Operational Plan 2018 - 2019 contains 346 annual deliverables across the six community goals. Table 1 below outlines how Council is tracking in the September quarter to achieve the annual deliverables for each community goal.

1: Annual Deliverable Progress by Community Goal

Goal	On track	Not Scheduled to Commence	Delayed	Deferred	Ongoing / Complete
1. We value and protect our environment	79.17%	15.28%	4.17%	1.39%	0%
2. We have an innovative and sustainable economy	98.04%	1.96%	0%	0%	0%
3. Wollongong is a creative, vibrant city	97.22%	0%	0%	0%	2.78%
4. We are a connected and engaged community	96.49%	0%	1.75%	1.75%	0%
5. We have a healthy community in a liveable city	92.73%	2.73%	1.82%	0%	2.73%
6. We have affordable and accessible transport	92.31%	3.85%	3.85%	0%	0%
Total Annual Deliverable Progress	91.76%	4.55%	1.99%	0.57%	1.14%

*Note: Each goal does not have an equal number of annual deliverables; therefore, the annual deliverable progress totals do not necessarily add up to 100%.

Operational Plan PROGRESS SUMMARY

Overall 1.99% of annual deliverables were reported to be delayed, while 0.57% were deferred. Table 2 below outlines all annual deliverables that were reported as delayed or deferred at the end of September 2018.

Table 2

<i>Community Goal</i>	<i>Annual Deliverable</i>	<i>Delayed</i>	<i>Deferred</i>	<i>Comment</i>
1. We value and protect our environment	Continue to pursue biodiversity certification of the West Dapto Urban Release Area including offsetting provisions	Y		Council has been seeking the Biocertification of the West Dapto Release Area since 2014. The project has been delayed, as it requires a funding commitment from the state G government through a Special Infrastructure Contribution Plan or alternate funding mechanism. There has been no recent progress on the proposed Biocertification levy, with progress contingent on further advice from NSW Department of Planning and Environment.
	Review and update the Illawarra Biodiversity Strategy 2011-2015		Y	Project scheduled to commence early 2019.
	Prepare and implement priority actions of the Coastal Management Plan for Lake Illawarra	Y		Changes to the NSW government framework for preparation of Coastal Management plans, and delays in finalising all relevant guidance have resulted in delays for the project.
	Complete Helensburgh Town Centre Study	Y		The finalisation of planning for the future site of the community centre and library is a key input for this project. Delivery is programmed for June 2019.

Operational Plan PROGRESS SUMMARY

<i>Community Goal</i>	<i>Annual Deliverable</i>	<i>Delayed</i>	<i>Deferred</i>	<i>Comment</i>
4. We are a connected and engaged community	Implement a new Human Capital Management System		Y	This project will be reviewed following adoption of the OneCouncil solution enterprise resource planning (ERP) platform.
	Investigate options to increase the environmental sustainability of charitable waste disposal practices	Y		Audits have been completed on site of charity vehicles and their waste profiles. Results have been interesting and informative. A new consultant is currently being procured to enable completion of the project as per the corresponding project plan and works are expected to be completed in the coming few months.
5. We have a healthy community in a liveable city	Reinstate Waterfall (Garrawarra) Cemetery	Y		Pending resolution of issue of legal access to property and Aboriginal Land Claim.
	Implement Landscape Masterplan recommendations for Hill 60 Reserve at Port Kembla	Y		Council officers have continued to complete key projects where Office of Environment and Heritage approvals have been obtained. These include the perusal of interpretative artwork on MM Beach on Gloucester Boulevard. Council officers have pursued tenders for a new Conservation Management Plan for Hill 60 with a new consultancy to be engaged by Council in November.
6. We have affordable and accessible transport	Investigate opportunities to install bike carriers on buses	Y		Council staff will be contacting bus operators and the Department of Transport prior to the end of the calendar year to seek their views and ideas on the feasibility of installing bike carriers/racks onto their buses.

GOAL 1: WE VALUE AND PROTECT OUR ENVIRONMENT

Investigate opportunities and make application for grant funding for floodplain and stormwater management

A grant application to the SMART Cities and Suburb programs was lodged in July 2018. It included the development of a pilot flash flood warning system, culvert blockage monitoring, lake entrance opening support systems and stormwater quality monitoring. It is expected that the outcome of the grant application will be known during the second quarter.

Funding applications for the purchase of two properties under the Voluntary Purchase scheme have been lodged and it is expected that the outcome of these applications will be known during the second quarter.

Deliver waste minimisation programs in accordance with the Waste Strategy

During the quarter 479 adults and 213 children across the local government area participated in waste reduction workshops such as worm farming, composting, alternatives to single use plastics and cloth nappies. There was a record number of participants to worm and compost workshops. The Spring into Corrimal car boot sale had 1,098 buyers and the Green team stall in the mall talking about single use plastics engaged 54 people. The school competition on single use plastic had eight schools enter with 126 entries received in total.



Sophie [11 months] and Michelle Kirchmajer have been using cloth nappies since Sophie's birth.

GOAL 1: WE VALUE AND PROTECT OUR NATURAL ENVIRONMENT

Coordinate community environmental programs, including Rise and Shine Program, Clean Up Australia Day, World Environment Day, National Recycling Week, International Composting Week and other waste education activities

This quarter saw the launch of Rise and Shine at the "Enviro 18" event which hosted over 800 School children from years five and six participating in a variety of hands-on environmental workshops. International Compost Week was celebrated with five workshops and 163 adult participants.

Develop a project and work with partners to further explore the United Nations Sustainable Development Goals and how they align to the community's goals with funding to be considered through the business proposal process

The United Nations Sustainable Development Goals (SDGs) were included as a key focus in the Our Wollongong 2028 Community Strategic Plan. An action in the Operational Plan 2018/19 commits Council to explore the United Nations Sustainable Development Goals and how they align to the community's goals.

An internal project and gap analysis looking at localised issues has commenced and Council is working with the Office of Environment and Heritage as they prepare Guidelines for Councils in the implementation of the SDGs.

Collaborative efforts with the UOW, Healthy Cities Illawarra and Shellharbour City Council are underway, and a more regional approach is being considered. Council will attend and form part of a panel in November at a workshop run by Healthy Cities, and work with other Council's and like-minded organisations to help achieve a sustainable future.

Deliver priority actions from the Urban Greening Strategy Implementation Plan 2017- 21

Staff from across technical, operational, strategic and procedural areas of Council collaborate to deliver priority actions. These include collection of a public tree inventory, preparation of pre-grow contracts with tree suppliers, and implementation of maintenance and planning actions following the adoption of the Public Tree Management Policy. Identification of priority areas for new planting continues, where shade and amenity is most required. Work is underway to develop a communications strategy to engage stakeholders on the benefits of urban greening, and existing programs focused on bush restoration continue to deliver positive outcomes in natural areas.

GOAL 1: WE VALUE AND PROTECT OUR NATURAL ENVIRONMENT

Performance Measures

- Number of volunteers worked at Bushcare and FIREady sites | 461 (Q1 2017-18 - 486)
- Tonnes of Rubbish collected from clean up activities | 8 (Q1 2017-18 - 12)
- Number of volunteers for Environmental Programs - Greenhouse Park | 21 (Q1 2017-18 - 45)
- Participation rate in environmental programs | 9,360 (Q1 2017-18 - 9,085)
- Plants Propogated | 21,490 (Q1 2017-18 -10,852)
- Plants Distributed | 15,345 (Q1 2017-18 - 11,477)

GOAL 2: WE HAVE AN INNOVATIVE AND SUSTAINABLE ECONOMY

Implement a range of pilot projects and activation strategies across the city centre precincts

In response to the City for People (Public Spaces, Public Life) brief, Council are trialling three pilot projects in areas that promote visual connectivity, vibrancy and street comfort in and between key city centre sites. Three very diverse projects have been installed in high profile city locations, including: Globe Lane (architectural seating, synthetic turf designed by Taylor Brammer Urban Designers); Western Crown Street (four vibrant wayfinding sculptures, including seating options created by artist, David Cianci); and Lower Crown Street (series of large trees illuminated by colourful projected spotlights). This project has been designed specifically to meet key objectives at each site. Evaluation of these pilots is in progress. Once finalised, evaluation results will inform Council's broader Creative Wayfinding project.

Renew Wollongong has commenced in the City Centre aiming to provide business creatives with the opportunity to grow their skills and develop projects that will help activate some of the currently underutilised spaces in Crown Street Mall. The Renew Wollongong Team in partnership with Council staff will continue to build relationships with property owners, leasing agents and businesses to identify vacant space in the Crown Street Mall precinct and launch an 'Expression of Interest' campaign.



Wollongong City Lord Mayor Cr Gordon Bradbery AM with Angela Simons, Manager Renew Australia, and Alice Henchion, from Renew Wollongong

GOAL 2: WE HAVE AN INNOVATIVE AND SUSTAINABLE ECONOMY

Continue to support and promote the iAccelerate program

Council is embracing being a 'City of Innovation' through its ongoing marketing work as part of Advantage Wollongong and changing perceptions of Wollongong. Council continues to support and promote iAccelerate through promotional and marketing initiatives, including social media. Council also features iAccelerate companies as case studies in a range of marketing and promotional collateral.

Council is incubating two key projects at iAccelerate to undertake and work on innovative ideas which will deliver better outcomes for the region. The inclusion of these projects into the iAccelerate program demonstrates Council's commitment to deliver innovative solutions, and promote and support productive connections between iAccelerate residents and our broader community.



iAccelerate at the University of Wollongong's Innovation Campus

Research and assess the applicability of emerging technologies for library service provision

New scanning technology has been installed in the Family History room at Central Library that enables customers to scan from microfilm or microfiche records to USBs or to send images to the Library's printers. New customer RFID self-checkout units have been installed across all libraries during June 2018 after staff and customers trialled two models that were chosen from an open invitation to three suppliers in Australia. Customers and staff provided valuable feedback to assist in the decision-making process.

A 'self-scan' after hours returns chute was installed at Wollongong Central Library to enable customers' returned items to be 'checked in' automatically as they travel through the chute and into the Library.

GOAL 2: WE HAVE AN INNOVATIVE AND SUSTAINABLE ECONOMY

Performance Measures

- Occupancy rates of paid on street parking | 75 % (Q1 2017-18 - 73%)
- Tourist parks occupancy rate of unpowered sites | 37 % (Q1 2017-18 - 24%)
- Tourist parks occupancy rate of powered sites | 33 % (Q1 2017-18 - 34%)
- Tourist Park occupancy rate of cabins | 49 % (Q1 2017-18 - 52%)
- Number of visitations to the tourism information centres | 12,562 (Q1 2017-18 - 10,605)

GOAL 3: WOLLONGONG IS A CREATIVE, VIBRANT CITY

Deliver key funded strategies from the Cultural Plan including community cultural development projects

Council moved the Creative Container to Dapto Square at the end of June 2018. After consultation with the community, a Yarn Tree Decoration Community Cultural Development Project was developed. This has consisted of weekly creative textile workshops with the Dapto community held inside the Creative Container. There have been six workshops and over 60 participants to date.

Step Up Creative Dance Project offered two rounds of five dance choreography and performance workshops to participants living in aged care facilities. 84 participants over the age of 80 took part in these workshops. Council partnered with Marco Polo Aged Care Services and the Australian Health Professionals physiotherapy team to develop and deliver this program. The physiotherapists involved in the program remarked positively on the ability of dance that has enabled some participants to increase their range of movements.

The following activities were part of the Creative Dialogues Program:

- A live conversation with local established creatives and culture change-makers at The Little Prince on 10 July with 70 people attending.
- Content Creators on 1 August. This is a regular networking of film makers and there were two guest speakers and 25 people in attendance.

Host six major events reflecting priority sectors and contribute to the acquisition of signature events in the city

Destination Wollongong sponsored five major events across a range of our priority sectors during the September quarter, providing an estimated \$9.1 million injection into the local economy. These included the Australian Inflatable Rescue Boat Championships, Splendour in the Grass sideshows, the Antique Motorcycle Club of America Motorcycle Weekend, the Australia Police Rugby Union Championships and the sell-out Yours and Owls Festival at Stuart Park.

GOAL 3: WOLLONGONG IS A CREATIVE, VIBRANT CITY

Support newly arrived and refugee communities through the delivery of the Illawarra Refugee Challenge with community partners

The 2018 Refugee Challenge was delivered during the quarter. In July, a session was conducted where six young people of refugee background from Keira High came to Dapto High to share their story with Year 11 students who were training as peer facilitators for the Challenge.

Two facilitator training sessions were held with 19 Year 11 students to equip them for running the Illawarra Refugee Challenge. Two guest speakers from refugee background also spoke to 150 Dapto High Year 10 students in class groups, which helped prepare students to attend the Challenge tours. 210 students came to the Illawarra Refugee Challenge tour, including Year 10 students from Dapto High, as well as a Year 11 Legal Studies class and student leaders from Year 8, Figtree High Year 10 students and students from Mt Brown Public School. 18 Year 11 students from Dapto High School facilitated sessions for their peers to a high standard, teaching people about refugee issues and journeys. Six community members from refugee background participated in the Challenge tours, helping facilitators to present information and share their personal experiences. An evaluation and celebration was held with 18 peer facilitators and included the presentation of certificates.



Students participating in the Refugee Challenge

GOAL 3: WOLLONGONG IS A CREATIVE, VIBRANT CITY

Performance Measures

- Library programs: number of participants | 18,551 (Q1 2017-18 - 15,075)
- Library programs: number of programs | 648 (Q1 2017-18 - 562)
- Library – total number of loans | 325,119 (Q1 2017-18 - 377,872)
- Library visitations | 259,566 (Q1 2017-18 - 272,239)

GOAL 4: WE ARE A CONNECTED AND ENGAGED COMMUNITY

Identify additional opportunities for working in partnership with the local Aboriginal community

Council officers have undertaken the following during the quarter:

- Attended three Wollongong Northern District Aboriginal Community (WNDAC) Network general meetings. A focus of the meetings has been discussions in relation to the development of an Aboriginal two day a week early learning program in the Bellambi Area.
- Participated in the organising committee for the Barnardos Greene Street Warrawong NAIDOC family fun day event held on 10 July 2018. Approximately 600 - 800 people were in attendance with a large representation of families with young children. Over 15 Community Services and Organisations were represented on the day with information stalls and activities.
- Participated in the organising committee for the Wollongong Northern District Aboriginal Community (WNDAC) NAIDOC family fun day event on 18 July at Bellambi. Approximately 500-600 people attended the day and it was the first NAIDOC event which WNDAC had organised and proved to be very successful. Over 23 Community Services and Organisations were represented on the day with stalls, cultural events and activities including a smoking ceremony, live music, a Koori cook off, and art and craft activities.



Council staff participate in the Koori-cook off as part of the NAIDOC family fun day event at Bellambi

GOAL 4: WE ARE A CONNECTED AND ENGAGED COMMUNITY

Work with Friends of Wollongong City Libraries to improve resources within libraries that are generated with funding from fundraising activities

The Friends of Wollongong Library funded two major programs this year: Comic Gong 2018 with \$3,000 and the Local History Prize with \$5,000. The Friends also funded a large collection of Lego for Central and Dapto libraries' children's programming. The Friends continue to raise funds for the Libraries through regular author talks and book sales.

Deliver civic activities which recognise and celebrate the city's people

Council hosted a reception for the Governor General of Australia with representatives from a range of community groups and organisations. Council also provided NAIDOC Week grants to assist community groups to provide a range of NAIDOC Week celebrations/activities across the Wollongong City Council Local Government Area.



Lord Mayor Cr Gordon Bradbery AM, His Excellency General the Honourable Sir Peter Cosgrove AK MC (Retd) and Her Excellency Lady Cosgrove enjoying a walk along the Tramway.

GOAL 4: WE ARE A CONNECTED AND ENGAGED COMMUNITY

Performance Measures

- Telephone calls are answered within 30 seconds | 84 % (Q1 2017-18 - 75%)
- Enquiries made in person are welcomed and attended to within 5 minutes | 94 % (Q1 2017-18 - 92%)
- Number of Twitter followers for Council | 5,585 (Q1 2017-18 -5,127)
- Number of Council Facebook page 'likes' | 24,381 (Q1 2017-18 - 21,645)
- Carers Leave | 0.62 Days (Q1 2017-18 - 0.59)
- Sick Leave | 7.50 Days (Q1 2017-18 - 7.25)
- Lost Time Injury Frequency Rate | 13.43 (Q1 2017-18 -15.81)
- Number of media releases issued | 45 (Q1 2017-18 - 47)

GOAL 5: WE HAVE A HEALTHY COMMUNITY IN A LIVEABLE CITY

Offer a program of activities in libraries to celebrate and engage with our diverse community

Wollongong City Council delivered a range of inclusive events that reflects our diverse community. Highlights during the quarter included the delivery of tactile story time for children on the autism spectrum, two events aimed at engaging with our LGBTIQ community and catering to members of the deaf community in the delivery of some adult events.

Council has developed tactile story time programs for children on the spectrum. This has included utilising a successful Clubs NSW grant to purchase tactile toys to assist in the delivery of these programs. Council has also engaged Auslan interpreters for some adult events.

Engaging with our LGBTIQ families and their supporters, an all ages story-time event was held with storyteller 'Miss Roxee'. This event celebrated the diversity of our community and saw between 300-400 people attend on the day, enjoying an amazing morning of stories, song and connection. Council also hosted a panel discussion with two of the '78'ers, marking 40 years of the Gay and Lesbian Mardi Gras, which our panellists were instrumental in founding. This event attracted approximately 50 participants.



Story-teller Miss Roxee reads to over 300 people during Storytime at Wollongong Central Library.

GOAL 5: WE ARE A HEALTHY COMMUNITY IN A LIVEABLE CITY

Construct synthetic football pitch at Ian McLennan Park, Kembla Grange

Construction work has commenced on the first synthetic turf field for football at the Ian McLennan Park Sports Field, Kembla Grange. The project is expected to cost \$2.753 million and includes a financial contribution from the State Government and Football South Coast. The project is expected to be complete by February 2019, weather permitting.

The project will include:

- Synthetic turf field to main field to comply with all FIFA and Football NSW requirements;
- LED lighting to synthetic turf-field, the natural turf field, and the junior natural turf field;
- Sportsfield fencing around the synthetic fields;
- Installation of player dugouts for the synthetic turf field;
- Installation of fencing.



Anne-Marie Balliana and Eddy De Gabriele from Football South Coast, join with Gareth Ward, Member for Kiama, and Wollongong City Lord Mayor Cr Gordon Bradbery AM as works begin on Ian McLennan Park, the first synthetic pitch in the Wollongong LGA.

GOAL 5: WE ARE A HEALTHY COMMUNITY IN A LIVEABLE CITY

Enhance Botanic Garden visitor experience via programs, interpretation, education and events

During the quarter 118 educational workshops were held at the Discovery Centre involving 3,979 participants. A delegation from Sister City Kawasaki visited the Botanic Garden and viewed the Kawasaki Bridge and Japanese garden through middle creek.

Enviro 18 was held to commemorate the start of Spring and launch the Rise and Shine campaign with over 800 school children participating.

The Botanic Gardens Conservation International awarded Wollongong Botanic Garden recognition with "Conservation Practitioner" status, the first such garden in Australia. The Botanic Garden Masterplan was also placed on public exhibition during the quarter.



Wollongong Botanic Garden has become the first Australian Botanic Garden to receive Conservation Practitioner Accreditation from Botanic Gardens Conservation International (BCGI).

Performance Measures

- ❑ Total Visits commercial heated pools: Corrimal | 11,160 (Q1 2017-18 - 14,333)
- ❑ Total Visits commercial heated pools: Dapto | 14,256 (Q1 2017-18 - 14,049)
- ❑ Utilisation/visitation at pools | 48,397 (Q1 2017-18 - 75,875)
- ❑ Utilisation/visitation at beaches | 22,010 (Q1 2017-18 - 89,646)
- ❑ Social Support hours of service | 10,634 Hours (Q1 2017-18 - 9,123)
- ❑ Utilisation of Direct-Run District Level Community Facilities | 8,834 Hours (Q1 2017-18 - 11,292)
- ❑ Direct-Run District Level Community Facilities visitation | 56,405 (Q1 2017-18 - 88,692)
- ❑ Community Transport trips | 35,585 (Q1 2017-18 - 32,520)

GOAL 6: WE HAVE AFFORDABLE AND ACCESSIBLE TRANSPORT

Review and update the Wollongong Bike Plan

Scoping for the review of the Bike Plan has commenced, along with advertising for community members for the Walking Cycling and Mobility Reference Group which will help oversee the plan review.

Incorporate 'Park n Ride' feasibility study findings into City Centre Access and Movement Strategy

The "Park and Ride" initiative is identified in the adopted Wollongong City Centre Access and Movement Strategy. The feasibility assessment of a southern city centre shuttle bus route and service to support park and ride has been completed and will be incorporated into revised planning and actions as part of the review of the Inner City Parking Strategy and the City Centre Access & Movement Strategy.

Council to work with key agencies and partners to progress the provision of an effective and integrated regional transport network

Council continues to liaise with key State Government Agencies on an ongoing basis in relation to significant transport projects. These include City Centre projects; Albion Park Rail Bypass; the upgrade of the Mount Ousley Road/Old Mount Ousley Road intersection; Thirroul to Unanderra Network Strategy and the Keiraville / Gwynneville Access and Movement Strategy. Council is reviewing the West Dapto Structure Plan and liaising with NSW Government Agencies to resolve access issues.

Council is also scoping prioritisation of actions for bus stops / bus zones to ensure compliance with the Disability Discrimination Act requirements. Liaison with State Government Agencies including Transport for NSW has commenced in order to progress key infrastructure strategies within Metro Wollongong. A working group has been formed to specifically progress the major review of the Wollongong City Centre Access and Movement Strategy. This strategy will re-examine the function of transport interchange within the Wollongong Station Precinct.

GOAL 6: WE HAVE AFFORDABLE AND ACCESSIBLE TRANSPORT

Complete the construction of the Fowlers Road extension to Fairwater Drive

The contract for the Stage 2 works of the project has been awarded. Works have commenced and are now in progress. These works currently include piling and excavation of the floodways. Material is also being prepared on site for use in the construction of the embankments.



Piling for Bridge 2 work has commenced on the Fowlers Road to Fairwater Drive project.

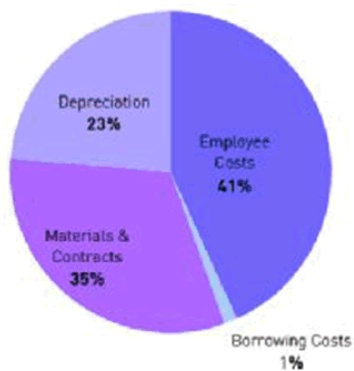
Performance Measures

- Delivery of Council's Capital Program | 22 % (Q1 2017-18 - 21%)

How we performed against our budgets

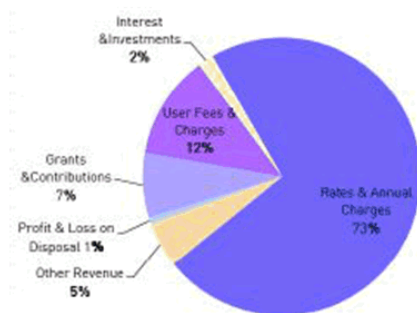
Budget 2018-19

The graph below shows Council's expenses from ordinary activities by expense type for the year:



Expense Type (\$'M)	YTD Actual	Proposed budget
Employee Costs less Internal Charges	28.0	114.9
Borrowing Costs	0.8	3.3
Materials & Contracts	20.6	96.7
Depreciation	15.3	64.5
Loss on Disposal of Assets	0.0	0.0
Total	64.6	279.4

The graph below shows Council's revenue from ordinary activities by:



Income Type (\$'M)	YTD Actual	Proposed budget
Rates & Annual Charges	48.6	197.0
Other Revenue	3.6	11.2
Profit on disposal of Assets	0.5	0.0
Grants & Contributions	5.0	21.1
User Fees & Charges	8.1	35.1
Interest & Investments	1.2	4.8
Total	67.0	269.3

Budget Review Statement: Report of the Chief Financial Officer

The review of financial estimates at September proposes a range of adjustments that have impacted the forecast Operating Result [pre capital] but do not greatly impact the Funds Result. Proposed adjustments include the reintroduction of operational projects that were in progress at 30 June 2018, introduction of new funded projects, the impact of the Enterprise Agreement finalisation and a notional positive budget adjustment for anticipated improvements. It is typically too early at the September Review to formally recognise improvements in the budget and conversely easier to predict deterioration in specific items. It is for this reason that a notional estimate for improvement has been included and will be monitored closely over the coming periods.

The proposed variations generate a deterioration in the Operating Result [pre capital] of \$3.2 million and a relatively minor deterioration in both the Funds Available from Operations and Funds Result of \$0.2 million.

The following table and comments provide a summary view of the organisation's revised forecast and proposed variations for the 2018-19 financial year based on year to date performance and anticipated results to June 2019.

Table 1

FORECAST POSITION	Original Budget	Proposed Budget	YTD Actual	Proposed Variation
	\$M	\$M	\$M	\$M
KEY MOVEMENTS	1-Jul	28-Sep	28-Sep	Proposed Variation
Operating Revenue	267.1	269.3	67.0	2.1
Operating Costs	(274.0)	(279.4)	(64.6)	(5.4)
Operating Result [Pre Capital]	(6.9)	(10.1)	2.4	(3.2)
Capital Grants & Contributions	53.8	39.4	5.0	(14.4)
Operating Result	46.9	29.3	7.4	(17.6)
Funds Available from Operations	56.2	55.9	15.7	(0.2)
Capital Works	98.0	100.8	22.4	(2.8)
Contributed Assets	10.2	10.2	-	-
Transfer to Restricted Cash	1.5	1.5	0.4	-
Borrowings Repaid	7.7	7.7	1.0	(0.0)
Funded from:				
- Operational Funds	56.2	55.9	14.7	(0.2)
- Other Funding	53.4	56.3	10.0	2.8
Total Funds Surplus/(Deficit)	(7.7)	(8.0)	1.9	(0.2)

OPERATING RESULT [pre capital]

The major variations are summarised broadly below with further details provided through this report. Favourable variations are identified as (F) and Unfavourable (U):

The proposed Operating Deficit [pre capital] of \$10.1 million (which is inclusive of the \$9.3M shortfall in the Financial Assistance Grant that was received in advance last year) represents deterioration against budget of \$3.3 million that is made up of both funded and cash variations.

Funded Variations (no Fund impact)

These are variations where the unfavourable adjustments are funded from restricted cash and the favourable are transferred to Restricted Assets, therefore not impacting the Funds Result. These variations include:

- Introduction of One Council implementation costs \$2.5M (U)
- Projects funded from restricted cash in progress at end of year reintroduced \$1.3M (U)
- Additional funded projects introduced during first quarter \$1.5M (U)
- Reclassification of road materials as operational \$0.3M (U)
- Provision for projects in progress at 30 June 2019 \$1.6M (F)
- Proceeds from land sale \$0.9(F)

Other Variations

Other variations are cash type changes that impact both favourably and negatively on this year's Operating and Funds results

- Election costs \$0.3M (U)
- Lower Financial Assistance Grant \$0.2M (U)
- Lake Illawarra works brought forward from 2019-20 \$0.3M (U)
- Refund of rates based on objection and change of valuations \$0.3M (U)
- Finalisation of Enterprise Agreement \$0.6M (U)
- General revenue projects reintroduced from last year's budget \$0.4M (U)
- Reclassification of general revenue funded road materials as operational \$0.3M (U)
- Settlement of prior year workers' compensation claim \$0.3M (F)
- Various more minor improvements \$0.4M (F)
- Internal savings target \$1.5M (F)

The revised estimates include two proposed changes that offset the negative impact of the reintroduction of projects from the previous year and the unplanned increase in operational costs. There is a proposed provisional estimate of \$1.6 million for projects anticipated to be in progress at the end of the current financial year to better reflect actual performance from prior years. It is also proposed that an internal "savings target" of \$1.5 million be established that is expected to be achieved through the normal level of operational savings over the remainder of the year. Although this approach includes some budget risk, there is a reasonable level of confidence that improvements against budget will be achieved in line with performance in prior years.

OPERATING RESULT

The proposed Operating Result of \$29.3 million represents a deterioration of \$14.4 million compared to budget that includes the above variations as well as a lower level of developer contributions mainly from the West Dapto release area.

CAPITAL PROGRAM

During this Quarter, the capital budget expenditure projections have been increased by \$2.8 million that is fully offset by funding from restricted cash. Capital program changes have been reported and approved by Council through the monthly reporting process.

FUNDS RESULT

The Funds Result indicates a deterioration of \$0.2 million which is largely due to Lake Illawarra expenditure budget being brought forward from 2019-20 to accelerate a study of water flow in the lake due to erosion. The Funds Result is not impacted by variations in funded projects or the sale of property where proceeds are proposed to be transferred to Strategic Projects internally restricted asset, consistent with established practise.

Further details of variations are discussed through this report with favourable changes identified as (F) and Unfavourable (U) with a more comprehensive list is provided in Table 7.

Income & Expense

- Rates \$0.7M (U). The unfavourable variance is due to industrial property valuations objections of \$0.3 million and the correction of a budget classification that is offset by a reduction in Materials & Contracts budget of \$0.4 million. The impact of objection is not recurrent as this is recoverable within the overall rating base in future years.
- User Charges & Fees \$0.2M (F). The favourable variance is due to a number of relatively minor increases in income expectations across a range of areas.
- Interest and Investment Income \$0.2M (F). Proposed variance is due to increased interest associated with higher cash holdings.
- Other Revenue \$1.2M (F). This increase in income is mainly due to the receipt of workers' compensation insurance claims (\$0.3 million) relating to the prior financial year and proceeds on sale of a property (\$0.9 million) that was not included in the original budget. Consistent with established practise, the revised projections propose that these be transferred to the internal restriction for Strategic Projects.
- Grants and Contributions – Operating \$1.3M (F). This variation is largely due to a continuation of funding for the Social Support Programs that is offset by an associated increase in expenditure budget under Employee Costs and Materials & Contracts. As part of the Federal Government reform of Aged and Disability Services it was expected that Council would not be involved in the delivery of these services beyond 30 June 2018. The program has now been extended until June 2020.
- Grants and Contributions – Capital \$14.4M (U). This variation includes a decrease in expected Section 94 Developer Contributions for West Dapto of \$14.4 million that is partially offset by increased contributions for Citywide and City Centre of \$1.3 million. This forecast has also been impacted by the timing of grant funding for a number of capital projects.
- Employee Costs \$2.2M (U). Employee cost projections have increased as a result of the continuation of the Social Support Service funded programs (\$0.5 million), finalisation of the Enterprise Agreement negotiations in July (\$0.6 million), introduction of funded projects that are to be delivered with additional resources (\$0.2 million) and delivery of projects previously budgeted under Material & Contracts (\$0.7 million).
- Materials, Contracts and Other Expenses \$3.3M (U). Proposed increase in budget includes the introduction of the One Council solution implementation (\$2.5 million) that is proposed to be funded from Strategic Projects internal restriction, continuation of the Social Support Service program (\$0.8 million), election costs (\$0.3 million), introduction of new projects (\$1.3 million), reclassification of road materials as operational (\$0.6 million) and acceleration of Lake Illawarra water flow studies (\$0.3 million). These increases have been partially offset by reclassification of expenditure to Employee Costs (\$0.7 million) and correction of a budget classification to rates (\$0.4 million) and the introduction of a savings target of \$1.5 million.
- Internal Charges \$0.2M (F). The favourable variance is largely due to allocation of resourcing to capital projects.

Reintroduction of Projects in Progress

There were a range of operational projects that were in progress at 30 June 2018 that have been reintroduced into 2018-19 financial forecasts to allow completion of these. In some cases, these projects are supported by funding from restricted cash, the additional operational expenditure reintroduced of \$1.7 million was offset by \$1.3 million of funding from restricted cash.

While the progress of individual projects is assessed at each quarter and adjustments made to reflect the most recent expected completion period and cost, there will always be a degree of variation due to external factors that may impact on the ability to fully complete all these projects. To recognise this potential timing issue, this review includes a notional adjustment that negates the impact of the reintroduced projects.

Cash & Investments

Projected cash and investments holdings at September indicate a decrease of \$12.1 million mainly due to the lower level of Developer Contributions for West Dapto of \$14.4 million that is partially offset by an increase in City Wide and City Centre Developer Contributions, grant income, proceeds from a land sale and other more minor variations.

The Available Funds forecasts shown below excludes movement in externally and internally restricted cash such as timing of special purpose grants and progress of funded projects and is largely unchanged.

Table 2

CASH, INVESTMENTS & AVAILABLE FUNDS				
	Actual 2017/18	Original Budget 2018/19	September QR 2018/19	Actual Ytd September 2018
	\$M	\$M	\$M	\$M
Total Cash and Investments	157.8	148.5	136.4	169.8
Attributed to:				
External Restrictions				
Developer Contributions	19.0	43.1	26.3	21.4
Specific Purpose Unexpended Grants	2.7	3.6	2.3	3.1
Special Rates Lew City Centre	0.1	0.1	0.1	0.2
Unexpended Loans	21.7	11.3	13.2	17.0
Domestic Waste Management	12.8	12.9	13.4	13.0
Private Subsidies	5.0	4.5	5.5	6.5
West Dapto Home Assistance	10.5	10.8	10.8	10.6
Stormwater Management Charge	1.3	1.5	0.9	1.4
Carbon Pricing	-	-	-	-
Total External Restrictions	73.1	87.7	72.6	73.2
Internal Restrictions				
Property Investment Fund	8.3	8.2	8.2	8.2
Strategic Projects	53.3	42.5	42.1	48.3
Sports Priority program	0.4	0.7	0.6	0.7
Car Parking strategy	1.1	1.0	1.2	1.2
MacCabe Park Development	1.1	1.3	1.3	1.2
Darcy Wentworth Park	0.2	0.2	0.2	0.2
Garbage Disposal Facility	2.2	(1.7)	(1.1)	0.6
Telecommunications Revenue	0.2			0.0
West Dapto additional rates	0.8	4.6	4.6	5.1
Natural Areas	0.3	0.2	0.2	0.2
Lake Illawarra Management Fund	0.2	0.2	0.2	0.4
Total Internal Restrictions	68.1	57.3	57.6	66.2
Available Cash	16.5	3.5	6.3	30.4
Net Payable & Receivables	7.0	11.6	9.2	(5.0)
Payables	(30.8)	(24.7)	(25.9)	(35.0)
Receivables	27.2	25.0	24.1	17.6
Other	10.6	11.3	11.1	12.4
Available Funds	23.5	15.1	15.5	25.4

Long Term Financial Projections

The revised long term projections are continually reviewed through the annual planning process in line with the Financial Strategy targets to reflect current information from both external sources and internal analysis as it comes to hand. Council has a continuous budget process that revises the long term forecasts in line with quarterly changes and resets assumptions and indices annually or where new information leads to an immediate requirement to change the indices. As part of the commencement of the 2019-20 annual planning process, the indices that supported the long term forecasts contained in the Adopted Operational Plan and Delivery Program 2018-28 have been revised to include new Enterprise Agreement for 2018-21 and update of other indices based on current economic data from a number of forecasting sources. Generally, this has resulted in an improvement over the life of the Long Term Financial Projections. It should be noted that there are a number of potential impacts that have not yet been included in these projections that will be further developed during the planning phase of next year's Annual Plan.

The first of these is the potential impact of energy pricing. Council currently has contracts for the supply of electricity both for internal consumption and street lighting that in the main will end on 30 December 2018. These have provided Council with very favourable pricing and reversion to current market pricing will potentially increase this cost significantly. No change has been made at this stage as Council is currently working with Local Government Procurement on price negotiations and investigating mitigation strategies in particular for street lighting.

The second area is the revision of the impact of the West Dapto release area. The September Quarterly Review proposes a reduction of \$14.4 million in developer contributions for 2018-19. Longer term projections are currently being reviewed along with assessment of the impact of industrial land contribution discount, contributed assets, voluntary planning agreements and potential grant funding. These will impact on future cash flow projections and may require consideration of alternative funding sources in the next 2-5 years.

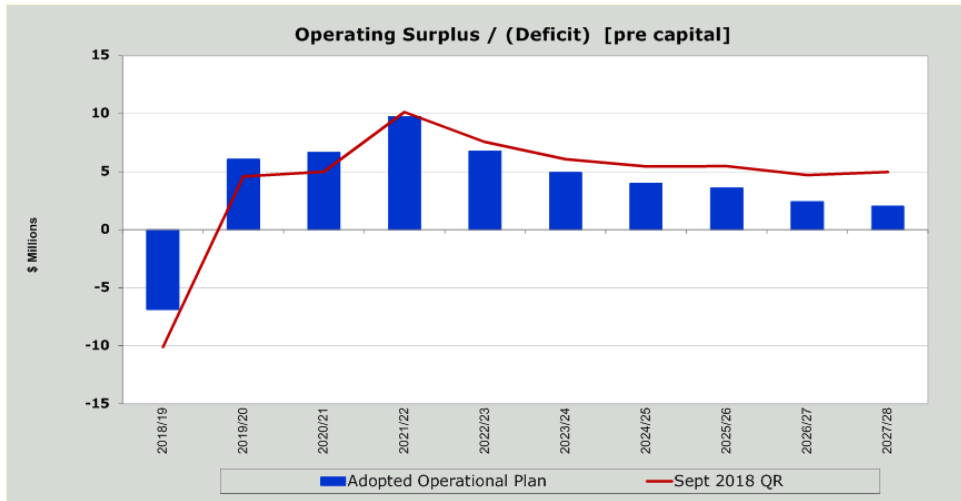
Long Term Financial Projections will be updated as more definitive information becomes available on these issues and any other significant changes.

Long Term Operating Surplus/(Deficit) [pre capital]

The Operating Result [pre capital] provides an indication of the long term viability of Council. In broad terms, a deficit from operations indicates that Council is not earning sufficient revenue to fund its ongoing operations (services) and continue to renew existing assets over the long term.

The 2018-19 revised result is impacted by the introduction of new and continuing projects where grant funding was received in prior periods and projects funded from internally restricted assets. The deterioration in the first three years is impacted by the introduction of the implementation costs for One Council solution. As discussed above, potential impacts of any changes in assumptions for energy pricing and West Dapto release area have not been factored in as yet. These projections are based on current decisions and assumptions and are subject to review through the 2019-20 planning process.

Table 3

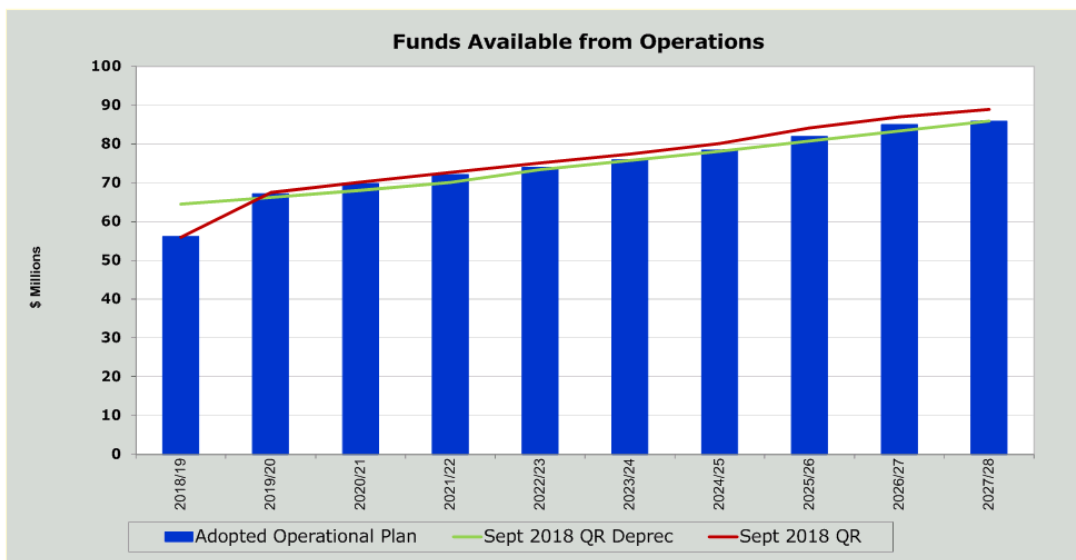


Funds Available from Operations

The matching of Funds Available from Operations with Council's asset renewal target (currently depreciation over the long term) is a primary target of Council to provide for effective renewal of assets and growth in assets.

The following graph shows the forecast depreciation expenses compared to Funds Available from Operations. This indicator demonstrates the capacity to generate sufficient funds from operations to meet that level of asset renewal requirement. The graph currently shows Council slightly exceeding its target of providing Funds from Operations equal to depreciation. Funding requirements and depreciation estimates will be further reviewed as part of the annual planning process in the coming months.

Table 4



Available Funds

Available Funds are the uncommitted funds of an organisation that assist in meeting the short term cash requirements, provide contingency for unexpected costs or loss of revenue and provide flexibility to take advantage of opportunities that may arise from time to time. Council's Financial Strategy has

a target to achieve and maintain an Available Funds position between 3.5% and 5.5% of operational revenue [pre capital].

The Available Funds remain largely at the upper level of Council's Financial Strategy target of 3.5% to 5.5% of operational revenue [pre capital]. Based on the September 2018 Quarterly Review the target range for Available Funds is between \$9.4 million and \$12.7 million (lower range) and between \$14.8 million and \$19.9 million (upper range) over the life of the Long Term Financial Plan.

Table 5

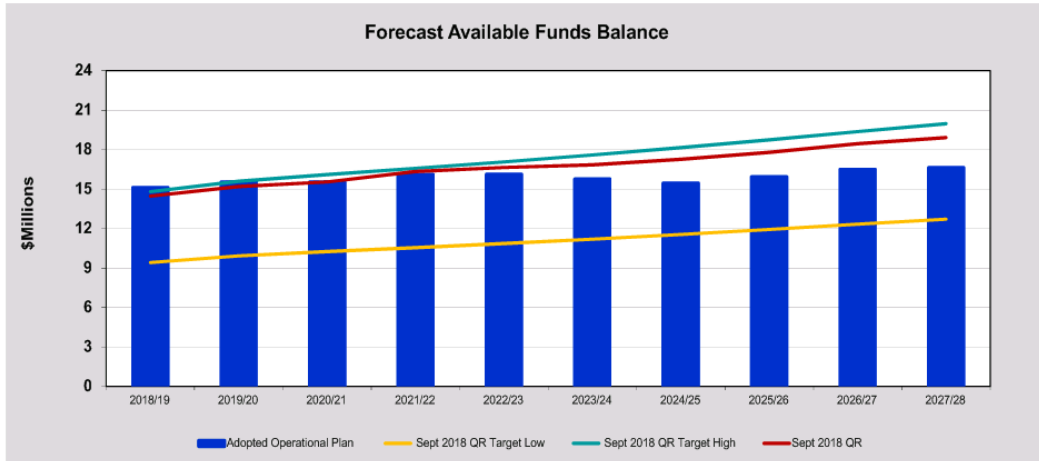


Table 6

WOLLONGONG CITY COUNCIL

September 2018 Quarterly Review

	Original Budget \$'000	YTD Actual YTD \$'000	Proposed Variation \$'000	Proposed Budget \$'000
Income Statement				
Income From Continuing Operations				
Revenue:				
Rates and Annual Charges	197,686	48,622	(697)	196,989
User Charges and Fees	34,967	8,141	164	35,130
Interest and Investment Revenues	4,572	1,202	217	4,790
Other Revenues	10,062	3,592	1,176	11,238
Grants & Contributions provided for Operating Purposes	19,837	5,002	1,276	21,113
Grants & Contributions provided for Capital Purposes	53,752	4,978	(14,364)	39,387
Profit/Loss on Disposal of Assets	0	478	0	0
Total Income from Continuing Operations	320,876	72,015	(12,229)	308,647
Expenses From Continuing Operations				
Employee Costs	129,419	31,396	2,234	131,653
Borrowing Costs	3,310	841	0	3,310
Materials, Contracts & Other Expenses	94,996	21,100	3,278	98,274
Depreciation, Amortisation + Impairment	64,508	15,278	(0)	64,508
Internal Charges (labour)	(16,581)	(3,442)	(205)	(16,786)
Internal Charges (not labour)	(1,653)	(528)	50	(1,603)
Total Expenses From Continuing Operations	273,999	64,645	5,357	279,357
Operating Results From Continuing Operations	46,877	7,370	(17,586)	29,291
Net Operating Result for the Year	46,877	7,370	(17,586)	29,291
Net Operating Result for the Year before Grants & Contributions provided for Capital Purposes	(6,875)	2,392	(3,222)	(10,097)
NET SURPLUS (DEFICIT) [Pre capital] %	(2.1%)	3.3%	26.3%	(3.3%)

Funding Statement

Net Operating Result for the Year	46,877	7,370	(17,586)	29,291
Add back :				
- Non-cash Operating Transactions	82,076	19,052	298	82,374
- Restricted cash used for operations	13,030	3,603	5,462	18,491
- Income transferred to Restricted Cash	(72,658)	(10,836)	11,856	(60,802)
- Payment of Accrued Leave Entitlements	(13,146)	(3,448)	(272)	(13,418)
- Payment of Carbon Contributions	0	0	0	0
Funds Available from Operations	56,178	15,740	(242)	55,935
Advances (made by) / repaid to Council	0	0	0	0
Borrowings repaid	(7,692)	(1,019)	0	(7,692)
Operational Funds Available for Capital Budget	48,486	14,721	(242)	48,244
CAPITAL BUDGET				
Assets Acquired	(97,962)	(22,435)	(2,833)	(100,795)
Contributed Assets	(10,169)	0	0	(10,169)
Transfers to Restricted Cash	(1,497)	(374)	0	(1,497)
Funded From :-				
- Operational Funds	48,486	14,721	(242)	48,244
- Sale of Assets	1,795	557	0	1,795
- Internally Restricted Cash	11,310	2,819	122	11,432
- Borrowings	0	0	0	0
- Capital Grants	12,210	1,078	728	12,938
- Developer Contributions (Section 94)	8,195	121	1,050	9,245
- Other Externally Restricted Cash	9,230	4,960	550	9,780
- Other Capital Contributions	10,689	491	383	11,072
TOTAL FUNDS SURPLUS / (DEFICIT)	(7,713)	1,938	(242)	(7,955)

Table 7

MAJOR VARIATIONS PROPOSED \$'000s	Offsetting Items for Fund			Net by type
		Surplus	Deficit	
REVENUES FROM ORDINARY ACTIVITIES				
Rates & Annual Charges				
Industrial Rates Objections			(332)	
Correction of budget classification	(396)			
Domestic Waste - Additional Services	31			(697)
User Charges & Fees				
Tourist Parks		66		
Development Assessment		45		
Other	5	48		164
Interest and Investment Income				
Outstanding Rates interest charges			(83)	
Increased investment income partially offset by transfer to reserve	103	197		217
Other Revenue				
Workers Comp Insurance Claims relating prior year		292		
Non Domestic Recycling		47		
Land sale	860			
Other			(23)	1,176
EXPENSES FROM ORDINARY ACTIVITIES				
Employee Costs				
Finalisation of Enterprise Agreement				
Training additional budget allocation			(500)	
Impact of EA% increase			(114)	
Budget reclassified from Materials & Contracts				
West Dapto Review	(351)			
Legal Expenses	(116)			
Public Art Program	(87)			
Economic Development Placeholder	(63)			
City Centre Activation	(61)			
Lake Illawarra Estuary Management Fund	(57)			
Adjustment of funded projects				
Social Support	(490)			
Other Community Services	(102)			
Regional Illegal Dumping Program	(81)			
Illegal Dumping Enforcement	(51)			
Human Resources staffing	(75)			
Other	(50)		(36)	(2,234)

Table 7 continued

MAJOR VARIATIONS PROPOSED \$'000s	Offsetting Items for Fund			Net by type
		Surplus	Deficit	
Materials, Contracts & Other Expenses				
Funded Projects				
One Council Implementation	(2,480)			
Social Support Project continuation	(803)			
Stormwater Levy Funded Projects	(863)	33		
Community Transport	(273)			
Fowlers Rd Material Classification	(276)		(276)	
Puckeys Estate Biobank	(86)			
Telecommunication Reserve Funded Works	(53)			
Other	10			
Projects in progress re-introduced from 2017/18	(1,227)		(434)	
Budget reclassified to Employee Costs				
West Dapto Review	351			
Legal Expenses	116			
Public Art Program	87			
Economic Development Placeholder	63			
City Centre Activation	61			
Lake Illawarra Estuary Management Fund	57			
Elections			(312)	
Lake Illawarra Works brought forward			(250)	
Fire Service Contributions		85		
Town Centre Planning projects postponed		60		
Correction of budget classification of rates	396			
Notional adjustment for projects expected to be in progress 2018-19	1,227			
Savings target introduced to offset deterioration		1,576		
Various other adjustments	104		(171)	(3,278)
Internal Charges				
City Works Labour Recovery		235		
Other			(80)	155

MAJOR VARIATIONS PROPOSED \$'000s	Offsetting Items for Fund		Net by type
	Surplus	Deficit	
Grants & contribution - Operating			
Additional grants advised transferred to reserve			
Community and Cultural Grants Social Support	1,188		
Social Support Contributions	148		
Rural Fire Service		(61)	
Financial Assistance Grant		(153)	
Other	153		1,276
Operating Variation [pre capital]	(3,081)	2,684	(2,825)
Capital Grants & Contributions			
Developer Contributions			
West Dapto	(14,445)		
City Wide & City Centre	1,280		
Grants & Contributions			
Restart Illawarra Renewals - timing	(3,197)		
National Stronger Regions (W Dapto)	732		
Mt Keira HV Power Supply	771		
Ian McLennan Synthetic Track	565		
Other		(70)	(14,364)
Operating Variation [post capital]	(17,375)	2,684	(2,895)
FUNDING STATEMENT			
Non Cash Items			
Leave Liability	298		298
Payment of Leave Entitlements	(272)		(272)
Restricted Cash Used for Operations			
Projects in progress re-introduced from 2017/18	1,058		
Internally funded project adjustments			
One Council implementation	2,480		
Telecommunication Reserve Funded Works	53		
Externally funded project adjustments			
Social Support Continuation	1,336		
Stormwater Levy Funded Projects	863		
Projects unfinished Re-introduced from 2017/18	169		
Fowlers Rd Material Classification	276		
Community Transport	292		
Puckeys Estate Biobank	86		
Regional Illegal Dumping	81		
Illegal Dumping Enforcement	51		
Other	(50)	(6)	
Notional adjustment for projects expected to be in progress 2018-19	(1,227)		5,462
Income Transferred to Restricted Cash			
Developer Contributions	13,165		
Grants & contributions - capital	1,124		
Grants & contributions - operational	(1,246)		
Land sale	(860)		
Interest applicable to restricted assets	(103)		
Social Support Contributions	(148)		
Domestic Waste	(31)		
City Centre Rates Prior Years		(86)	
Other	(20)	61	11,856
OPERATIONAL FUNDS AVAILABLE FOR CAPITAL	-	2,745	(2,987)
CAPITAL BUDGET			
Increase in capital program	(2,833)		
Increase in associated funding	2,833		
TOTAL FUNDS SURPLUS/(DEFICIT)	-	2,745	(2,987)

CAPITAL PROJECT REPORT as at the period ended September 2018

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	1,922	(1,548)	3,287	(2,248)	429	1,365	(700)
Public Transport Facilities	520	(190)	420	(190)	38	(100)	(0)
Roadworks	15,920	(2,130)	15,896	(2,506)	3,654	(24)	(376)
Bridges, Boardwalks and Jetties	1,015	0	1,069	(54)	299	54	(54)
TOTAL Roads And Related Assets	19,377	(3,868)	20,673	(4,999)	4,420	1,296	(1,131)
West Dapto							
West Dapto Infrastructure Expansion	17,250	(17,250)	18,430	(18,430)	5,146	1,180	(1,180)
TOTAL West Dapto	17,250	(17,250)	18,430	(18,430)	5,146	1,180	(1,180)
Footpaths And Cycleways							
Footpaths	6,492	(2,100)	6,992	(2,060)	1,048	500	40
Cycle/Shared Paths	1,625	(450)	2,729	(490)	1,174	1,104	(40)
Commercial Centre Upgrades - Footpaths and Cyclew	3,400	(30)	3,900	(30)	2,034	500	(0)
TOTAL Footpaths And Cycleways	11,517	(2,580)	13,621	(2,580)	4,256	2,104	0
Carparks							
Carpark Construction/Formalising	620	(400)	770	(350)	71	150	50
Carpark Reconstruction or Upgrading	1,750	0	1,550	0	914	(200)	0
TOTAL Carparks	2,370	(400)	2,320	(350)	985	(50)	50
Stormwater And Floodplain Management							
Floodplain Management	2,240	0	2,466	(226)	261	226	(226)
Stormwater Management	4,043	(1,278)	4,029	(1,264)	467	(14)	14
Stormwater Treatment Devices	835	(160)	835	(160)	39	(0)	0
TOTAL Stormwater And Floodplain M	7,118	(1,438)	7,330	(1,650)	768	212	(212)
Buildings							
Cultural Centres (IPAC, Gallery, Townhall)	1,783	0	1,382	0	(10)	(400)	0
Administration Buildings	943	(40)	943	(40)	49	0	0
Community Buildings	8,129	(547)	7,979	(547)	2,330	(150)	0
Public Facilities (Shelters, Toilets etc.)	690	0	770	0	18	80	0
Carbon Abatement	0	0	0	0	(38)	0	0
TOTAL Buildings	11,545	(587)	11,075	(587)	2,348	(470)	0
Commercial Operations							
Tourist Park - Upgrades and Renewal	1,100	0	1,100	0	45	0	0
Crematorium/Cemetery - Upgrades and Renewal	410	0	410	0	61	0	0
Leisure Centres & RVGC	100	0	100	0	11	0	0
TOTAL Commercial Operations	1,610	0	1,610	0	117	0	0
Parks Gardens And Sportfields							
Play Facilities	920	0	920	0	64	(0)	0
Recreation Facilities	949	0	961	(67)	54	12	(67)
Sporting Facilities	3,993	(3,278)	4,209	(3,494)	511	217	(217)
TOTAL Parks Gardens And Sportfielc	5,862	(3,278)	6,090	(3,581)	629	229	(304)
Beaches And Pools							
Beach Facilities	450	0	495	0	33	45	0
Rock/Tidal Pools	1,224	0	1,474	0	644	250	0
Treated Water Pools	757	0	506	0	33	(250)	0
TOTAL Beaches And Pools	2,431	0	2,476	0	710	45	0

CAPITAL PROJECT REPORT

as at the period ended September 2018

ASSET CLASS PROGRAMME	\$'000		\$'000		YTD EXPENDITURE	\$'000	
	CURRENT BUDGET		WORKING BUDGET			VARIATION	
	EXPENDITURE	OTHER FUNDING	EXPENDITURE	OTHER FUNDING		EXPENDITURE	OTHER FUNDING
Natural Areas							
Natural Area Management and Rehabilitation	125	0	125	0	4	(0)	0
TOTAL Natural Areas	125	0	125	0	4	(0)	0
Waste Facilities							
Whytes Gully New Cells	4,490	(4,490)	4,547	(4,547)	2,265	57	(57)
Whytes Gully Renewal Works	560	(560)	560	(560)	2	(0)	(0)
Helenburgh Rehabilitation	1,200	(1,200)	1,200	(1,200)	27	(0)	0
TOTAL Waste Facilities	6,250	(6,250)	6,307	(6,307)	2,294	57	(57)
Fleet							
Motor Vehicles	1,700	(1,108)	1,700	(1,108)	0	(0)	(0)
TOTAL Fleet	1,700	(1,108)	1,700	(1,108)	0	(0)	(0)
Plant And Equipment							
Portable Equipment (Mowers etc.)	250	(38)	100	(38)	16	(150)	0
Mobile Plant (trucks, backhoes etc.)	3,400	(650)	3,850	(650)	62	450	0
Fixed Equipment	300	0	0	0	0	(300)	0
TOTAL Plant And Equipment	3,950	(688)	3,950	(688)	77	0	0
Information Technology							
Information Technology	781	0	781	0	38	(0)	0
TOTAL Information Technology	781	0	781	0	38	(0)	0
Library Books							
Library Books	1,191	0	1,191	0	468	(0)	0
TOTAL Library Books	1,191	0	1,191	0	468	(0)	0
Public Art							
Public Art Works	0	0	0	0	0	0	0
Art Gallery Acquisitions	100	0	100	0	58	(0)	0
TOTAL Public Art	100	0	100	0	58	(0)	0
Emergency Services							
Emergency Services Plant and Equipment	1,200	(771)	1,200	(771)	43	0	0
TOTAL Emergency Services	1,200	(771)	1,200	(771)	43	0	0
Land Acquisitions							
Land Acquisitions	100	0	200	0	64	100	0
TOTAL Land Acquisitions	100	0	200	0	64	100	0
Non-Project Allocations							
Capital Project Contingency	3,466	0	1,597	0	0	(1,869)	0
Capital Project Plan	20	0	20	0	10	(0)	0
TOTAL Non-Project Allocations	3,486	0	1,617	0	10	(1,869)	0
Loans							
West Depto Loan	0	(2,900)	0	(2,900)	0	0	0
LIRS Loan	0	(2,143)	0	(2,143)	0	0	0
TOTAL Loans	0	(5,043)	0	(5,043)	0	0	0
GRAND TOTAL	97,962	(43,260)	100,795	(46,093)	22,435	2,833	(2,833)

Supporting Documents - Planning Studies & Investigations

Service & Project	Original Budget 2018/19 \$000's	Proposed Budget 2018/19 \$000's	Variance \$000's	Original Budget 2019/20 \$000's	Proposed Budget 2019/20 \$000's	Variance \$000's
Aquatic Services	0	41	41	0	0	0
West Dapto Aquatic Facility Investigations	0	13	13	0	0	0
Corrimal Pool Masterplan	0	28	28	0	0	0
Botanic Garden and Annexes	0	41	41	0	0	0
Botanic Garden Masterplan/Asset Mgmt. Plan	0	1	1	0	0	0
Mt Keira Summit Park	0	40	40	0	0	0
Gleniffer Brae Conservation Mgmt. Plan Review	0	0	0	0	0	0
Community Facilities	0	43	43	0	0	0
Integrated Facilities Planning	0	9	9	0	0	0
Facilities Planning Development	0	34	34	0	0	0
Community Programs	82	63	(19)	0	0	0
Dapto Pilot Project	82	63	(19)	0	0	0
Public Toilet Strategy	0	0	0	0	0	0
Dapto Town Centre Planning Study	0	0	0	0	0	0
Cultural Services	0	6	6	0	0	0
Cultural Tourism Strategy	0	6	6	0	0	0
Stormwater Services	982	1,141	159	350	350	(0)
Floodplain Management Studies	175	135	(40)	350	200	(150)
Brooks Creek Flood Study/Floodplain Risk Mgmt.	15	15	0	0	0	0
Review of Towradgi Creek FRMS	80	100	20	0	75	75
Review of Hewitts Creek FRMS	95	105	10	0	75	75
Lower Gurungaty Causeway Detailed Design + REF	0	21	21	0	0	0
JJ Kelly Park Land Form Modification	50	60	10	0	0	0
Review of Flood Studies & Floodplain Risk Mgmt Plans	99	187	88	0	0	(0)
Minnegang Creek Flood Study	20	0	(20)	0	0	0
Duck Creek Flood Study	65	75	10	0	0	0
Review of Collins Creek Flood Study	46	56	10	0	0	0
Review of Allans Creek Flood Study	70	85	15	0	0	0
Review of Wollongong City Flood Study	17	42	25	0	0	0
Review of Fairy Cabbage Tree Creek Flood Study	120	120	0	0	0	0
Kully Bay Flood Study	60	65	5	0	0	0
Minnegang Creek Flood Study Review	70	75	5	0	0	0
Economic Development	50	50	0	0	0	0
Mountain Bike Strategy	0	0	0	0	0	0
Review Economic Development Strategy	50	50	0	0	0	0
Environmental Services	0	13	13	0	0	0
Biocertification for West Dapto	0	13	13	0	0	0
Governance and Administration	918	918	(0)	7	7	0
West Dapto Review	918	358	(560)	7	7	0
West Dapto Review Demographic and Economic Planning	0	140	140	0	0	0
West Dapto Review Flood Consultant	0	150	150	0	0	0
West Dapto Review Structure Plan	0	50	50	0	0	0
West Dapto Review WaterCycle Masterplan	0	75	75	0	0	0
West Dapto Review Specialist Consultants	0	100	100	0	0	0
West Dapto Review Advisor	0	45	45	0	0	0

Supporting Documents - Planning Studies & Investigations

Service & Project	Original Budget 2018/19	Proposed Budget 2018/19	Variance	Original Budget 2019/20	Proposed Budget 2019/20	Variance
Leisure Services	100	100	0	0	0	0
Beaton Park Precinct Masterplan	100	100	0	0	0	0
Beaton Park Plan for Management	0	0	0	0	0	0
Land Use Planning	450	452	2	245	305	60
Berkeley Commercial Centre Study	30	10	(20)	0	0	0
Housing Study	0	40	40	0	0	0
Port Kembla 2505 Study	0	62	62	0	0	0
Tourism Accommodation Review Planning Controls	25	25	0	25	25	0
Industrial Land Planning Controls Review	30	60	30	0	0	0
Heritage Asset Management Strategy	25	45	20	0	0	0
Windang Town Centre Planning Study	90	10	(80)	0	0	0
Mt Kembla Village Centre Planning Study	0	0	0	30	30	0
Woonona Village Planning Study	0	0	0	30	30	0
Helensburgh Town Centre Planning Study	60	10	(50)	0	30	30
Fairy Meadow Town Centre Planning Study	0	0	0	60	60	0
Bulli Town Centre Planning Study	90	10	(80)	0	30	30
City Centre Planning Review	100	180	80	100	100	0
Property Services	20	64	44	0	0	0
Bulli Showground Masterplan	0	44	44	0	0	0
Foreshore Parking Strategy	20	20	0	0	0	0
Parks and Sportsfields	298	220	(78)	50	200	150
Cringila Hills Site Assessment	150	72	(78)	0	150	150
Hill 60 CMP and Aboriginal HIL	98	98	0	50	50	0
Blue Mile Masterplan - update	50	50	0	0	0	0
Transport Services	416	559	143	322	322	0
Corrimal Traffic Study and Access Movement	0	27	27	0	0	0
Accessible Car Parking and Bus Stops audit	125	150	25	0	0	0
Access and Movement Strategy Review	176	176	0	0	0	0
City Centre Parking Surveys - EMS Report	0	0	0	67	67	0
Foreshore Parking Strategy	20	61	41	0	0	0
Integrated Transport Strategy	0	0	0	50	50	0
City Centre Parking Strategy	0	0	0	40	40	0
Bellambi Foreshore Precinct Plan	50	50	0	150	150	0
Social Infrastructure Supporting Document	30	30	0	0	0	0
Wollongong LGA Feasibility Studies	15	15	0	15	15	0
Real Time Parking Information Signage	0	50	50	0	0	0
TOTAL EXPENDITURE BUDGET	3,315	3,710	395	974	1,185	210

Notes

1. Expenditure shown above is for full project cost. A number of projects are supported from external grant funds and internal restrictions.
2. The revised expenditure includes projects that were reintroduced from 2017-18 and an overall reassessment of individual project costs expected delivery.

WOLLONGONG CITY COUNCIL		
	Actual 2018/19 \$'000	Actual 2017/18 \$'000
Balance Sheet		
Current Assets		
Cash Assets	40,283	26,491
Investment Securities	101,430	109,162
Receivables	17,648	27,037
Inventories	347	306
Other	12,412	10,666
Assets classified as held for sale	0	0
Total Current Assets	172,120	173,662
Non-Current Assets		
Non Current Cash Assets	28,115	22,115
Non-Current Receivables	0	0
Non-Current Inventories	5,835	5,835
Property, Plant and Equipment	2,364,160	2,356,306
Investment Properties	4,780	4,780
Westpool Equity Contribution	2,637	2,637
Intangible Assets	329	388
Total Non-Current Assets	2,405,856	2,392,061
TOTAL ASSETS	2,577,976	2,565,723
Current Liabilities		
Current Payables	34,347	30,010
Current Provisions payable < 12 months	12,911	12,667
Current Provisions payable > 12 months	37,710	37,710
Current Interest Bearing Liabilities	7,716	7,716
Total Current Liabilities	92,684	88,103
Non-Current Liabilities		
Non Current Payables	700	700
Non Current Interest Bearing Liabilities	24,118	25,039
Non Current Provisions	45,029	44,567
Total Non-Current Liabilities	69,847	70,306
TOTAL LIABILITIES	162,532	158,409
NET ASSETS	2,415,445	2,407,314
Equity		
Accumulated Surplus	1,309,947	1,300,716
Asset Revaluation Reserve	966,085	965,325
Restricted Assets	139,413	141,274
TOTAL EQUITY	2,415,445	2,407,314

WOLLONGONG CITY COUNCIL CASH FLOW STATEMENT as at 28 September 2018			WOLLONGONG CITY COUNCIL CASH FLOW STATEMENT as at 28 September 2018		
	YTD Actual 2018/19 \$ '000	Actual 2017/18 \$ '000		YTD Actual 2018/19 \$ '000	Actual 2017/18 \$ '000
CASH FLOWS FROM OPERATING ACTIVITIES			Total Cash & Cash Equivalents and Investments - year to date		
<i>Receipts:</i>					
Rates & Annual Charges	55,227	193,451			
User Charges & Fees	16,580	35,362			
Interest & Interest Received	1,461	5,426			
Grants & Contributions	14,203	50,700			
Other	3,625	23,789			
<i>Payments:</i>					
Employee Benefits & On-costs	(31,213)	(107,925)			
Materials & Contracts	(11,561)	(65,774)			
Borrowing Costs	(281)	(1,263)			
Other	(9,557)	(53,565)			
Net Cash provided (or used in) Operating Activities	38,484	80,201			
CASH FLOWS FROM INVESTING ACTIVITIES			External Restrictions		
<i>Receipts:</i>					
Sale of Infrastructure, Property, Plant & Equipment	557	10,923			
Deferred Debtors Receipts	-	-			
<i>Payments:</i>					
Purchase of Investments	-	-			
Purchase of Investment Property	-	-			
Purchase of Infrastructure, Property, Plant & Equipment	(25,963)	(93,550)			
Purchase of Interests in Joint Ventures & Associates	1	-			
Net Cash provided (or used in) Investing Activities	(25,406)	(82,627)			
CASH FLOWS FROM FINANCING ACTIVITIES			Internal Restrictions		
<i>Receipts:</i>					
Proceeds from Borrowings & Advances	-	-			
<i>Payments:</i>					
Repayment of Borrowings & Advances	(1,019)	(7,513)			
Repayment of Finance Lease Liabilities	-	-			
Net Cash Flow provided (used in) Financing Activities	(1,019)	(7,513)			
Net Increase/(Decrease) in Cash & Cash Equivalents	12,059	2,957			
plus: Cash & Cash Equivalents and Investments - beginning of year	157,768	154,811			
Cash & Cash Equivalents and Investments - year to date	169,827	157,768			
			Developer Contributions		
			21,437		
			18,961		
			266		
			29		
			3,836		
			2,715		
			340		
			164		
			(104)		
			(42)		
			10,724		
			14,721		
			6,315		
			7,019		
			12,996		
			12,813		
			5,410		
			5,014		
			10,468		
			10,398		
			1,401		
			1,265		
			85		
			85		
			-		
			-		
			73,174		
			73,142		
			8,241		
			8,276		
			48,324		
			49,404		
			712		
			642		
			1,226		
			1,061		
			1,178		
			1,140		
			171		
			171		
			646		
			2,165		
			5,105		
			4,759		
			240		
			266		
			395		
			245		
			66,238		
			68,129		

The Quarterly Budget Review Statement (QBRS) requirements issued by the Office of Local Government in December 2010 require Council to provide additional information that is included in the following schedules and this report should be read in conjunction with these.

The QBRS guidelines require councils to provide a listing of contracts that have been entered into during the Quarter that have yet to be fully performed. Details of contracts, other than contractors that are on a council's preferred supplier list, that have a value equivalent of 1% of estimated income from continuing operations or \$50 thousand, whichever is the lesser, are required to be provided.



Contract Listing					
Budget Review for Quarter ended September 2018					
Contractor	Contract Detail & Purpose	Contract Value \$000's	Commencement Date	Duration of Contract	Budgeted Y/N
Wilson Consulting Group	Workplace Health and Safety (WHS) Behaviour Program	1,080	4/07/2018	2018/21	Y
UNSW Sydney: Water Research Laboratory	Lake Illawarra Entrance Channel Management	543	1/07/2018	2018/19	Y
Transelect	Mt Keira Power Supply Project	1,094	31/08/2018	2018/19	Y
Stabilised Pavements of Australia Pty Ltd	Henrietta Street Towradgi stabilisation as per design	94	5/09/2018	2018/19	Y
Squiz Australia Pty Ltd	Web Customer Experience Platform	493	1/08/2018	2018/23	Y
SMEC Australia Pty Ltd	Peer Review and Construction Support Services for the Helensburgh Landfill Rehabilitation Project	435	20/08/2018	2018/20	Y
Project Coordination Pty Ltd	Wombarra Pre School Refurbishment and Retaining Wall	967	7/07/2018	2018/19	Y
Dynamic Civil Pty Ltd	Henning Lane Embankment Stabilisation	444	3/09/2018	2018/19	Y
Cardno (NSW/ACT) Pty	Bellambi Gully Scheme - Concept Design	86	9/07/2018	2018/20	Y
Advanced Catering Systems Holdings Pty Limited	Lease for the Operation of Corimal Beach Tourist Park Kiosk/Cafe	220	1/11/2018	2018/24	Y
Accurate Asphalt & Road Repairs Pty Ltd	Meadow Street Tarrawanna stabilisation as per design	101	16/08/2018	2018/19	Y
Accurate Asphalt & Road Repairs Pty Ltd	London Street Berkeley stabilisation as per design	71	7/09/2018	2018/19	Y
Accurate Asphalt & Road Repairs Pty Ltd	Brompton Road Bellambi stabilisation as per design	89	17/08/2018	2018/19	Y
Accurate Asphalt & Road Repairs Pty Ltd	Buena Vista Avenue Lake Heights stabilisation as per design	117	5/09/2018	2018/19	Y
Abergeldie Contractors Pty Ltd	Fowlers Road to Fainwater Drive - Stage 2 and 3 - Construction of bridge, road and intersection works including service relocation	39,908	26/07/2018	2018/20	Y
@Leisure Planners Pty Ltd	Bull Showground Needs Assessment	59	5/07/2018	2018/19	Y

The QBRs guidelines also require councils to identify the amount expended on consultancies and legal fees for the financial year. Consultants are defined as a person or organisation that is engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision making by management. Generally, it is the advisory nature of the work that differentiates a consultant from other contractors.

Consultancy and Legal Expenses		
Budget Review for Quarter ended September 2018		
Expense	Expenditure YTD \$000's	Budgeted (Y/N)
Consultancies	457	YES
Legal Fees	148	YES

STATEMENT OF RESPONSIBLE ACCOUNTING OFFICER

All investments held at 30 September 2018 were invested in accordance with Council's Investment Policy.

Bank reconciliations have been completed as at 30 September 2018.

Year to date cash and investments are reconciled with funds invested and cash at bank.

BUDGET REVIEW STATEMENT - REVISION TO FULL YEAR ESTIMATES

The following statement is made in accordance with Clause 203(2) of the Local Government (General) Regulation 2005.

It is my opinion that the financial statements and schedules contained within the Quarterly Review Statement for Wollongong City Council for the quarter ended 30 September 2018 indicate that Council's projected financial position at 30 June 2019 will be satisfactory having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

The overall year to date position is within expectations of the adopted budget across the broad range of indicators and on a budget outcome basis is acceptable.

BRIAN JENKINS
RESPONSIBLE ACCOUNTING OFFICER

<i>3 Year Action</i>	<i>On track</i>	<i>Not Scheduled to Commence</i>	<i>Delayed</i>	<i>Deferred</i>	<i>Ongoing / Complete</i>
1.1.1.1 Implement programs and events which facilitate community participation to improve natural areas	100%	0%	0%	0%	0%
1.1.1.2 Projects and programs that achieve enhancement of the natural environment and escarpment are developed and implemented	75%	0%	13%	13%	0%
1.1.2.2 Protect and conserve the health and biodiversity of our waterways and coast	80%	0%	20%	0%	0%
1.1.2.2 The impacts of the increasing number of visitors to the coast and Lake Illawarra is managed effectively	100%	0%	0%	0%	0%
1.1.3.1 Manage vegetation to reduce bushfire risk in Asset Protection Zones on natural areas under Council care and control	100%	0%	0%	0%	0%
1.1.3.2 Establish effective urban stormwater and floodplain management programs	100%	0%	0%	0%	0%
1.2.1.1 Develop and implement a range of programs that encourage community participation in reducing Wollongong’s ecological footprint	71%	29%	0%	0%	0%
1.2.1.2 Promote and enforce compliance with litter reduction	100%	0%	0%	0%	0%
1.2.1.3 Methods to reduce emissions are investigated and utilised	100%	0%	0%	0%	0%

3 Year Action	On track	Not Scheduled to Commence	Delayed	Deferred	Ongoing / Complete
1.2.2.1 Our community is proactively engaged in a range of initiatives that improve the sustainability of our environments	100%	0%	0%	0%	0%
1.3.1.1 Impacts from development on the environment are assessed, monitored and mitigated	100%	0%	0%	0%	0%
1.3.1.2 Develop planning controls and Town Centre and Neighbourhood Plans with regard to the economic, social and environmental impacts	30%	60%	10%	0%	0%
1.3.2.1 Carry out best practise assessment for urban development proposals and applications	100%	0%	0%	0%	0%
1.3.2.2 Mitigate the impact of development on the natural environment and visual amenity of our open spaces and urban areas	50%	50%	0%	0%	0%
1.4.1.1 Work in partnership with others to promote a diverse range of heritage education and promotion programs	100%	0%	0%	0%	0%
1.4.2.1 Work with the local Aboriginal community in the management of Indigenous heritage	100%	0%	0%	0%	0%
1.5.1.1 Set an emissions reduction target and carry out actions to reduce greenhouse gas emissions through the Global Covenant of Mayors	33%	67%	0%	0%	0%

3 Year Action	On track	Not Scheduled to Commence	Delayed	Deferred	Ongoing / Complete
2.1.1.1 Build on partnerships which enable the retention of local talent	100%	0%	0%	0%	0%
2.1.2.1 Ensure that Wollongong is attractive for business expansion, establishment and relocation.	100%	0%	0%	0%	0%
2.1.2.2 Progress implementation of the City for People and its accompanying Implementation Plan	100%	0%	0%	0%	0%
2.1.3.1 Support regional activities and partnerships that promote business investment and jobs growth	100%	0%	0%	0%	0%
2.1.4.1 Develop and maintain partnerships with the business sector to fund and contribute to a broader range of community projects and activities	100%	0%	0%	0%	0%
2.1.5.1 In collaboration with key agencies, facilitate the West Dapto Taskforce to deliver the first stages of the West Dapto Urban Release Area	100%	0%	0%	0%	0%
2.2.1.1 The development of renewable energy products and services is supported	100%	0%	0%	0%	0%
2.2.1.2 Partnership opportunities in research and development are expanded	100%	0%	0%	0%	0%
2.2.2.1 In conjunction with partner organisations support the development of innovative industries	100%	0%	0%	0%	0%
2.2.3.1 Undertake major refurbishment works in the city centre	100%	0%	0%	0%	0%

3 Year Action	On track	Not Scheduled to Commence	Delayed	Deferred	Ongoing / Complete
2.3.1.1 Pursue initiatives that promote the region as a place to holiday to domestic and international markets	83%	17%	0%	0%	0%
2.3.1.2 Support projects that investigate opportunities for the provision of tourism infrastructure	100%	0%	0%	0%	0%
2.3.2.1 Market and promote events in the city centre	100%	0%	0%	0%	0%
2.3.2.2 Provide a diverse range of activities in the city centre that target and engage a broad community	100%	0%	0%	0%	0%
2.3.2.3 Improve policies and systems to support the revitalisation of the city centre	100%	0%	0%	0%	0%
2.3.3.1 Continue to grow Wollongong’s attractiveness to attract signature events and festivals	100%	0%	0%	0%	0%
2.4.1.1 Ensure Wollongong is attractive to research and development companies and organisations	100%	0%	0%	0%	0%
2.4.1.2 Implement a range of programs that incorporate learning and development	100%	0%	0%	0%	0%
2.4.2.1 Implement programs to ensure Wollongong becomes a Smart City	100%	0%	0%	0%	0%

3 Year Action	On track	Not Scheduled to Commence	Delayed	Deferred	Ongoing / Complete
3.1.1.1 Promote Made in Wollongong to become a well-known brand	100%	0%	0%	0%	0%
3.1.1.2 The visibility of our cultural diversity is increased	100%	0%	0%	0%	0%
3.1.1.3 Encourage the integration of urban design and public art	75%	0%	0%	0%	25%
3.1.1.4 Deliver sustainable and successful events and festivals through Council investment and delivery of the Events Strategy	100%	0%	0%	0%	0%
3.1.1.5 Encourage Sports Associations to conduct regional, state and national events in the city	100%	0%	0%	0%	0%
3.1.2.1 Provide opportunities for local artists and performers to exhibit, promote and perform at Council venues and events	100%	0%	0%	0%	0%
3.2.1.1 Provide support to existing and emerging artists and performers	100%	0%	0%	0%	0%
3.2.1.2 Seek funding for the promotion of heritage sites, museums and galleries to the community and visitors	100%	0%	0%	0%	0%
3.2.2.1 Coordinate an integrated approach to infrastructure improvement and service delivery in the Arts Precinct	100%	0%	0%	0%	0%
3.2.3.1 Support the coordination of an externally funded calendar of activities delivered across the City	100%	0%	0%	0%	0%

APPENDIX 1: Annual Deliverables Progress By 3 Year Action – Delivery Program 2018- 2021

3 Year Action	On track	Not Scheduled to Commence	Delayed	Deferred	Ongoing / Complete
3.3.1.1 Deliver a program of activities in local communities	100%	0%	0%	0%	0%
3.3.2.1 Deliver and support a range of projects and programs which build harmony, understanding and cultural awareness	100%	0%	0%	0%	0%

3 Year Action	On track	Not Scheduled to Commence	Delayed	Deferred	Ongoing / Complete
4.1.1.1 Ensure an effective community engagement framework that connects the community to Council decision making	100%	0%	0%	0%	0%
4.1.1.2 Improve community understanding and awareness of Council decisions	100%	0%	0%	0%	0%
4.1.2.1 Ensure the NBN is rolled out across the Wollongong LGA	100%	0%	0%	0%	0%
4.1.3.1 Council continue to partner with our local Aboriginal community	100%	0%	0%	0%	0%
4.2.1.1 Increase opportunities for the community to connect with volunteering organisations	100%	0%	0%	0%	0%
4.2.1.2 Support community participation in community activities	100%	0%	0%	0%	0%
4.2.1.3 Build the capability of community based organisations in managing, developing and sustaining their volunteers	100%	0%	0%	0%	0%
4.2.2.1 Continue to participate and contribute to an integrated community service network	100%	0%	0%	0%	0%
4.2.3.1 Support a range of projects and programs in the city	100%	0%	0%	0%	0%
4.3.1.1 Ensure appropriate strategies and systems are in place that support good corporate governance	100%	0%	0%	0%	0%

4.3.1.2 Build a workplace culture that is safe, engaged, responsive and professional	89%	0%	0%	11%	0%
4.3.2.1 Effective and transparent financial management systems are in place	100%	0%	0%	0%	0%

3 Year Action	On track	Not Scheduled to Commence	Delayed	Deferred	Ongoing / Complete
5.1.1.1 Partner with community based organisations in the provision of services	100%	0%	0%	0%	0%
5.1.1.2 Continue to undertake social, land use and environmental planning activities that assists in service planning	100%	0%	0%	0%	0%
5.1.2.1 Partner with agencies and health authorities to support improvements to the region's medical services	100%	0%	0%	0%	0%
5.1.3.1 Deliver a diverse suite of projects to the community that foster and enhance community strengths and participation	100%	0%	0%	0%	0%
5.1.3.2 Carry out commercial business management of Council's operational lands	75%	0%	25%	0%	0%
5.1.4.1 Provide an appropriate and sustainable range of quality passive and active open spaces and facilities	73%	0%	0%	0%	27%
5.1.4.2 Review planning controls for priority locations	100%	0%	0%	0%	0%
5.1.4.3 Policies and plans are developed, reviewed and implemented to encourage physical activity	100%	0%	0%	0%	0%
5.1.4.4 Develop and implement public health, amenity and safety regulatory programs and reviews that assist in improving compliance with legislative requirements	67%	33%	0%	0%	0%
5.1.5.1 Increase opportunities to enhance library multimedia and online services	100%	0%	0%	0%	0%

3 Year Action	On track	Not Scheduled to Commence	Delayed	Deferred	Ongoing / Complete
5.1.5.2 Renew community facilities and consider rationalisation, replacement or refurbishment to achieve facilities that are strategically located, good quality and meet identified community need	100%	0%	0%	0%	0%
5.1.6.1 Facilitate a range of programs and activities which improve food security and support local food systems	100%	0%	0%	0%	0%
5.2.1.1 Investigate provision of Leisure Services in the greater Dapto area, taking into account expansion of West Dapto, and determine Council's role in the market	100%	0%	0%	0%	0%
5.2.1.2 Investigate the future provision of Aquatic Services across the local government area and implement improvements	100%	0%	0%	0%	0%
5.2.1.3 Use data to assess the current community infrastructure available, community demand and develop a strategic framework and policies to either rationalise, enhance or expand to meet community needs	78%	11%	11%	0%	0%
5.2.1.4 Develop a Regional Botanic Garden of Excellence	100%	0%	0%	0%	0%
5.2.1.5 Provide statutory services to appropriately manage and maintain our public spaces	100%	0%	0%	0%	0%
5.2.1.6 Implement Council's Planning, People, Places Strategy	100%	0%	0%	0%	0%
5.2.2.1 Deliver a range of programs and recreational pursuits for older people	100%	0%	0%	0%	0%

3 Year Action	On track	Not Scheduled to Commence	Delayed	Deferred	Ongoing / Complete
5.3.1.1 Prepare a Housing Study and Strategy incorporating Affordable Housing Issues	100%	0%	0%	0%	0%
5.3.2.1 In partnership with relevant agencies and networks lobby and advocate for improved service levels and quality enhanced access to services	100%	0%	0%	0%	0%
5.4.1.1 Provide lifeguarding services at beaches (in partnership with Surf Life Saving Illawarra) and Council pools	100%	0%	0%	0%	0%
5.4.1.2 Facilitate a range of partnerships and networks to develop community safety initiatives	100%	0%	0%	0%	0%
5.4.2.1 Delivery projects and programs to reduce crime in the Wollongong Local Government Area	100%	0%	0%	0%	0%
5.5.1.1 Well maintained assets are provided that meet the needs of the current and future communities	89%	11%	0%	0%	0%
5.5.1.2 Manage and maintain community infrastructure portfolio with a focus on asset renewal	100%	0%	0%	0%	0%
5.5.1.3 Coordinate an access improvement program through pre-planning and renewal activities	100%	0%	0%	0%	0%

APPENDIX 1: Annual Deliverables Progress By 3 Year Action – Delivery Program 2018- 2021

3 Year Action	On track	Not Scheduled to Commence	Delayed	Deferred	Ongoing / Complete
6.1.1.1 Support the delivery of the Gong Shuttle Bus as an affordable transport option	100%	0%	0%	0%	0%
6.1.2.1 Implement a variety of projects and programs to encourage sustainable transport throughout the LGA	83%	0%	17%	0%	0%
6.1.3.1 Plan and implement an integrated and sustainable transport network	100%	0%	0%	0%	0%
6.1.4.1 Facilitate the integration of public amenities and transport with local communities	100%	0%	0%	0%	0%
6.2.1.1 Work with partners to reduce travel time between Sydney and Western Sydney with Wollongong	100%	0%	0%	0%	0%
6.3.1.1 Plan and implement projects to improve connectivity	100%	0%	0%	0%	0%
6.3.2.1 Deliver sustainable transport asset renewal programs and projects	100%	0%	0%	0%	0%
6.3.3.1 Investigate the option for disruptive transport technologies and the impact on the future transport network	0%	100%	0%	0%	0%
6.3.4.1 Work with key agencies and partners to continue and improve late night transport options	100%	0%	0%	0%	0%

APPENDIX 1: Annual Deliverables Progress By 3 Year Action – Delivery Program 2018- 2021

<i>3 Year Action</i>	<i>On track</i>	<i>Not Scheduled to Commence</i>	<i>Delayed</i>	<i>Deferred</i>	<i>Ongoing / Complete</i>
6.3.5.1 Develop an alternative service delivery, governance model and auspice for Community Transport in response to the Federal Government's Aged Care reform legislation	100%	0%	0%	0%	0%
<i>Total Annual Deliverable Progress</i>	<i>92%</i>	<i>5%</i>	<i>2%</i>	<i>1%</i>	<i>1%</i>