



BUSINESS PAPER

ORDINARY MEETING OF COUNCIL

To be held at 6.00 pm on

Monday 24 September 2018

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

Order of Business

- 1 Acknowledgement of Traditional Owners
- 2 Civic Prayer
- 3 Apologies
- 4 Disclosures of Pecuniary Interest
- 5 Petitions and Presentations
- 6 Confirmation of Minutes - Ordinary Meeting of Council 3/09/2018
- 7 Public Access Forum
- 8 Call of the Agenda
- 9 Lord Mayoral Minute
- 10 Urgent Items
- 11 Agenda Items

Members

Lord Mayor –
Councillor Gordon Bradbery AM (Chair)
Deputy Lord Mayor –
Councillor David Brown
Councillor Cameron Walters
Councillor Cath Blakey
Councillor Chris Connor
Councillor Dom Figliomeni
Councillor Janice Kershaw
Councillor Jenelle Rimmer
Councillor John Dorahy
Councillor Leigh Colacino
Councillor Mithra Cox
Councillor Tania Brown
Councillor Vicky King

QUORUM – 7 MEMBERS TO BE PRESENT

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MINUTES

ORDINARY MEETING OF COUNCIL

at 6.00 pm

Monday 3 September 2018

Present

Lord Mayor – Councillor G Bradbery AM (in the Chair), Councillors D Brown, C Walters, C Blakey, C Connor, J Kershaw, J Rimmer, J Dorahy, L Colacino, M Cox, T Brown and V King

In Attendance

General Manager – D Farmer, Director Infrastructure and Works, Connectivity Assets and Liveable City – G Doyle, Director Planning and Environment, Future City and Neighbourhoods – A Carfield, Director Corporate Services, Connected and Engaged City – R Campbell, Director Community Services, Creative and Innovative City (Acting) – J Thompson, Manager Governance and Information (Acting) – C Phelan, Chief Financial Officer – B Jenkins, Manager Property and Recreation – P Coyte, Manager Environmental Strategy and Planning (Acting) – D Green, Manager Project Delivery – G Whittaker, Manager Infrastructure Strategy and Planning – M Dowd, General Counsel - J Reilly

Apologies

Min No.

110 **COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor T Brown that the apology tendered on behalf of Councillor Figliomeni be accepted and a leave of absence be granted.

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CLOSED SESSION

- ITEM C1 CONFIDENTIAL: Performance Review Committee Report - General Manager's Annual Performance Review

Reason for Confidentiality

This report recommends that this item be considered in Closed Session to the exclusion of the press and public in accordance with Section 10A(2)(a) of the Local Government Act, 1993, as the report contains personnel matters concerning particular individuals.

- ITEM C2 CONFIDENTIAL: Confidential: Signature Event 2022

Reason for Confidentiality

This report recommends that this item be considered in Closed Session to the exclusion of the press and public in accordance with Section 10A(2)(d(i)) of the Local Government Act, 1993, as the report contains commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.

DISCLOSURE OF INTERESTS

Councillor T Brown declared a non-pecuniary, significant interest in Item 1, as she is employed by the University of Wollongong. Councillor T Brown stated that she would depart the Chamber during debate and voting on this Item.

Councillor Rimmer declared a non-pecuniary, non-significant Interest in Item B due to her appointment in the Office of the Member for Keira, Ryan Park. Councillor Rimmer stated that she would remain in the Chamber during debate and voting on this Item.

Councillor Colacino declared a non-pecuniary, non-significant Interest in Item C due to his daughter holding a position as the Media and Communications Manager for Seafood Industry Australia and stated that he would depart the Chamber during debate and voting on this Item.

Councillor Walters declared a non-pecuniary, non-significant in Item B due to his employer being named in the Notice of Motion. Councillor Walters stated that he would remain in the Chamber during debate and voting on this Item.

CONFIRMATION OF MINUTES OF ORDINARY MEETING OF COUNCIL HELD ON MONDAY, 13 AUGUST 2018

111 **COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor Kershaw that the Minutes of the Ordinary Meeting of Council held on Monday, 13 August 2018 (a copy having been circulated to Councillors) be taken as read and confirmed.

PUBLIC ACCESS FORUM - ITEM 1 - PROPOSED PLANNING AGREEMENT WITH UNIVERSITY OF WOLLONGONG

Ms H Moon on behalf of The Friends of Wollongong Botanic Garden spoke against the Recommendation expressing opposition to the changes to Kooloobong Ovals as proposed in the Voluntary Planning Agreement (VPA) between Wollongong City Council and the University of Wollongong.

She requested that Kooloobong Ovals be excluded from the VPA. Synthetic turf, as proposed, is contrary to the nature of the Garden as a whole and would negatively impact on our reputation as a Regional Botanic Garden of Excellence.

Granting of a 20 year licence to the University and increasing use of the playing fields are contrary to the current Plan of Management which states the usage should remain at current scale and intensity. The draft Masterplan also states the fields should be available for Garden use and other activities, not exclusively for soccer as would be the case if the fields were synthetic. We are also concerned about the environmental impacts on the Garden caused by the preparation of the land and the rubber infill for synthetic turf.

Ms R Djokic on behalf of the University of Wollongong Junior Football Club spoke in favour of the Recommendation stating the Football Club benefit from the upgrade. She added, we are the future that this facility is being built for, we are the families that make up Wollongong in which our club name represents, we are here to share and not to own. We are already active members of the Gwynneville Community and as Kooloobong is located in such a public facilitated area we know that this area was built for Wollongong and not just those who live close by. With the Wollongong Botanical Gardens, the University of Wollongong and the Wollongong Conservatory of Music, it truly shows that this community is a hub for our children to learn, thrive and grow into amazing adults.

In the past Wollongong Olympic Junior Football Club had no future, no affiliation with the Senior Club using the same name and out of date facilities that have become overcrowded during Football Season. Now, with our partnership with the UOW we can stay committed to keeping the club open to refugees, growing our girls league and providing a club for Gwynneville and Wollongong City families. The University of Wollongong Football Club Juniors has proactively worked closely with the UOW to try and access some of the

University facilities and the proposed upgrades to Kooloobong will provide an opportunity for the Junior football club to access extra facilities without the need for Wollongong City Council and to provide extra grounds to assist with the growth of the club. We will get to see girls teams grow, we will be able to spread out training without having to squeeze, we can train and play in times of rain or after rain. Our families want to see their children be able to use appropriate grounds and watch them thrive in their chosen sporting endeavours, to see them grow with a strong loyalty not only to our football club, but to the University of Wollongong and the City of Wollongong.

PUBLIC ACCESS FORUM - ITEM 2 - REVIEW OF ALCOHOL FREE ZONES

Detective Inspector B Ainsworth spoke on behalf of Wollongong Police Station in favour of the recommendation and thanked Council for the invitation.

Detective Ainsworth noted that the Wollongong Police District had forwarded a Submission supporting the future of Alcohol Free Zones in the Wollongong Local Government Area.

He added that Wollongong Police monitor 290 licenced premises within the Central Business District and stated that 16 of these venues trade after midnight.

He stated that Wollongong Police were supportive of the continuation of Alcohol Free Zones in order to remove alcohol in public spaces to reduce alcohol related violence and the escalation of anti-social behaviour.

He indicated that Wollongong Police would like Alcohol Free Zones mandated for a period of 4 years and related signage to be updated to reflect the current validity of Alcohol Free Zones.

DEPARTURE OF COUNCILLOR

During the Public Access Forum Councillor Walters departed and returned to the meeting, the time being from 6.38 pm to 6.39 pm.

PUBLIC ACCESS FORUM - ITEM C - NOTICE OF MOTION - COUNCILLOR BLAKEY - FIVE ISLANDS MARINE SANCTUARY

Mr K Paijmans in favour of the Recommendation and thanked Council's support for the Submission of the proposed Five Islands Marine Sanctuary.

Mr Paijmans stated that he was addressing Council as a recreational fisher from the Wollongong Local Government area who has studied Marine Science.

Mr Paijmans noted that there is significant benefits to be gained from the proposed Marine Sanctuary including increased abundance of species available for recreational fishermen. He added that he had undertaken many recreational activities in the water, including diving and fishing and noted the remarkable impact on the marine environment, resulting from marine sanctuaries such as those currently enforced in areas including Tathra, Merrimbular and Jervis Bay.

Mr G Schoer (Secretary) on behalf of the National Parks Association of NSW Southern Sydney Branch spoke in favour of the Recommendation.

He stated the Broadscale Biodiversity Assessment of the Hawkesbury Shelf Bioregion identified the terrestrial component Five Islands Nature Reserve as an area of important biodiversity value. The nature reserve is listed in the Directory of Important Wetlands due to JAMBA or CAMBA species that forage hunt and roost in the intertidal zone, including Eastern Reef Egret and Crested Tern. The Islands provide breeding sites and habitat for many migratory birds. The Nature Reserve provides nesting habitat for Little Penguins that use the surrounding marine waters and beyond for food. Intertidal zones provide foraging places for species such as the vulnerable Sooty Oystercatcher.

Martin Island boasts a bachelor group of Australian Sea Lions that rely on abundant seafood from the area, and continue to attract local and international tourism dollars, hence National Parks Association's recommendation of a further marine sanctuary around Martin Islet to add to that proposed for Toothbrush Islet. Below the low tide border extensive sponge gardens provide important habitat for nudibranchs as well as helping to filter pollutants from water. Ecklonia algae provide suitable habitat for the increasingly rare Weedy Seadragon, *Phyllopteryx taeniolatus*. There are a number of threatened and protected marine species that, together with terrestrial species, make this area a hotspot of a mix of rare species. The protected Bleaker's Devilfish depends on submerged reef habitats such as rock-ledges or caves that abound in this area to survive. The more extensive Special Purpose Zone around the rest of the Five Islands waters that Councillor Blakey supports, we also support. This zone will especially guard against boat landings on the foreshores that can disturb Little Penguins, Fur Seals and threatened and migratory waders. We also support Cr Blakey's recommendation that Council writes a submission to the Marine Estate Management Authority related to this and other potential sites in the Illawarra if it is desirous of supporting broader biodiversity enhancement in this, the southern part of the Bioregion which has been given minimal attention in sanctuaries proposed by MEMA.

- 112 COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor Dorahy that all speakers be thanked for their presentation and invited to table their notes.

CALL OF THE AGENDA

- 113 COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor Cox that the staff recommendations for Items 6 to 14 and D and E be adopted as a block.

A PROCEDURAL MOTION was MOVED by Councillor D Brown seconded Councillor Rimmer that the numbered Agenda Items be considered prior to the lettered Agenda Items and that Item C2 be considered prior to Item C1. The PROCEDURAL MOTION on being PUT to the VOTE was CARRIED

ITEM E - LORD MAYORAL MINUTE - WOLLONGONG COAL - REMOVAL OF STOCKPILED MATERIAL FROM RUSSELL VALE

The following recommendation was adopted as part of the Block Adoption of Items (refer to Minute Number 113).

COUNCIL'S RESOLUTION – Council –

- 1 Apply, within the scope of its legal and administrative responsibilities, as much rigour and scrutiny as possible to the Wollongong Coal's operations at Russell Vale mine to finalise the removal of unauthorised stockpiled material and remediation of the site.
- 2 Call upon the NSW Department of Planning and Environment and NSW Environment Protection Authority to apply greater rigour, scrutiny and compliance to fulfil the requirements of the Development Control Order issued to Wollongong Coal on 19 July 2018 (i.e. the removal of unauthorised stockpiled material and the ultimate remediation of the site).

ITEM A - NOTICE OF MOTION - COUNCILLOR RIMMER – RENEW OUR LIBRARIES

This Item was considered after the numbered agenda Items. Refer to Minute number 120.

ITEM B - NOTICE OF MOTION - COUNCILLOR COLACINO - DEER CULLING

This Item was considered after the numbered agenda Items. Refer to Minute number 121.

ITEM C - NOTICE OF MOTION - COUNCILLOR BLAKEY - FIVE ISLANDS MARINE SANCTUARY

This Item was considered after the numbered agenda Items. Refer to Minute number 122.

ITEM D - NOTICE OF MOTION - COUNCILLOR WALTERS - DAPTO PUBLIC SCHOOL TRAFFIC AND PARKING

The following recommendation was adopted as part of the Block Adoption of Items (refer to Minute Number 113).

COUNCIL'S RESOLUTION – that Council –

- 1 Explore all options that could alleviate the parking and congestion problems that exist around Dapto Public School during peak periods.
- 2 Identify the times when the current parking issues impact on the safety of all road users including pedestrian, cycling traffic and motor vehicles.
- 3 Work with the Department of Education in identifying options which could resolve the current issues.
- 4 The outcomes of the investigation are to come to Council, in the form of a briefing prior to the end of November 2018.

DEPARTURE OF COUNCILLORS

Due to a prior Disclosure of Interest in Item 1, Councillor T Brown departed the Chamber and did not participate in debate and voting.

During debate and prior to voting on Item 1, Councillor Colacino departed and returned to the meeting, the time being from 7.09 pm to 7.10 pm.

A PROCEDURAL MOTION was MOVED by Councillor King seconded Councillor Connor that Councillor Blakey be granted an additional 1 minute to address the meeting in relation to Item 1. The PROCEDURAL MOTION on being PUT to the VOTE was CARRIED.

ITEM 1 - PROPOSED PLANNING AGREEMENT WITH UNIVERSITY OF WOLLONGONG

114 **COUNCIL'S RESOLUTION** - RESOLVED on the motion of Councillor D Brown seconded Councillor Walters that the General Manager be authorised to finalise the Planning Agreement with the University of Wollongong, which will require the University to undertake public domain works over the next 10 years in Keiraville in lieu of paying development contributions.

In favour Councillors Kershaw, Rimmer, D Brown, Colacino, Walters, Dorahy and Bradbery
Against Councillors King, Connor, Cox and Blakey

RETURN OF COUNCILLOR

Councillor T Brown returned to the meeting, the time being 7.42 pm.

DEPARTURE OF COUNCILLOR

During debate and prior to voting on Item 2, Councillor Dorahy departed the meeting, the time being from 7.43 pm. Councillor Dorahy did not return to the Chamber.

ITEM 2 - POLICY REVIEW: ESTABLISHMENT AND MAINTENANCE OF ALCOHOL FREE ZONES ON PUBLIC ROADS AND FOOTPATHS COUNCIL POLICY

115 **COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor Connor that The Establishment and Maintenance of Alcohol Free Zones on Public Roads and Footpaths Council Policy be adopted.

A PROCEDURAL MOTION was MOVED by Councillor Cox seconded Councillor Blakey that Item 3 be Laid on the Table.

The PROCEDURAL MOTION was PUT to the VOTE and was LOST, therefore debate continued.

In favour Councillors Cox, Blakey and King

Against Councillors Kershaw, Rimmer, D Brown, T Brown, Colacino, Walters, and Bradbery

ITEM 3 - REVIEW OF ALCOHOL FREE ZONES

116 **COUNCIL'S RESOLUTION** - RESOLVED on the motion of Councillor D Brown seconded Councillor Rimmer that -

- 1 Council endorses the renewal of Alcohol Free zones in Helensburgh, Thirroul, Corrimal, Wollongong, Berkeley, Warrawong and Dapto as shown in Attachment 1 of the report for a period of four years.
- 2 Council adopts the replacement and updated Alcohol Free zone signage to be installed in Helensburgh, Thirroul, Corrimal, Wollongong, Berkeley, Warrawong and Dapto.
- 3 That consideration of Osborne Park as an Alcohol Prohibited Area be deferred until after the proposal has been placed on public exhibition for at least 28 days and that residents near the Park be notified by letter of the exhibition.
- 4 Council adopts a maximum of 10 events per annum in each of the following City Centre areas to be exempt from alcohol prohibition: Upper Crown Street Mall; Lower Crown Street Mall; Globe Lane; the Arts Precinct; and Wollongong Foreshore area (refer Attachment 3 of the report).
- 5 Authority is delegated to the General Manager to suspend the Alcohol Free Zone in other areas to a maximum of two events per year.
- 6 The exemptions in both Parts 4 and 5 be subject to the relevant event organiser undertaking a formal event approval process, including obtaining development consent, liaising with NSW Police and obtaining approval for a liquor licence from Liquor and Gaming NSW, and that all conditions for the safe delivery of an event be the responsibility of the event organiser.

In favour Councillors Kershaw, Rimmer, D Brown, T Brown, King, Connor, Colacino, Walters and Bradbery

Against Councillors Cox and Blakey

ITEM 4 - POLICY REVIEW: CCTV AND CODE OF PRACTICE

- 117** **COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor Cox seconded Councillor Blakey that the matter be deferred and returned to Council following a Councillor Briefing.

DEPARTURE OF COUNCILLOR

During debate and prior to voting on Item 5, Councillor Cox departed the Chamber and returned to the meeting, the time being from 8.24 pm to 8.25 pm.

ITEM 5 - WOLLONGONG HARBOUR MASTERPLAN SUBMISSION

- 121** **COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor T Brown that Council –
- 1 Note and thank the Department of Industry for the development of the Draft Wollongong Harbour Master Plan and supporting documents in consultation with Council and the Wollongong community.
 - 2 Endorse Council's submission on the Draft Wollongong Harbour Master Plan as contained in the body of this report with the following amendments:
 - a Supports the vast majority of inclusions in the Master Plan elements and is particularly supportive of the proposed pedestrian access improvements and improvements to the Central Pier, but excluding the long term plans to utilise alternative sites for boat building and maintenance.
 - b Inclusion of a statement that Council recognises the importance of water quality and supports the installation of stormwater control devices and reduction of single use plastics
 - c Inclusion of an additional Point labelled 8.d - Safe pedestrian access on the unnamed access road located behind the fishing Co-op building towards Endeavour Drive.
 - 3 Grant the General Manager authority to finalise the submission and forward it to the NSW Department of Industry by 7 September 2018.

Variation The following variations were accepted by the mover and seconder -

- *Councillor Colacino (the addition of Point 2a).*
- *Councillor Blakey (the addition of Point 2b).*
- *Councillor Cox (the addition of Point 2c).*

ITEM 6 - DELEGATION OF FUNCTIONS OF COUNCIL TO THE GENERAL MANAGER

The following staff recommendation was adopted as part of the Block Adoption of Items (refer to Minute Number 113).

COUNCIL'S RESOLUTION -

- 1 Council delegate to the General Manager all of the delegable functions of the Council, but excluding:
 - a Those functions specified in clauses (a) to (u) of section 377(1) of the Local Government Act 1993.
 - b The granting of leases of Council property where the total lease rental payable to Council for the term of the lease is more than \$1 million (including GST).
 - c The granting of leases of Council property where the term of the lease is for 10 years or more.
 - d The acceptance of tenders required to be invited pursuant to section 55 of the Local Government Act 1993 as at the date of this delegation.
- 2 Council fix the amount of \$3,000 as the amount above which any individual rate charge or debt owed to the Council may be written off only by resolution of the Council pursuant to clauses 131(1) and 213(2) of the Local Government (General) Regulation 2005.

ITEM 7 - POLICY REVIEW: PAYMENT OF EXPENSES AND PROVISION OF FACILITIES TO THE LORD MAYOR AND COUNCILLORS

The following staff recommendation was adopted as part of the Block Adoption of Items (refer to Minute Number 113).

COUNCIL'S RESOLUTION -

- 1 Endorse the renaming of the "Payment of Expenses and Provision of Facilities to the Lord Mayor and Councillors" Policy to "Councillor Expenses and Facilities" Policy; and
- 2 Adopt in principle the draft Councillor Expenses and Facilities Policy subject to it being placed on public exhibition for a period of not less than 28 days, inviting submissions from the public;
- 3 Receive a further report on the Councillor Expenses and Facilities Policy, including a summary of any submissions received prior to formal adoption of the Policy.

ITEM 8 - TENDER T18/09 - SUPPLY, INSTALL AND OPERATION OF CUSTOMER LAUNDRY EQUIPMENT AT WOLLONGONG CITY TOURIST PARKS

The following staff recommendation was adopted as part of the Block Adoption of Items (refer to Minute Number 113).

COUNCIL'S RESOLUTION -

- 1 In accordance with clause 178(1)(a) of the Local Government (General) Regulation 2005, Council accepts the tender of Simpard Pty Ltd for supply, installation and operation of Customer Laundry equipment at Wollongong City Tourist Parks in accordance with Tender T18/09, in return for 35% of takings remitted to Council.
- 2 Council delegates to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grants authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

ITEM 9 - TENDER T18/12 - ESTABLISHMENT OF CCTV INSPECTION AND REPORTING OF STORMWATER PIPELINES PANEL

The following staff recommendation was adopted as part of the Block Adoption of Items (refer to Minute Number 113).

COUNCIL'S RESOLUTION -

- 1 In accordance with clause 178(1)(a) of the Local Government (General) Regulation 2005, Council accept the tenders of:
 - a Ken Barnes Pty Ltd
 - b Aqua Assets Pty Ltd
 - c Total Drain Cleaning Pty Ltd
 - d Killard Excavation

for CCTV inspection and reporting of stormwater pipelines to Council in accordance with the tendered schedule of rates contained in Table 2 of this report. The term of the contract is one year from the commencement date, with four possible extensions of one year each at the sole discretion of Council.
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

ITEM 10 - PROPOSED ACQUISITION FOR ROAD WIDENING - PROPOSED LOT 67 IN DP241188 BEING PART LOT 4 IN DP36010

The following staff recommendation was adopted as part of the Block Adoption of Items (refer to Minute Number 113).

COUNCIL'S RESOLUTION -

- 1 Council acquires proposed Lot 67 in Deposited Plan 241188, being part Lot 4 in Deposited Plan 36010 for the purpose of road widening, under the following conditions -
 - a Compensation be paid in the amount of \$91,000 (excluding GST).
 - b Council assumes responsibility for all costs including valuation, transfer, legal, replacement or relocation of fencing, letterbox and water meter, if required.
- 2 Council (or its nominated contractor) completes the works associated with the replacement or relocation of the boundary fencing, landscaping, letterbox and water meter on a like for like basis.
- 3 Upon acquisition being finalised, the land be dedicated as public road pursuant to Section 10 of the Roads Act 1993.
- 4 The Lord Mayor and General Manager be granted authority to affix the Common Seal of Council to the transfer documents and any other documentation required to give effect to this resolution.

ITEM 11 - DRAFT QUARTERLY REVIEW STATEMENT JUNE 2018

The following staff recommendation was adopted as part of the Block Adoption of Items (refer to Minute Number 113).

COUNCIL'S RESOLUTION -

- 1 The draft Quarterly Review Statement June 2018 be adopted.
- 2 Council approve the transfer to Strategic Projects internally restricted cash \$1.1 million representing the improvement in the Available Funds result for the year ending 30 June 2018.

ITEM 12 - JULY 2018 FINANCIALS

The following staff recommendation was adopted as part of the Block Adoption of Items (refer to Minute Number 113).

COUNCIL'S RESOLUTION -

- 1 The financials be received and noted.
- 2 Council approves the proposed changes to the Capital Budget.
- 3 Council approves the introduction of contributed assets and associated funding.

ITEM 13 - STATEMENT OF INVESTMENT - JULY 2018

The following staff recommendation was adopted as part of the Block Adoption of Items (refer to Minute Number 113).

COUNCIL'S RESOLUTION - Council receive the Statement of Investment for July 2018.

ITEM 14 - CITY OF WOLLONGONG TRAFFIC COMMITTEE - MINUTES OF MEETING HELD 8 AUGUST 2018

The following staff recommendation was adopted as part of the Block Adoption of Items (refer to Minute Number 113).

COUNCIL'S RESOLUTION – In accordance with the powers delegated to Council, the Minutes and recommendations of the City of Wollongong Traffic Committee held on 8 August 2018 in relation to Regulation of Traffic be adopted.

ITEM 15 - ANNUAL TABLING OF RETURNS OF DISCLOSURES OF INTEREST AND OTHER MATTERS - 2017 TO 2018

- 119** **COUNCIL'S RESOLUTION** – RESOLVED UNANIMOUSLY on the Motion of Council D Brown seconded Councillor T Brown that Council defer the consideration of the Annual Returns of Disclosures of Interests and Other Matters as required by Section 450A of the Local Government Act 1993 until the October 2018 Council Meeting.

DEPARTURE OF COUNCILLOR

During debate and prior to voting on Item 15, Councillor Blakey departed and returned to the meeting, the time being from 9.41 pm to 9.46 pm.

ITEM A - NOTICE OF MOTION - COUNCILLOR RIMMER - RENEW OUR LIBRARIES

120 COUNCIL'S RESOLUTION – RESOLVED UNANIMOUSLY on the motion of Councillor Rimmer seconded Councillor Walters that Wollongong City Council –

- 1 Recognises the important role public libraries play in our community.
- 2 Supports the 'Renew our Libraries' campaign.
- 3 Provide a link to the 'Renew our Libraries' petition via Council's Website.
- 4 Calls on the NSW Government to increase funding to public libraries."

DEPARTURE OF COUNCILLOR

During debate and prior to voting on Item B, Councillor Blakey departed and returned to the meeting, the time being from 8.54 pm to 8.55 pm.

ITEM B - NOTICE OF MOTION - COUNCILLOR COLACINO - DEER CULLING

121 COUNCIL'S RESOLUTION – RESOLVED UNANIMOUSLY on the Motion of Councillor Colacino, seconded Councillor Walters that Council –

- 1 Write to Local Members of Government, Lee Evans, Ryan Park, Paul Scully, the Parliamentary Secretary for the Illawarra, Mr Gareth Ward, Member for Shellharbour, Anna Watson, and adjoining Councils, to highlight the growing problem the introduced deer species are having on the Illawarra.
- 2 Inform the Members that due to the Escarpment Protection Zone, the Water Catchment Area as well as the National Parks that surround Wollongong, the population of feral deer within our LGA is rapidly growing at an unmanageable rate.
- 3 Highlight within the letter the damage the deer are causing to the local residential, rural areas, escarpment and wider natural environment as well as exposing road users to increased risk due to the expanding deer population.
- 4 Ask them to recognise the need for an increase in the State Government's financial commitment to a wider and more comprehensive humane culling program and call on the State Government to formally declare deer a pest species.
- 5 Suggest that the enhanced financial assistance could be managed through Council and the Local Land Services.
- 6 A report, in the form of a briefing, come to Council no later than 5 November, that details the responses to the letters written and what actions, by State Government, Local Land Services and Local Council, can and will be taken in the future to further help eradicate the growing wild deer problem.
- 7 A report be submitted to Council on the impact to farmers and the implications of the deer being classified as a feral pest.

Variation The following variations were accepted by the mover and seconder.

Councillor King –

- *the addition of "and adjoining Councils" to Point 1.*
- *the addition of "rural areas, escarpment" to Point 3.*
- *the addition of Point 7.*

Variation

The following variations were accepted by the mover and seconder –

Councillor D Brown -

- *the addition of “Member for Shellharbour, Anna Watson” to Point 1.*
- *The addition of “and call on the State Government to formally declare deer a pest species.”*

A PROCEDURAL MOTION was MOVED by Councillor Connor seconded Councillor Cox that Councillor Colacino be granted an additional minute to address the meeting in relation to Item B. The PROCEDURAL MOTION on being PUT to the VOTE was CARRIED.

DEPARTURE OF COUNCILLOR

Due to a prior Disclosure of Interest in Item C, the time being 9.12 pm, Councillor Colacino departed the Chambers and did not participate in debate and voting and returned at 9.40 pm.

ITEM C - NOTICE OF MOTION - COUNCILLOR BLAKEY - FIVE ISLANDS MARINE SANCTUARY

122 MOVED by Councillor Blakey, seconded Councillor Cox that:

- 1 Council notes -
 - a The Release of Phase Three of the NSW Government’s Hawkesbury Shelf Marine Bioregion Assessment including a new marine park proposal for the region and a six week community consultation.
 - b As part of the Plan
 - i a proposal for new protections as part of a proposed Sanctuary and Special Purpose Zones around Five Islands’ group; and
 - ii a proposed Special Purpose Zone around the already approved Wollongong Artificial Reef site.
 - c The closing date for public submissions to the Plan is 27 September 2018.
- 2 Council staff make a submission supporting these proposed marine park protections and encouraging the NSW Government to consider further appropriate Sanctuary Zone options for the Wollongong coastline, only if these are supported by rigorous scientific backup and clear policy objectives.
- 3 Council’s submission make strong recommendations to the NSW Government to ensure an effective community awareness program is implemented to inform residents of the new zoning once in place as well as long-term enforcement to ensure the success of the protected sites.
- 4 Council’s submission request the Proposed Management Rules clarify the intent of the no-collection clause for invertebrates within the Special Purpose zone.

The MOTION on being PUT to the VOTE was LOST.

Variation

The following variations were accepted by the mover and seconder –

Councillor D Brown:

- *the addition of “only if these are supported by rigorous scientific backup and clear policy objectives” to Point 2.*
- *The addition of Point 4.*

In favour Councillors Cox, Blakey and Bradbery

Against Councillors Kershaw, Rimmer, D Brown, T Brown, King, Connor and Walters

CLOSED COUNCIL SESSION

The Lord Mayor called for a motion to close the meeting to consider the following reports which deal with:

- 1 Item C1 the Performance Review Committee Report – General Manager’s Annual Performance Review in accordance with Section 10A(2)(a) of the Local Government Act 1993.
- 2 Item C2 Signature Event 2022 in accordance with Section 10A(2)(d(i)) of the Local Government Act 1993.

123

COUNCIL’S RESOLUTION - RESOLVED UNANIMOUSLY on the motion of Councillor Walters seconded Councillor Rimmer that the meeting move into Closed Session to consider the following items:

- 1 The Signature Event 2022 in accordance with Section 10A(2)(d(i)) of the Local Government Act 1993 on the basis that –
 - a The report contains commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.
 - b On balance, the public interest in preserving the confidentiality of the information supplied outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting.”
- 2 Matters relating to the General Manager’s Performance Review 2017/18 and Performance Agreement 2018/19 and related matters. The review and agreement contains personal matters concerning a particular individual. Therefore warrants the matter being dealt with in closed session.

Prior to putting the above Motion to the vote, the Lord mayor advised members of the press that in accordance with Section 10A (4) of the Local Government Act, I invite members of the gallery to make representations to the Council meeting as to whether this part of the meeting should be closed.

- 1 Members of the gallery are advised that Item C2 relates to the Signature Event 2022 and is classified as Confidential as the report contains commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.
- 2 Matters in C1 relating to the General Manager’s Performance Review 2017/18 and Performance Agreement 2018/19 and related matters. The review and agreement contains personal matters concerning a particular individual. Therefore warrants this matter being dealt with in closed session.

There being no representations made by members of the gallery, the MOTION was PUT to the VOTE and was CARRIED UNANIMOUSLY.

At this stage, the time being 9.41 pm, members of the gallery and press departed the Chamber.

The meeting moved into Closed Session, the time being 9.42 pm.

ITEM C2 – SIGNATURE EVENT 2022

In accordance with the PROCEDURAL MOTION relating to the Call of the Agenda, this Item was considered prior to Item C1.

124 **COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor Walters that –

- 1 Council endorse a collaborative bid to host the event in the City in 2022 through a total in-kind and/or cash contribution up to the limit as outlined in the report.
- 2 Should the bid be successful the matter return to Council for further consideration.

EXTENSION OF MEETING TIME

During the debate on Item C2, a PROCEDURAL MOTION was MOVED by Councillor T Brown seconded Councillor Colacino that the meeting time be extended by 30 minutes.

At this stage, the time being 10.13 pm, all staff members vacated the Chamber. The Executive Officer to the Lord Mayor, the Lord Mayor and Councillors present remained in the Chamber to consider Item C1.

In accordance with the PROCEDURAL MOTION relating to the Call of the Agenda, this Item was considered after Item C2.

ITEM C1 – PERFORMANCE REVIEW COMMITTEE REPORT – GENERAL MANAGER'S ANNUAL PERFORMANCE REVIEW

125 **COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor Cox that –

- 1 Council note the General Manager's Performance Agreement Review 2017-2018.
- 2 Council note the General Manager's Performance Agreement 2018-2019.
- 3 Council note there is no change proposed to the General Manager's remuneration package except for appropriate adjustments arising from the annual determination of the Statutory and Other Officers Remuneration Tribunal.
- 4 Council endorses the Lord Mayor and the Deputy Lord Mayor to have discussions with the General Manager about his contract.

126 **COUNCIL'S RESOLUTION** - RESOLVED on the motion of Councillor Colacino seconded Councillor Walters that the meeting move out of Closed Session and into Open Council.

Members of the gallery and staff were invited back into the Chamber.

The Lord Mayor advised the meeting of Council's resolutions whilst in Closed Session (refer to Minute Numbers 124 and 125).

THE MEETING CONCLUDED AT 10.28 PM.

Confirmed as a correct record of proceedings at the Ordinary Meeting of the Council of the City of Wollongong held on Monday 24 September 2018.

Chairperson

ITEM 1 ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

PRESENTER: Audit Office of NSW – Financial Statements

Council officers have prepared the 2017-2018 Annual Financial Statements in accordance with the Local Government Act 1993 (as amended) and the Regulations, the Australian Accounting Standards and the Local Government Code of Accounting Practice and Financial Reporting.

The draft Financial Statements were presented to the Audit Committee on 4 September 2018. At that meeting, the Audit Committee resolved that the General Purpose Financial Statements and the Special Purpose Financial Statements be recommended to Council for endorsement and the signing of the Statements by the Lord Mayor, Deputy Lord Mayor and Management.

The Statements have been reviewed by Council's Auditors, Audit Office of NSW, and are presented to Council for an opinion to be formed in the prescribed format (as attached). The Audit Office of NSW will address the meeting to provide an overview of their Audit Report for the year ended 30 June 2018.

RECOMMENDATIONS

- 1 The Annual Financial Statements be endorsed and an opinion be formed in the prescribed format (as per Attachments 2 and 3) on the General Purpose Financial Statement and the Special Purpose Financial Statement.
- 2 The audited Financial Statements, together with the Auditor's report, Executive Summary (Attachment 4) and Financial Commentary (Attachment 5) be presented to the public at the next Council meeting.

REPORT AUTHORISATIONS

Report of: Brian Jenkins, Chief Financial Officer
Authorised by: Renee Campbell, Director Corporate Services - Connected and Engaged City

ATTACHMENTS

- 1 Annual Financial Statements 2017-2018
- 2 Statement by the Lord Mayor, Deputy Lord Mayor and Management on the General Purpose Financial Statements
- 3 Statement by the Lord Mayor, Deputy Lord Mayor and Management on the Special Purpose Financial Statements
- 4 Executive Summary
- 5 Financial Commentary 2017-2018
- 6 Flowchart of the Annual Financial Statements Approval Process 2017-2018

BACKGROUND

The Local Government Act 1993 (as amended) requires Council to prepare financial statements for each year and refer them for audit as soon as practicable after the end of that year.

A council's financial statements must include:

- 1 A General Purpose Financial Statement;
- 2 Any other matter prescribed by the regulations, and
- 3 A statement in the approved form by the Council as to its opinion on the General Purpose Financial Statement.

The Annual Financial Statement Approval and Audit Process is outlined in Attachment 6 of this report. This process is largely governed by the requirements of the Local Government Act 1993 (as amended) having regard to the timing of Council meetings. In accordance with this process, the Audit Committee

recommends to the Council whether the Financial Statements should be signed based on the Committee’s assessment of them.

An Executive Summary (Attachment 4) and Financial Commentary (Attachment 5) to the Statements are also prepared to provide an introduction/summary of the Financial Statements. The Executive Summary and Financial Commentary are not audited.

PROPOSAL

Section 413 of the Local Government Act 1993 (as amended) requires the Council to form an opinion as to whether Council’s Annual Financial Statements have been drawn up in accordance with the Local Government Act and associated Codes and Australian Accounting Standards as prescribed by the Regulations. The Statements have been reviewed by Council’s Auditors, Audit Office of NSW, and are presented to Council for an opinion to be formed in the prescribed format (see Attachments 2 and 3). Subsequent to these Statements being signed, Council’s Auditor will present its Audit Report to Council.

Following the signing of the opinions and receiving the Auditor’s Report, a copy of the Audited Financial Statements will be submitted to the Office of Local Government in accordance with Section 417(5) of the Local Government Act 1993 (as amended).

Section 418 of the Local Government Act 1993 (as amended) requires that Council, as soon as practical after receiving a copy of the Auditor’s Reports, fix a date for a meeting at which it proposes to present its Audited Financial Statements, together with the Auditor’s Reports, to the public. The Council must give public notice of the date of the meeting. Consequently, an advertisement is scheduled to appear in The Advertiser on Wednesday, 10 October 2018.

Section 420 of the Local Government Act 1993 provides that any person may make submissions to the Council with respect to the Financial Statements and/or the Auditor’s Reports and those submissions must be made in writing and lodged with the Council within seven days of the public meeting. The date of the Council meeting (public meeting) is the next Council meeting as resolved by Council.

CONSULTATION AND COMMUNICATION

The Audit Committee and staff of the Audit Office of NSW have been consulted throughout the preparation of the Annual Financial Statements. The audit staff have been helpful in ensuring compliance with all accounting requirements.

Executive, senior managers and significant senior officers were requested to ensure that all relevant information with regards to the 2017-2018 transactions relating to their area/s of responsibility had either been entered into the financial records or disclosed to the Chief Financial Officer.

PLANNING AND POLICY IMPACT

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

Community Strategic Plan	Delivery Program 2018-2021	Operational Plan 2018-19
Strategy	3 Year Action	Operational Plan Actions
4.3.2 Resources (finance, technology, assets and people) are effectively managed to ensure long term financial sustainability	4.3.2.1 Effective and transparent financial management systems are in place	<ul style="list-style-type: none"> Monitor and review achievement of Financial Strategy Continuous budget management is in place, controlled and reported Provide accurate and timely financial reports monthly, quarterly and via the annual statement Manage and further develop a compliance program to promote awareness and compliance with Council’s procurement policies and procedures and other related policies

RISK ASSESSMENT

The Annual Financial Statements are required to be prepared in accordance with the Local Government Act 1993 (as amended), the Local Government Code of Accounting Practice and Financial Reporting and the Australian Accounting Standards. Council has professionally qualified staff to ensure compliance with the reporting requirements.

Council staff have also undertaken additional training in specialised areas. A higher level of assurance is attained from the Audit Office of NSW review.

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

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

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

FINANCIAL IMPLICATIONS

Council is now presented with a set of draft Financial Statements that have been prepared in accordance with the Australian Accounting Standards and other professional pronouncements and the Local Government Code of Accounting Practice and Financial Reporting.

A preliminary pre audit result was presented to Council on 3 September 2018 as part of the Draft Quarterly Review Statement June 2018. The revised result presented in the Annual Financial Statements 2017-2018 in this report show an improvement in the Operating Result of \$44 thousand that reflects the revision of an expenditure accrual. This improvement also flows on to the Available Funds Result that was presented previously.

In addition to this item, there has been an adjustment from Profit /Loss on Disposal of Assets to Other Expenses in the Income Statement that does not impact on the result. The adjustment was made during the audit to better reflect the expensing of prior year works that had previously been held as an asset in Works in Progress.

CONCLUSION

The Financial Statements will be presented to the public at the next Council meeting pending Council forming an opinion that they have been drawn up in accordance with the Local Government Act and associated Codes and Australian Accounting Standards as prescribed by the Regulations

Wollongong City Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Wollongong City Council

General Purpose Financial Statements for the year ended 30 June 2018

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Overview

Wollongong City Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:

41 Burelli Street
Wollongong NSW 2500

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: www.wollongong.nsw.gov.au.

Wollongong City Council

General Purpose Financial Statements

for the year ended 30 June 2018

Statement by Councillors and Management

made pursuant to Section 413(2)(c) of the *Local Government Act 1993 (NSW)* (as amended)

The attached General Purpose Financial Statements have been prepared in accordance with:

- the *Local Government Act 1993 (NSW)* (as amended) and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these financial statements:

- present fairly the Council's operating result and financial position for the year,
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 24 September 2018.

Gordon Bradbery
Lord Mayor
24 September 2018

David Brown
Deputy Lord Mayor
24 September 2018

David Farmer
General Manager
24 September 2018

Brian Jenkins
Responsible Accounting Officer
24 September 2018

Wollongong City Council

Income Statement

for the year ended 30 June 2018

Original unaudited budget 2018	\$ '000	Notes	Actual 2018	Actual 2017
Income from continuing operations				
<i>Revenue:</i>				
190,940	Rates and annual charges	3a	191,449	184,530
35,691	User charges and fees	3b	34,805	37,491
4,321	Interest and investment revenue	3c	5,162	5,909
9,705	Other revenues	3d	10,551	14,418
20,838	Grants and contributions provided for operating purposes	3e,f	31,364	39,639
44,858	Grants and contributions provided for capital purposes	3e,f	40,637	42,022
<i>Other income:</i>				
-	Fair value increment on investment property	11	5	-
-	Net share of interests in joint ventures and associates using the equity method	17	803	525
306,353	Total income from continuing operations		314,776	324,534
Expenses from continuing operations				
110,205	Employee benefits and on-costs	4a	107,843	103,139
3,849	Borrowing costs	4b	3,819	4,071
52,052	Materials and contracts	4c	53,709	47,032
64,340	Depreciation and amortisation	4d	60,067	61,271
39,480	Other expenses	4e	40,211	35,594
-	Net losses from the disposal of assets	5	361	3,960
269,926	Total expenses from continuing operations		266,010	255,067
36,427	Operating result from continuing operations		48,766	69,467
36,427	Net operating result for the year		48,766	69,467
36,427	Net operating result attributable to Council		48,766	69,467
(8,431)	Net operating result for the year before grants and contributions provided for capital purposes		8,129	27,445

Wollongong City Council

Statement of Comprehensive Income for the year ended 30 June 2018

\$ '000	Notes	2018	2017
Net operating result for the year (as per Income Statement)		48,766	69,467
Other comprehensive income:			
Amounts that will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of IPP&E	10a	5,692	(511)
Impairment (loss) reversal relating to IPP&E	10a	–	(760)
Total items which will not be reclassified subsequently to the operating result		5,692	(1,271)
Total other comprehensive income for the year		5,692	(1,271)
Total comprehensive income for the year		54,458	68,196
Total comprehensive income attributable to Council		54,458	68,196

Wollongong City Council

Statement of Financial Position as at 30 June 2018

\$ '000	Notes	2018	2017
ASSETS			
Current assets			
Cash and cash equivalents	6a	26,491	23,534
Investments	6b	109,162	119,458
Receivables	7	27,036	23,531
Inventories	8	306	298
Other	8	10,666	10,680
Non-current assets classified as 'held for sale'	9	–	6,381
Total current assets		173,661	183,882
Non-current assets			
Investments	6b	22,115	24,585
Inventories	8	5,835	5,791
Infrastructure, property, plant and equipment	10	2,356,306	2,309,628
Investments accounted for using the equity method	17	2,638	1,835
Investment property	11	4,780	4,775
Intangible assets	12	388	653
Total non-current assets		2,392,062	2,347,267
TOTAL ASSETS		2,565,723	2,531,149
LIABILITIES			
Current liabilities			
Payables	13	26,754	38,660
Income received in advance	13	3,256	2,957
Borrowings	13	7,716	7,513
Provisions	14	50,377	48,853
Total current liabilities		88,103	97,983
Non-current liabilities			
Payables	13	700	–
Borrowings	13	25,039	32,188
Provisions	14	44,566	48,121
Total non-current liabilities		70,305	80,309
TOTAL LIABILITIES		158,408	178,292
Net assets		2,407,315	2,352,857
EQUITY			
Accumulated surplus	15	1,441,990	1,389,905
Revaluation reserves	15	965,325	962,952
Total equity		2,407,315	2,352,857

Wollongong City Council

Statement of Changes in Equity for the year ended 30 June 2018

\$ '000	Notes	2018			2017		
		Accumulated surplus	IPP&E revaluation reserve	Total equity	Accumulated surplus	IPP&E revaluation reserve	Restated Total equity
Opening balance		1,389,905	962,952	2,352,857	1,302,643	986,667	2,289,310
Correction of prior period errors	15 (b)	–	–	–	7,134	(11,783)	(4,649)
Restated opening balance		1,389,905	962,952	2,352,857	1,309,777	974,884	2,284,661
Net operating result for the year		48,766	–	48,766	69,467	–	69,467
Other comprehensive income							
– Gain (loss) on revaluation of IPP&E	10a	–	5,692	5,692	–	(511)	(511)
– Impairment (loss) reversal relating to IPP&E	10a	–	–	–	–	(760)	(760)
Other comprehensive income		–	5,692	5,692	–	(1,271)	(1,271)
Total comprehensive income (c&d)		48,766	5,692	54,458	69,467	(1,271)	68,196
Transfers between equity items		3,319	(3,319)	–	10,661	(10,661)	–
Equity – balance at end of the reporting period		1,441,990	965,325	2,407,315	1,389,905	962,952	2,352,857

This statement should be read in conjunction with the accompanying notes.

Wollongong City Council

Statement of Cash Flows for the year ended 30 June 2018

Original unaudited budget 2018	\$ '000	Notes	Actual 2018	Actual 2017
Cash flows from operating activities				
Receipts:				
189,531			193,451	182,005
35,691			35,362	39,819
4,321			5,426	5,464
62,096			50,700	57,871
–			591	775
9,443			23,198	24,784
Payments:				
(108,700)			(107,925)	(102,860)
(90,282)			(65,774)	(60,479)
(1,293)			(1,263)	(1,447)
–			(1,543)	(1,162)
–			(52,022)	(43,138)
<u>100,807</u>		16b	<u>80,201</u>	<u>101,631</u>
Cash flows from investing activities				
Receipts:				
(370)			67,557	69,530
1,750			10,923	3,239
Payments:				
–			(54,661)	(76,641)
(91,373)			(93,506)	(90,256)
–			(44)	(57)
<u>(89,993)</u>			<u>(69,731)</u>	<u>(94,185)</u>
Cash flows from financing activities				
Receipts:				
–			–	5,500
Payments:				
(7,486)			(7,513)	(7,159)
<u>(7,486)</u>			<u>(7,513)</u>	<u>(1,659)</u>
3,328			2,957	5,787
136,065		16a	23,534	17,747
<u>139,393</u>		16a	<u>26,491</u>	<u>23,534</u>
Additional Information:				
plus:	Investments on hand – end of year	6b	131,277	144,043
	Total cash, cash equivalents and investments		<u>157,768</u>	<u>167,577</u>

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

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Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 1. Basis of preparation

These financial statements were authorised for issue by Council on 24/09/2018. Council has the power to amend and reissue these financial statements.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (NSW)* and Regulations, and the Local Government Code of Accounting Practice and Financial Reporting. Council is a not for-profit entity for the purpose of preparing these financial statements. The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

Full dollars have been used in Note 23 Related party disclosures in relation to the disclosure of specific related party transactions.

Unless otherwise indicated, all amounts disclosed in the financial statements are actual amounts.

Specific budgetary amounts have been included for comparative analysis (to actuals) in the following reports and notes:

- Income statement
- Statement of cash flows
- Note 21 – Material budget variations

and are clearly marked.

(a) New and amended standards adopted by Council

Council adopted the following Australian accounting standard amendments for these financial statements:

- *AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107*

This disclosure Initiative helps users of financial statements to better understand changes in an entity's debt.

Additional disclosures relating to changes in liabilities arising from financing activities (including both changes arising from cash flows and non-cash changes) have been incorporated in these financial statements at Note 13 (c).

- *AASB 2016-4 Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities*

This Standard means that Not-for-profit entities (and therefore Council) no longer need to consider AASB 136 *Impairment of Assets* for non-cash-generating specialised assets at fair value.

Instead it is expected that for Not-for-profit entities holding non-cash-generating assets the recoverable amount of these assets is expected to be materially the same as fair value, determined under AASB 13 *Fair Value Measurement*.

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 1. Basis of preparation (continued)

(b) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities and certain classes of infrastructure, property, plant and equipment and investment property.

(c) Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) estimated fair values of investment properties –refer Note 11,
- (ii) estimated fair values of infrastructure, property, plant and equipment – refer Note 10,
- (iii) estimated tip remediation provisions – refer Note 14,
- (iv) employee benefit provisions – refer Note 14.

Significant judgements in applying the Council's accounting policies

- (v) Impairment of receivables

Council has made a significant judgement about the impairment of a number of its receivables in Note 7.

Monies and other assets received by Council

(a) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the *Local Government Act 1993 (NSW)*, all money and other assets received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

(b) The Trust Fund

In accordance with the provisions of Section 411 of the *Local Government Act 1993 (NSW)* (as amended), a separate and distinct Trust Fund is maintained to account for all money and other assets received by the Council in trust which must be applied only for the purposes of, or in accordance with the trusts relating to those monies. Trust monies and other assets subject to Council's control have been included in these reports.

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 1. Basis of preparation (continued)

The following Trust monies and other assets are held by Council but are not considered to be under the control of Council and therefore are excluded from these financial statements:

- WCC Trust Account (deposits from sale of land/properties due to unpaid rates)
- Lord Mayor's Relief Fund
- Art Gallery (bequeaths/donations)
- Environment Foundation Gift Trust

A separate statement of monies held in the Trust Fund is available for inspection at the Council office by any person free of charge.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which that are recoverable from, or payable to the taxation authority are presented as operating cash flows.

New accounting standards and interpretations issued not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period and which have not been applied.

As at the date of authorisation of these financial statements, Council considers that the standards and interpretations listed below will have an impact upon future published financial statements ranging from additional and / or revised disclosures to actual changes as to how certain transactions and balances are accounted for.

Effective for annual reporting periods beginning on or after 1 July 2018

- AASB 9 *Financial Instruments*

This replaces AASB 139 *Financial Instruments: Recognition and Measurement*, and addresses the classification, measurement and disclosure of financial assets and liabilities.

The standard introduces a new impairment model that requires impairment provisions to be based on expected credit losses, rather than incurred credit losses.

Effective for annual reporting periods beginning on or after 1 July 2019

- AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for-Profit Entities* and AASB 2016-8 *Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities*

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 1. Basis of preparation (continued)

AASB 15 will replace AASB 118 *Revenue*, AASB 111 *Construction Contracts* and a number of Interpretations. AASB 2016-8 provides Australian requirements and guidance for not-for-profit entities in applying AASB 9 and AASB 15, and AASB 1058 will replace AASB 1004 *Contributions*.

Together they contain a comprehensive and robust framework for the recognition, measurement and disclosure of income including revenue from contracts with customers.

While Council is still reviewing the way that income is measured and recognised to identify whether there will be any material impact arising from these standards, these standards may affect the timing of the recognition of some grants and donations.

- AASB 16 *Leases*

Council is currently a party to leases that are not recognised in the Statement of Financial Position.

It is likely that some of these leases will need to be included in the Statement of Financial Position when this standard comes into effect.

A lease liability will initially be measured at the present value of the lease payments to be made over the lease term.

A corresponding right-of-use asset will also be recognised over the lease term.

Council has not elected to apply any pronouncements before their operative date in these financial statements.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 2(a). Council functions/activities – financial information

Functions/activities	Income, expenses and assets have been directly attributed to the following functions/activities. Details of these functions/activities are provided in Note 2(b).									
	Income from continuing operations		Expenses from continuing operations		Operating result from continuing operations		Grants included in income from continuing operations		Total assets held (current and non-current)	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Planning and engagement	13,355	9,189	26,099	20,498	(12,744)	(11,309)	1,369	434	269,637	277,231
Environment	48,375	46,793	62,198	60,968	(13,823)	(14,175)	1,899	1,800	354,637	354,226
Transport services/infrastructure	17,113	12,795	48,466	46,384	(31,353)	(33,589)	14,130	9,868	457,146	398,448
Community services/facilities	9,033	9,461	32,730	31,679	(23,697)	(22,218)	4,758	4,736	31,089	30,897
Recreation and open space	12,274	11,939	45,762	45,547	(33,488)	(33,608)	209	35	93,734	92,541
Regulatory services and safety	8,417	8,656	18,574	18,238	(10,157)	(9,582)	521	666	1,641	1,675
Governance and internal services	188,042	196,235	32,181	31,753	155,861	164,482	18,832	25,828	1,357,839	1,376,131
Contributed Assets	18,167	29,466	–	–	18,167	29,466	–	–	–	–
Total functions and activities	314,776	324,534	266,010	255,067	48,766	69,467	41,718	43,367	2,565,723	2,531,149

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 2(b). Council functions/activities – component descriptions

Details relating to the Council's functions/activities as reported in Note 2(a) are as follows:

Planning and engagement

Infrastructure Planning and Support, City Centre Management, Land Use Planning, Public Relations, Economic Development, Strategy and Planning

Environment

Waste Management, Stormwater Services, Natural Area Management, Environmental Planning and Programs

Transport services/infrastructure

Transport Services and Infrastructure works

Community services/facilities

Libraries, Cultural Services, Community Facilities, Age and Disability Services, Crematorium and Cemeteries, Community Programs, Youth Services

Recreation and open space

Parks and Sports fields, Aquatic Services, Tourist Parks, Leisure Centres, Botanic Gardens

Regulatory services and safety

Emergency Management, Development Assessment, Regulatory Control, Public Health

Governance and internal services

Governance and Administration, Human Resources, Financial Services, Customer Service, Property Services, Information Technology, Internal Services

Contributed Assets

Contributed assets relate mainly to the handover of transport and stormwater assets from various subdivisions in the West Dapto area.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 3. Income from continuing operations

\$ '000	2018	2017
(a) Rates and annual charges		
Ordinary rates		
Business	45,436	45,788
Farmland	302	316
Mining	897	1,072
Residential	108,969	105,081
Abandonments ⁽¹⁾	(94)	(140)
Total ordinary rates	155,510	152,117
Special rates		
City centre	395	418
Mall	1,044	1,031
Total special rates	1,439	1,449
Annual charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)		
Domestic waste management services	32,696	29,183
Stormwater management services	1,817	1,787
Abandonments – annual charges ⁽¹⁾	(13)	(6)
Total annual charges	34,500	30,964
TOTAL RATES AND ANNUAL CHARGES	191,449	184,530

(1) Abandonments refer to amounts owed to Council that have been written off due to the property being exempted of rates, pensioner interest being waived, voluntary Council rebates, postponed rates and voluntary conservation agreements as per the OLG Rating and Revenue Raising Manual 2007.

Council has used 2016 year valuations provided by the NSW Valuer General in calculating its rates.

Accounting policy for rates and annual charges

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenue when the Council obtains control over the assets comprising these receipts. Developer contributions may only be expended for the purposes for which the contributions were required, but the Council may apply contributions according to the priorities established in work schedules.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	2018	2017
(b) User charges and fees		
Specific user charges (per s.502 – specific 'actual use' charges)		
Waste management services (non-domestic)	11,062	13,282
Total specific user charges	11,062	13,282
Other user charges and fees		
(i) Fees and charges – statutory and regulatory functions (per s.608)		
Contestable building services	334	294
Inspection services	507	530
Planning and building regulation	2,874	3,003
Registration fees	252	204
Section 149 certificates (EPA Act)	587	587
Section 603 certificates (rating certificate)	316	305
Section 611 charges (occupation of land)	187	188
Other	45	38
Total fees and charges – statutory/regulatory	5,102	5,149
(ii) Fees and charges – other (incl. general user charges (per s.608))		
Additional waste services	117	108
Art gallery	9	12
Car parking	823	815
Credit card payment processing fee	124	150
Crematorium and cemeteries	2,219	2,623
Golf course	549	519
Health inspections	290	287
Hire charges	589	580
Leaseback fees – Council vehicles	710	714
Library	44	60
Marketing	39	33
Outdoor dining	91	131
Parking meters	1,262	1,271
Pre-lodgement meeting fees	127	98
Recreation	3,984	3,985
Road opening permits	271	267
Stallholder fees	103	84
Tourist parks	6,961	6,911
Tree management requests	93	95
Design review meeting application fees	150	117
Other	86	200
Total fees and charges – other	18,641	19,060
TOTAL USER CHARGES AND FEES	34,805	37,491

Accounting policy for user charges and fees

User charges and fees are recognised as revenue when the service has been provided.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	2018	2017
(c) Interest and investment revenue (including losses)		
Interest		
– Overdue rates and annual charges (incl. special purpose rates)	597	597
– Cash and investments	4,435	4,658
Fair value adjustments		
– Fair valuation movements in investments (at fair value or held for trading)	130	654
<u>TOTAL INTEREST AND INVESTMENT REVENUE</u>	<u>5,162</u>	<u>5,909</u>
Interest revenue is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	597	597
General Council cash and investments	2,566	3,406
Restricted investments/funds – external:		
Development contributions		
– Section 7.11	580	510
Unexpended infrastructure loan	226	217
Other externally restricted assets	1,193	1,179
<u>Total interest and investment revenue recognised</u>	<u>5,162</u>	<u>5,909</u>

Accounting policy for interest and investment revenue

Interest income is recognised using the effective interest rate at the date that interest is earned.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	Notes	2018	2017
(d) Other revenues			
Carbon tax rebate		–	4,174
Diesel rebate		207	209
Energy saving certificates		–	14
Fines		700	749
Fines – parking		2,336	2,500
Insurance claim recoveries		302	415
Legal fees recovery – rates and charges (extra charges)		271	144
Legal settlements		50	34
Outgoings reimbursements		125	136
Reimbursements		486	375
Rental income – investment property	11	347	339
Rental income – other council properties		4,400	4,313
Sales – general		709	547
Sponsorship and promotional income		71	54
Other		547	415
<u>TOTAL OTHER REVENUE</u>		<u>10,551</u>	<u>14,418</u>

Accounting policy for other revenue

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Council and specific criteria have been met for each of the Council's activities as described below. Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Parking fees and fines are recognised as revenue when the service has been provided, or when the penalty has been applied, whichever occurs first.

Rental income is accounted for on a straight-line basis over the lease term.

Sales - general are recognised when physical possession has transferred to the customer which is deemed to be the point of transfer of risks and rewards.

Other income is recorded when the payment is due, the value of the payment is notified, or when the payment is received; whichever occurs first.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	2018 Operating	2017 Operating	2018 Capital	2017 Capital
(e) Grants				
General purpose (untied)				
Current year allocation				
Financial assistance	18,655	26,482	–	–
Other				
Pensioners' rates subsidies – general component	1,551	1,677	–	–
Total general purpose	20,206	28,159	–	–
Specific purpose				
Pensioners' rates subsidies:				
– Domestic waste management	429	463	–	–
Arts and culture	82	79	–	–
Buildings	–	–	600	7
Community development and support	302	364	–	–
Economic development	289	234	–	–
Emergency services	439	593	–	–
Environmental management and enhancement	74	175	–	–
Environmental protection	82	73	–	–
Floodplain and stormwater management	87	65	620	–
Footpaths and cycleways	–	–	454	761
HACC community transport	2,591	2,518	–	–
Heritage and cultural	254	18	31	18
Library	480	477	–	–
LIRS subsidy	992	1,113	–	–
Local bus route subsidy	56	62	–	–
Natural area management	146	184	–	–
Parks, gardens and sportsfields	60	–	71	–
People and learning	36	43	–	–
Playgrounds	–	–	27	–
Recreation and culture	–	–	41	–
Strategic city planning	59	97	–	–
Street lighting	684	671	–	–
Transport (roads to recovery)	–	–	1,408	2,857
Transport (other roads and bridges funding)	22	–	9,517	2,126
Voluntary purchase scheme	–	–	39	482
Waste performance improvement	236	430	–	–
Wollongong multi service outlet	1,304	1,298	–	–
Total specific purpose	8,704	8,957	12,808	6,251
Total grants	28,910	37,116	12,808	6,251
Grant revenue is attributable to:				
– Commonwealth funding	22,195	29,773	3,872	3,307
– State funding	6,715	7,343	8,936	2,944
	28,910	37,116	12,808	6,251

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	Notes	2018 Operating	2017 Operating	2018 Capital	2017 Capital
(f) Contributions					
Developer contributions:					
(s7.4 & s7.11 – EP&A Act, s64 of the LGA):					
Cash contributions					
S 7.4 – contributions using planning agreements		–	–	141	–
S 7.11 – contributions towards amenities/services		–	–	3,915	1,427
S 7.12 – fixed development consent levies		–	–	5,066	3,872
Other developer contributions – Calderwood		–	–	9	208
Total developer contributions – cash		–	–	9,131	5,507
Non-cash contributions					
S 7.12 – fixed development consent levies		–	–	49	–
Planning agreements		–	–	1,433	4,867
Total developer contributions – non-cash		–	–	1,482	4,867
Total developer contributions	25	–	–	10,613	10,374
Other contributions:					
Cash contributions					
Buildings		–	–	282	532
Community development and support		171	58	–	–
Community services and facilities		682	829	–	–
Parks, gardens and sportsfields		43	79	109	70
People and learning		18	36	–	–
Pollution minimisation		85	96	–	–
Roads and bridges		52	46	140	167
RMS contributions (regional roads, block grant)		1,403	1,379	–	–
Total other contributions – cash		2,454	2,523	531	769
Non-cash contributions					
Bushfire services		–	–	730	28
Dedications – subdivisions (other than by s7.11)		–	–	15,642	24,600
Wollongong City Gallery collection		–	–	313	–
Total other contributions – non-cash		–	–	16,685	24,628
Total other contributions		2,454	2,523	17,216	25,397
Total contributions		2,454	2,523	27,829	35,771
TOTAL GRANTS AND CONTRIBUTIONS		31,364	39,639	40,637	42,022

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

(f) Contributions (continued)

Accounting policy for contributions

Control over grants and contributions is normally obtained upon their receipt (or acquittal) and is valued at the fair value of the granted or contributed asset at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period, and those conditions were un-discharged at reporting date; the unused grant or contribution is disclosed above.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at reporting date.

\$ '000	2018	2017
(g) Unspent grants and contributions		
Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner:		
Operating grants		
Unexpended at the close of the previous reporting period	2,688	2,916
Add: operating grants recognised in the current period but not yet spent	1,237	1,181
Less: operating grants recognised in a previous reporting period now spent	(1,288)	(1,409)
Unexpended and held as restricted assets (operating grants)	<u>2,637</u>	<u>2,688</u>
Capital grants		
Unexpended at the close of the previous reporting period	361	1,739
Add: capital grants recognised in the current period but not yet spent	59	102
Less: capital grants recognised in a previous reporting period now spent	(342)	(1,480)
Unexpended and held as restricted assets (capital grants)	<u>78</u>	<u>361</u>
Contributions		
Unexpended at the close of the previous reporting period	16,583	15,590
Add: contributions recognised in the current period but not yet spent	3,799	2,382
Less: contributions recognised in a previous reporting period now spent	(1,392)	(1,389)
Unexpended and held as restricted assets (contributions)	<u>18,990</u>	<u>16,583</u>

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 4. Expenses from continuing operations

\$ '000	Notes	2018	2017
(a) Employee benefits and on-costs			
Employee leave entitlements (ELE)		12,815	12,508
Salaries and wages		93,529	89,742
Superannuation		11,617	10,985
Change in workers compensation provision		723	155
Workers compensation – self insurance		1,425	2,098
Fringe benefit tax (FBT)		114	163
Payroll tax		47	44
Training costs (other than salaries and wages)		766	582
Protective clothing		298	290
Labour hire		486	706
Other		285	193
Total employee costs		122,105	117,466
Less: capitalised costs		(14,262)	(14,327)
TOTAL EMPLOYEE COSTS EXPENSED		107,843	103,139

Accounting policy for employee benefits and on-costs

Employee benefit expenses are recorded when the service has been provided by the employee.

Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Superannuation plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Council participates in a Defined Benefit Plan under the Local Government Superannuation Scheme, however, presently sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note 19 for more information.

(b) Borrowing costs

(i) Interest bearing liability costs

Interest on loans	1,263	1,447
Total interest bearing liability costs expensed	1,263	1,447

(ii) Other borrowing costs

Discount adjustments relating to movements in provisions (other than ELE)			
– Remediation liabilities	14	1,989	1,894
Amortisation of discount on interest free (& favourable) loans to council		567	730
Total other borrowing costs		2,556	2,624
TOTAL BORROWING COSTS EXPENSED		3,819	4,071

Accounting policy for borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 4. Expenses from continuing operations (continued)

\$ '000	2018	2017
(c) Materials and contracts		
Raw materials and consumables	16,100	15,838
Contractor and consultancy costs	78,793	70,024
– Waste Contractor	16,618	16,276
– Road Works Contractor	5,789	2,187
– Building Contractor	1,906	2,654
– Parks Contractor	1,817	1,745
– Cleaning Contractor	957	1,082
– Security Contractor	1,145	981
– Software Maintenance and Support Contractor	1,825	1,802
– Internal audit	149	155
Auditors remuneration ⁽¹⁾	141	139
Legal expenses:		
– Planning and development	6	–
– Other	959	512
Operating leases:		
– Minimum lease payments	335	100
Total materials and contracts	126,540	113,495
Less: capitalised costs	(72,831)	(66,463)
TOTAL MATERIALS AND CONTRACTS	53,709	47,032

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

1. Auditor remuneration

During the year the following fees were paid or payable for services provided by the auditor of Council, related practices and non-related audit firms.

Auditors of the Council – NSW Auditor-General:

(i) Audit and other assurance services

Audit and review of financial statements	133	79
Remuneration for audit and other assurance services	133	79
Total Auditor-General remuneration	133	79

Non NSW Auditor-General audit firms:

(i) Audit and other assurance services

Audit and review of financial statements	–	57
Other audit and assurance services	8	3
Remuneration for audit and other assurance services	8	60
Total remuneration of non NSW Auditor-General audit firms	8	60

Total Auditor remuneration	141	139
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Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	2018	2017
(d) Depreciation, amortisation and impairment			
Depreciation and amortisation			
Plant and equipment		4,301	4,424
Office equipment		695	750
Furniture and fittings		172	116
Infrastructure:			
– Bridges		1,918	1,939
– Buildings – non-specialised		5,377	5,173
– Buildings – specialised		5,681	5,558
– Footpaths		3,818	3,881
– Other open space/recreational assets		3,448	3,401
– Other structures		597	603
– Roads		20,224	21,780
– Stormwater drainage		10,165	9,879
– Swimming pools		475	463
Other assets:			
– Library books		1,073	1,063
– Other		1,509	1,421
Reinstatement, rehabilitation and restoration assets:			
– Tip assets	10 & 14	220	220
Intangible assets	12	394	600
Total depreciation and amortisation costs		60,067	61,271
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT COSTS EXPENSED		60,067	61,271

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 4. Expenses from continuing operations (continued)

(d) Depreciation, amortisation and impairment (continued)

Accounting policy for depreciation, amortisation and impairment expenses

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note 10 for IPPE assets and Note 12 for intangible assets.

Impairment of non-financial assets

Intangible assets that have an indefinite useful life or are not yet available for use are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

Impairment of financial assets

Council assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event'), and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 4. Expenses from continuing operations (continued)

\$ '000	2018	2017
(e) Other expenses		
Advertising	309	284
Bad and doubtful debts	(74)	65
Bank charges	497	455
Contributions/levies to other levels of government		
– Emergency services levy (includes FRNSW, SES, and RFS levies)	336	377
– NSW fire brigade levy	2,806	2,701
– NSW rural fire service levy	494	481
– Waste and environment levy	15,297	15,453
Councillor expenses – mayoral fee	95	82
Councillor expenses – councillors' fees	387	367
Councillors' expenses (incl. mayor) – other (excluding fees above)	106	59
Donations, contributions and assistance to other organisations (Section 356)		
– City Centre management	5	361
– Illawarra Institute of Sport	35	35
– Illawarra Joint Project Organisation	53	51
– Illawarra Performing Arts Centre	690	673
– Illawarra Regional Information Service	88	91
– Illawarra Surf Life Saving	53	52
– Neighbourhood youth program	129	152
– Sponsorship fund	53	51
– Tourism	1,396	1,010
– Other	420	649
Elections	966	–
Insurance	2,659	2,747
Light, electricity and heating	1,937	2,004
Membership fees	191	205
Postage	466	435
Provision for self insurance claims	140	150
Rental agreements	37	268
Royalty payments	336	334
Sewerage charges	225	290
Street lighting	3,116	3,023
Telephone and communications	754	547
Valuation fees	437	409
Volunteer reimbursements	280	299
Water rates	975	807
Other	4,539	930
Total other expenses	40,233	35,897
Less: capitalised costs	(22)	(303)
TOTAL OTHER EXPENSES	40,211	35,594

Accounting policy for other expenses

Other expenses are recorded on an accruals basis as the Council receives the goods or services.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 5. Gains or losses from the disposal of assets

\$ '000	Notes	2018	2017
Property (excl. investment property)	10		
Proceeds from disposal – property		52	1,861
Less: carrying amount of property assets sold/written off		(27)	(1,005)
Net gain/(loss) on disposal		25	856
Plant and equipment	10		
Proceeds from disposal – plant and equipment		1,621	1,378
Less: carrying amount of plant and equipment assets sold/written off		(1,243)	(1,583)
Net gain/(loss) on disposal		378	(205)
Infrastructure	10		
Proceeds from disposal – infrastructure		–	–
Less: carrying amount of infrastructure assets sold/written off		(3,633)	(4,611)
Net gain/(loss) on disposal		(3,633)	(4,611)
Financial assets	6		
Proceeds from disposal/redemptions/maturities – financial assets		67,557	69,530
Less: carrying amount of financial assets sold/redeemed/matured		(67,557)	(69,530)
Net gain/(loss) on disposal		–	–
Non-current assets classified as 'held for sale'	9		
Proceeds from disposal – non-current assets 'held for sale'		9,250	–
Less: carrying amount of 'held for sale' assets sold/written off		(6,381)	–
Net gain/(loss) on disposal		2,869	–
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		(361)	(3,960)

Accounting policy for disposal of assets

The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is derecognised.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 6(a). Cash and cash equivalent assets

\$ '000	2018	2017
Cash and cash equivalents		
Cash on hand and at bank	1,390	887
Cash-equivalent assets		
– Deposits at call	4,796	7,626
– Managed funds	20,305	15,021
Total cash and cash equivalents	26,491	23,534

Accounting policy for cash and cash equivalents

For Statement of Cash Flow presentation purposes, cash and cash equivalents includes cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

Note 6(b). Investments

\$ '000	2018 Current	2018 Non-current	2017 Current	2017 Non-current
Investments				
a. 'At fair value through the profit and loss'				
– 'Designated at fair value on initial recognition'	43,162	–	43,428	–
b. 'Held-to-maturity'	66,000	22,115	76,030	24,585
Total investments	109,162	22,115	119,458	24,585

Financial assets at fair value through the profit and loss

Managed funds	2,115	–	1,928	–
NCD's, FRN's (with maturities > 3 months)	39,374	–	35,868	–
Mortgage backed securities	1,673	–	1,714	–
Other long term financial assets	–	–	3,918	–
Total	43,162	–	43,428	–

Held to maturity investments

Long term deposits	66,000	22,115	76,030	24,585
Total	66,000	22,115	76,030	24,585

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 6(b). Investments (continued)

Accounting policy for investments

Classification

Council classifies its financial assets in the following categories: financial assets at fair value through profit or loss; loans and receivables; held-to-maturity investments; and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Assets in this category are held at fair value with changes in value taken through the profit or loss at each reporting period.

(b) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Council's management has the positive intention and ability to hold to maturity. Assets in this category are measured at amortised cost.

(c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in other receivables and receivables (Note 7) in the Statement of Financial Position. Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

(d) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term. Assets in this category are held at fair value with changes in fair value taken to other comprehensive income.

Recognition and de-recognition

Regular purchases and sales of financial assets are recognised on trade-date: the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Investments are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

Impairment of available for sale investments

In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost, is considered an indicator that the asset is impaired.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 6(c). Restricted cash, cash equivalents and investments – details

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Total cash, cash equivalents and investments	135,653	22,115	142,992	24,585
attributable to:				
External restrictions (refer below)	52,077	22,115	51,203	24,585
Internal restrictions (refer below)	68,129	–	57,379	–
Unrestricted	15,447	–	34,410	–
	135,653	22,115	142,992	24,585

\$ '000	2018	2017
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Details of restrictions

External restrictions – other

Developer contributions – general (A)	18,961	16,367
RMS contributions (B)	29	216
Specific purpose unexpended grants (C)	2,715	3,049
Domestic waste management (D)	12,813	11,114
Stormwater management (D)	1,265	1,423
Unexpended loan (E)	7,019	7,424
Private contributions	6,064	4,905
Carbon price	–	891
Special rates levy – Wollongong mall	164	228
Special rates levy – city centre	(42)	28
Local infrastructure renewal scheme round 3 (F)	14,721	19,973
West Dapto home deposits issued	85	85
West Dapto home deposit assistance program	10,398	10,085
External restrictions – other	74,192	75,788
Total external restrictions	74,192	75,788

- A Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans.
- B RMS contributions which are not yet expended for the provision of services and amenities in accordance with those contributions.
- C Grants which are not yet expended for the purposes for which the grants were obtained.
- D Domestic Waste Management and other special rates/levies/charges are externally restricted assets and must be applied for the purposes for which they were raised.
- E State Government interest free loan to be administered on infrastructure as part of the West Dapto development.
- F State Government subsidised loans to be administered on infrastructure projects over the Local Government area.

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 6(c). Restricted cash, cash equivalents and investments – details (continued)

\$ '000	2018	2017
Internal restrictions		
Car parking strategy	1,061	1,124
Property	–	3,912
Darcy Wentworth Park	171	170
Maccabe Park development	1,140	991
Sports Priority Program	642	362
Telecommunications Reserve	–	193
Waste Disposal Facility	2,165	5,915
West Dapto Development	4,759	501
Strategic Projects	49,404	30,175
Property Investment Fund	8,276	8,266
Southern Phone natural areas	266	366
Future Programs	–	5,239
Lake Illawarra Estuary Management Fund	245	165
Total internal restrictions	68,129	57,379
TOTAL RESTRICTIONS	142,321	133,167

- A** On 3rd April 2018 Council resolved to consolidate the following internal restrictions:
- The Future programs restriction be absorbed into the Strategic Projects restriction.
 - The Telecommunications Revenue restriction be absorbed into the Sports Priority Program restriction.
 - The Property restrictions be absorbed into the West Dapto Development restriction.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 7. Receivables

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Purpose				
Rates and annual charges	8,035	–	10,037	–
Interest and extra charges	1,459	–	1,374	–
User charges and fees	4,688	–	3,552	–
Accrued revenues				
– Interest on investments	886	–	1,365	–
– Other income accruals	2,004	–	2,370	–
Government grants and subsidies	8,492	–	3,094	–
Net GST receivable	1,701	–	2,090	–
Total	27,265	–	23,882	–
Less: provision for impairment				
User charges and fees	(229)	–	(351)	–
Total provision for impairment – receivables	(229)	–	(351)	–
TOTAL NET RECEIVABLES	27,036	–	23,531	–

There are no restrictions applicable to the above assets.

Movement in provision for impairment of receivables	2018	2017
Balance at the beginning of the year	351	602
– amounts already provided for and written off this year	(33)	(202)
– previous impairment losses reversed	(89)	(49)
Balance at the end of the year	229	351

Accounting policy for receivables

Recognition and measurement

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets as other receivables and receivables (Note 7) in the Statement of Financial Position.

Receivables are recognised initially at fair value and subsequently assessed for impairment.

Receivables are generally due for settlement within 30 days.

Cash flows relating to short-term receivables are not discounted due to the short settlement period.

Impairment

Where impairment of receivables occurs the carrying amount of the asset is reduced and the amount is recognised in the profit or loss.

Collectability of receivables is reviewed on an on-going basis. A provision for impairment of receivables account is used to recognise debtors balances that are unlikely to be collected under Council's Debt Recovery and Hardship Assistance Policy. When a receivable for which an impairment allowance has been recognised becomes uncollectable, in a subsequent period it is written off against the impairment provision account. Subsequent recoveries of amounts previously written off result in the reversal of write-off transactions.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 8. Inventories and other assets

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
(a) Inventories				
(i) Inventories at cost				
Real estate for resale (refer below)	–	5,835	–	5,791
Stores and materials	306	–	298	–
Total inventories at cost	306	5,835	298	5,791
TOTAL INVENTORIES	306	5,835	298	5,791
(ii) Other disclosures				
(a) Details for real estate development				
Residential	–	5,835	–	5,791
Total real estate for resale	–	5,835	–	5,791
Represented by:				
Acquisition costs	–	5,791	–	5,734
Development costs	–	44	–	57
Total real estate for resale	–	5,835	–	5,791
Movements:				
Real estate assets at beginning of the year	–	5,791	–	5,734
– Purchases and other costs	–	44	–	57
Total real estate for resale	–	5,835	–	5,791
(b) Other assets				
Prepayments	10,666	–	10,680	–
TOTAL OTHER ASSETS	10,666	–	10,680	–

Externally restricted assets

There are no restrictions applicable to the above assets.

Accounting policy

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventory held for distribution

Inventory held for distribution is held at cost, adjusted where applicable for any loss of service potential.

Land held for resale/capitalisation of borrowing costs

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale, are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods, are recognised as expenses.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 9. Non-current assets classified as held for sale (and disposal groups)

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
(i) Non-current assets and disposal group assets				
Non-current assets 'held for sale'				
Land	–	–	6,381	–
Total non-current assets 'held for sale'	–	–	6,381	–
TOTAL NON-CURRENT ASSETS CLASSIFIED AS 'HELD FOR SALE'				
	–	–	6,381	–

\$ '000	2018		2017	
(ii) Reconciliation of non-current assets 'held for sale'				
Opening balance			6,381	–
Balance still unsold after 12 months:			6,381	–
Plus new transfers in:				
– Assets 'held for sale'			–	6,381
Less: carrying value of assets/operations sold that were re-classified this reporting period			(6,381)	–
Closing balance of 'held for sale' non-current assets and operations			–	6,381

Accounting policy for non-current assets classified as held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets; assets arising from employee benefits; financial assets; and investment property that are carried at fair value.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Wollongong City Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 10(a). Infrastructure, property, plant and equipment

Asset class	as at 30/6/2017			Asset movements during the reporting period									as at 30/6/2018			
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Waste Remediation reassessment	Transfer to expense	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	
\$ '000																
Capital work in progress	89,997	–	89,997	36,005	22,601	–	–	(45,912)	–	(3,617)	–	–	99,074	–	99,074	
Plant and equipment	41,808	20,284	21,524	6,370	–	(1,243)	(4,301)	–	–	–	–	–	43,048	20,698	22,350	
Office equipment	6,120	3,060	3,060	1,380	–	–	(695)	–	–	–	–	–	7,500	3,755	3,745	
Furniture and fittings	2,405	927	1,478	561	–	–	(172)	–	–	–	–	–	2,404	537	1,867	
Land:																
– Operational land	169,578	–	169,578	–	555	(27)	–	–	–	–	–	–	170,106	–	170,106	
– Community land	338,804	760	338,044	–	907	–	–	–	–	–	–	–	339,711	760	338,951	
– Land under roads (post 30/6/08)	30,127	–	30,127	–	38	–	–	–	–	–	–	–	30,165	–	30,165	
Infrastructure:																
– Buildings – non-specialised	200,387	119,223	81,164	1,931	384	(316)	(5,377)	1,990	–	–	–	–	203,416	123,640	79,776	
– Buildings – specialised	307,488	198,043	109,445	2,820	555	(194)	(5,681)	10,195	–	–	–	–	319,580	202,440	117,140	
– Other structures	14,855	8,437	6,418	247	333	(23)	(597)	231	–	–	–	–	15,544	8,935	6,609	
– Roads	1,384,622	841,525	543,097	11,301	5,923	(1,733)	(20,224)	13,978	–	–	–	–	1,401,805	849,463	552,342	
– Bridges	143,643	49,733	93,910	377	236	(206)	(1,918)	424	–	–	5,703	–	150,163	51,637	98,526	
– Footpaths	267,224	143,073	124,151	4,336	1,999	(409)	(3,818)	9,593	–	–	(11)	–	279,783	143,942	135,841	
– Stormwater drainage	921,851	399,687	522,164	6,604	3,958	(677)	(10,165)	1,972	–	–	–	–	931,671	407,815	523,856	
– Swimming pools	29,738	22,458	7,280	36	–	–	(475)	444	–	–	–	–	30,218	22,933	7,285	
– Other open space/recreational assets	151,801	43,151	108,650	1,301	723	(75)	(3,448)	4,304	–	–	–	–	157,008	45,553	111,455	
Other assets:																
– Heritage collections	12,369	–	12,369	–	473	–	–	–	–	–	–	–	12,842	–	12,842	
– Library books	7,997	3,639	4,358	1,166	–	–	(1,073)	–	–	–	–	–	8,158	3,707	4,451	
– Other	43,796	11,789	32,007	178	744	–	(1,509)	2,781	–	–	–	–	47,249	13,048	34,201	
Reinstatement, rehabilitation and restoration assets (refer Note 14):																
– Tip assets	19,738	8,931	10,807	–	–	–	(220)	–	–	(4,863)	–	–	14,875	9,151	5,724	
TOTAL INFRASTRUCTURE, PROPERTY, PLANT AND EQUIP.	4,184,348	1,874,720	2,309,628	74,613	39,429	(4,903)	(59,673)	–	(4,863)	(3,617)	(11)	5,703	4,264,320	1,908,014	2,356,306	

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 10(a). Infrastructure, property, plant and equipment (continued)

Accounting policy for infrastructure, property, plant and equipment

Infrastructure, property, plant and equipment are held at fair value. Independent valuations are performed at least every five years, however the carrying amount of assets is assessed at each reporting date to confirm that it is not materially different from current fair value.

Increases in the carrying amounts arising on revaluation are credited to the asset revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and equipment	Years	Other equipment	Years
Office equipment	6 to 10	Playground equipment	10 to 15
Office furniture	10 to 20	Benches, seats etc.	10 to 20
Computer equipment	6		
Vehicles	3 to 5	Buildings	
Heavy plant/road making equipment	8 to 10	Buildings: masonry	50 to 100
Other plant and equipment	2 to 15	Buildings: other	15 to 40
Stormwater assets			
Drains	80 to 100		
Culverts	80 to 100		
Flood control structures	75		
Transportation assets		Other infrastructure assets	
Sealed roads: surface	20 to 40	Bulk earthworks	Infinite
Sealed roads: structure	80	Swimming pools	50
Unsealed roads	25	Other open space/recreational assets	10 to 30
Bridge: concrete	80	Other infrastructure	20 to 80
Bridge: other	30 to 40		
Road pavements	80		
Kerb, gutter and footpaths	80		

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income statement.

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 10(a). Infrastructure, property, plant and equipment (continued)

Accounting policy for infrastructure, property, plant and equipment (continued)

Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 Land Under Roads.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 Property, Plant and Equipment.

Crown reserves

Crown Reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown Reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

Rural Fire Service assets

Under section 119 of the *Rural Fire Services Act 1997 (NSW)*, "all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed".

Until such time as discussions on this matter have concluded and the legislation changed, Council will recognise rural fire service assets including land, buildings, plant and vehicles.

Note 10(b). Infrastructure, property, plant and equipment – current year impairments

\$ '000	2018	2017
Impairment losses recognised direct to equity (ARR):		
Hector Harvey Park	–	(760)
Total impairment losses	–	(760)
IMPAIRMENT OF ASSETS – DIRECT TO EQUITY (ARR)	–	(760)

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 11. Investment property

\$ '000	2018	2017
(a) Investment property at fair value		
<u>Investment property on hand</u>	<u>4,780</u>	<u>4,775</u>
Reconciliation of annual movement:		
Opening balance	4,775	4,775
– Net gain/(loss) from fair value adjustments	5	–
CLOSING BALANCE – INVESTMENT PROPERTY	<u>4,780</u>	<u>4,775</u>
(b) Contractual obligations at reporting date		
Refer to Note 18 for disclosures relating to any capital and service obligations that have been contracted.		
(c) Leasing arrangements – Council as lessor		
The investment property are leased to tenants under long-term operating leases with rentals payable monthly.		
Future minimum lease payments receivable under non-cancellable investment property operating leases not recognised in the financial statements are receivable as follows:		
Within 1 year	283	243
Later than 1 year but less than 5 years	300	363
Total minimum lease payments receivable	<u>583</u>	<u>606</u>
Leases for Council's investment property are generally of a 5 year term with an option for a further 5 years. Rent is paid monthly in advance with tenants paying 100% of outgoings. Rent reviews are a mix of C.P.I. and market reviews. There is a requirement on tenants to hold \$20m public liability insurance.		
(d) Investment property income and expenditure – summary		
Rental income from investment property:		
– Minimum lease payments	347	339
Direct operating expenses on investment property:		
– that generated rental income	(149)	(112)
Net revenue contribution from investment property	<u>198</u>	<u>227</u>
plus:		
Fair value movement for year	<u>5</u>	<u>–</u>
Total income attributable to investment property	<u>203</u>	<u>227</u>

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 11. Investment property (continued)

Accounting policy for investment property

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council. Changes in fair values are recorded in the income statement as part of other income.

Properties that are under construction for future use as investment property are regarded as investment property. These are also carried at fair value unless the fair value cannot yet be reliably determined. Where that is the case, the property will be accounted for at cost until either the fair value becomes reliably determinable or construction is complete.

The basis of valuation of investment property is fair value, being the amounts for which the properties could be exchanged between willing parties in arms length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases.

The 2018 revaluations were based on independent assessments made by: R F Rubin Certified Practising Valuer.

Note 12. Intangible assets

\$ '000	2018	2017
Intangible assets are as follows:		
Opening values:		
Gross book value	2,204	1,993
Accumulated amortisation	(1,551)	(950)
Net book value – opening balance	653	1,043
Movements for the year		
– Purchases	129	211
– Amortisation charges	(394)	(600)
Closing values:		
Gross book value	2,333	2,204
Accumulated amortisation	(1,945)	(1,551)
TOTAL INTANGIBLE ASSETS – NET BOOK VALUE ¹	388	653
¹ The net book value of intangible assets represent:		
Software	388	653
	388	653

Accounting policy for intangible assets

IT development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and services, direct payroll, and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight line basis over periods generally ranging from three to five years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility, and where Council has an intention and ability to use the asset.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 13. Payables and borrowings

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Payables				
Goods and services – operating expenditure	7,668	–	7,071	–
Goods and services – capital expenditure	9,758	–	15,740	–
Accrued expenses:				
– Other expenditure accruals	6,762	–	12,709	–
Security bonds, deposits and retentions	1,605	–	2,557	–
Agency Funds	350	700	–	–
Other	611	–	583	–
Total payables	26,754	700	38,660	–
Income received in advance				
Payments received in advance	3,256	–	2,957	–
Total income received in advance	3,256	–	2,957	–
Borrowings				
Loans – secured ¹	7,716	25,039	7,513	32,188
Total borrowings	7,716	25,039	7,513	32,188
TOTAL PAYABLES AND BORROWINGS	37,726	25,739	49,130	32,188

(a) Payables and borrowings relating to restricted assets

	2018		2017	
	Current	Non-current	Current	Non-current
Externally restricted assets				
Loans	7,716	25,039	7,513	32,188
Total payables and borrowings relating to restricted assets	7,716	25,039	7,513	32,188
Total payables and borrowings relating to unrestricted assets	30,010	700	41,617	–
TOTAL PAYABLES AND BORROWINGS	37,726	25,739	49,130	32,188

(b) Current payables and borrowings not anticipated to be settled within the next twelve months

The following payables and borrowings, even though classified as current, are not expected to be settled in the next 12 months.

Payables – security bonds, deposits and retentions	1,205	2,202
	1,205	2,202

¹: Loans are secured over the general rating income of Council.

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 20.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 13. Payables and borrowings (continued)

\$ '000

(c) Changes in liabilities arising from financing activities

Class of borrowings	2017		Non-cash changes			2018
	Opening balance as at 1/7/17	Cash flows	Acquisition	Fair value changes	Other non-cash movements	Closing balance as at 30/6/18
Loans – secured	39,701	(7,513)	–	–	567	32,755
TOTAL	39,701	(7,513)	–	–	567	32,755

(d) Financing arrangements

(i) Unrestricted access was available at balance date to the following lines of credit:

Bank overdraft facilities ⁽¹⁾	300	300
Credit cards/purchase cards	835	835
Total financing arrangements	1,135	1,135
Drawn facilities as at balance date:		
– Credit cards/purchase cards	98	6
Total drawn financing arrangements	98	6
Undrawn facilities as at balance date:		
– Bank overdraft facilities	300	300
– Credit cards/purchase cards	737	829
Total undrawn financing arrangements	1,037	1,129

1. The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

Accounting policy for payables and borrowings

Payables

These amounts represent liabilities for goods and services provided to the Council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or finance cost.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 14. Provisions

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Provisions				
Employee benefits:				
Annual leave	9,367	–	8,998	–
Sick leave	144	–	133	–
Long service leave	36,872	517	37,410	447
Other leave	1,037	–	940	–
Sub-total – aggregate employee benefits	47,420	517	47,481	447
Asset remediation/restoration:				
Asset remediation/restoration (future works)	1,200	40,134	100	44,137
Sub-total – asset remediation/restoration	1,200	40,134	100	44,137
Other provisions:				
Self insurance – workers compensation	1,327	3,585	942	3,247
Self insurance – claims incurred	430	330	330	290
Sub-total – other provisions	1,757	3,915	1,272	3,537
TOTAL PROVISIONS	50,377	44,566	48,853	48,121

(a) Current provisions not anticipated to be settled within the next twelve months

The following provisions, even though classified as current, are not expected to be settled in the next 12 months.

	2018	2017
Provisions – employees benefits	37,710	38,146
	37,710	38,146

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 14. Provisions (continued)

\$ '000

(b) Description of and movements in provisions

The movement in each class of provision (excluding those relating to employee benefits) is presented in the table below:

2018	Self insurance – claims incurred	Self insurance – workers compensation	Asset remediation	Total
At beginning of year	620	4,189	44,237	49,046
Changes to provision:				
Additional provisions	140	1,676	–	1,816
Amounts used (payments)	–	(1,970)	–	(1,970)
Remeasurement effects	–	1,017	(4,863)	(3,846)
Unwinding of discount	–	–	1,989	1,989
Expenditure incurred attributable to provisions	–	–	(29)	(29)
Total other provisions at end of year	760	4,912	41,334	47,006
2017				
At beginning of year	470	4,034	42,683	47,187
Changes to provision:				
Additional provisions	150	1,255	–	1,405
Amounts used (payments)	–	(2,329)	–	(2,329)
Remeasurement effects	–	1,229	(291)	938
Unwinding of discount	–	–	1,894	1,894
Expenditure incurred attributable to provisions	–	–	(49)	(49)
Total other provisions at end of year	620	4,189	44,237	49,046

Nature and purpose of non-employee benefit provisions

Asset remediation

Council has a legal/public obligation to make, restore, rehabilitate and reinstate the open Whytes Gully Waste Disposal Depot and closed Helensburgh Waste Depot Rehabilitation.

Self insurance – workers compensation

To recognise liabilities for outstanding claims (uninsured losses) arising from Council's decision to undertake self-insurance for certain risks faced.

Self insurance – claims incurred

To recognise liabilities for both (i) claims expected to be incurred but not reported and (ii) claims reported and estimated as a result of Council being a self insurer up to certain levels of excess.

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 14. Provisions (continued)

Accounting policy for provisions

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 14. Provisions (continued)

Asset Remediation/Restoration

Restoration

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The costs are estimated on the basis of a closure plan. The cost estimates are calculated annually during the life of the operation to reflect known developments, eg updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Rehabilitation

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each reporting date and the cost is charged to the Income Statement.

Provision is made for the estimated present value of the costs of environmental clean up obligations outstanding at the reporting date. These costs are charged to the Income Statement. Movements in the environmental clean up provisions are presented as an operating cost, except for the unwinding of the discount which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result there could be significant adjustments to the provision for close down and restoration and environmental clean up, which would affect future financial results.

Other movements in the provisions for close down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

Close down and restoration costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations. Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

Self-insurance

Council has decided to self-insure for various risks, including public liability and professional indemnity. A provision for self-insurance has been made to recognise outstanding claims. Council also maintains cash and investments to meet expected future claims; refer to Note 6(c).

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 15. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

(a) Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

The infrastructure, property, plant and equipment revaluation reserve is used to record increments / decrements of non-current asset values due to their revaluation.

Available for sale financial investments revaluation reserve

The available for sale financial investments revaluation reserve is used to account for the fair value movements in all financial assets so classified that remain on hand at year end.

Upon sale, amounts in reserves are recognised in the Income Statement (in full) by way of transfer from the reserve.

(b) Correction of errors relating to a previous reporting period

Nature of prior-period error

As part of an on-going inspection program and data cleansing process it was found that IPPE that Council owned had not been recognised (\$13.062M) and IPPE that had been recognised was disposed of in previous years (\$17.711M). A similar exercise recognised a parcel of community land was no longer controlled by Council and this was also disposed.

In addition Real Estate for resale shown in Note 8a has been reclassified as non current asset, from current asset. The amount for 30 June 2017 is \$5,791.

These errors relate to an undetermined period making it impractical to restate prior period comparatives. Accordingly, Council has restated the opening balances of the earliest period presented being the 30 June 2017.

Adjustments to the comparative figures for the year ended 30 June 2017

	Original Balance 30 June 2017 \$'000s	Impact Increase/ (decrease) \$'000s	Restated Balance 30 June 2017 \$'000s
Statement of Financial Position			
Plant and Equipment	21,589	(65)	21,524
Community Land	348,428	(10,384)	338,044
Buildings -non-specialised	81,314	(150)	81,164
Buildings - specialised	109,545	(100)	109,445
Other structures	6,435	(17)	6,418
Roads	535,554	7,543	543,097
Bridges	94,098	(188)	93,910
Footpaths	124,723	(572)	124,151
Stormwater	522,839	(675)	522,164
Open Space / recreational assets	108,691	(41)	108,650
Total assets	2,535,798	(4,649)	2,531,149
Total liabilities	178,292	-	178,292
Reserves	974,735	(11,783)	962,952
Retained Earnings	1,382,771	7,134	1,389,905
Total equity	2,357,506	(4,649)	2,352,857

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 16. Statement of cash flows – additional information

\$ '000	Notes	2018	2017
(a) Reconciliation of cash assets			
Total cash and cash equivalent assets	6a	26,491	23,534
Balance as per the Statement of Cash Flows		26,491	23,534
(b) Reconciliation of net operating result to cash provided from operating activities			
Net operating result from Income Statement		48,766	69,467
Adjust for non-cash items:			
Depreciation and amortisation		60,067	61,271
Net losses/(gains) on disposal of assets		361	3,960
Non-cash capital grants and contributions		(18,167)	(24,795)
Losses/(gains) recognised on fair value re-measurements through the P&L:			
– Investments classified as 'at fair value' or 'held for trading'		(130)	(654)
– investment property		(5)	–
Amortisation of premiums, discounts and prior period fair valuations			
– Interest exp. on interest-free loans received by Council (previously fair valued)		567	730
Unwinding of discount rates on reinstatement provisions		1,989	1,894
Share of net (profits) or losses of associates/joint ventures		(803)	(525)
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		(3,383)	(2,000)
Increase/(decrease) in provision for doubtful debts		(122)	(251)
Decrease/(increase) in inventories		(8)	(5)
Decrease/(increase) in other assets		14	(7,473)
Increase/(decrease) in payables		597	(2,093)
Increase/(decrease) in other accrued expenses payable		(5,947)	6,460
Increase/(decrease) in other liabilities		425	(4,721)
Increase/(decrease) in employee leave entitlements		9	401
Increase/(decrease) in other provisions		(4,029)	(35)
Net cash provided from/(used in) operating activities from the Statement of Cash Flows		80,201	101,631
(c) Non-cash investing and financing activities			
Developer contributions 'in kind'		1,482	–
Other dedications		15,642	24,600
Contributed Art Works		313	–
Contributed Bush Fire Assets		730	28
Contributed Transport Assets (RMS)		–	167
Total non-cash investing and financing activities		18,167	24,795

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 17. Interests in other entities

\$ '000

	Council's share of net income		Council's share of net assets	
	2018	2017	2018	2017
Joint ventures	803	525	2,638	1,835
Total	803	525	2,638	1,835

(a) Joint arrangements

Joint ventures

Council has incorporated the following joint ventures into its consolidated financial statements.

(a) Net carrying amounts – Council's share

Name of entity	Nature of relationship	Measurement method	2018	2017
Civic West	Joint venture	Equity	1,584	988
Civic Risk	Joint venture	Equity	1,054	847
Total carrying amounts – material joint ventures			2,638	1,835

(b) Details

Name of entity	Principal activity
Civic West	Insurance
Civic Risk	Insurance

(c) Relevant interests and fair values

Name of entity	Quoted fair value		Interest in outputs		Interest in ownership		Proportion of voting power	
	2018	2017	2018	2017	2018	2017	2018	2017
Civic West	1,584	988	4%	3%	4%	3%	10%	10%
Civic Risk	1,054	847	12%	13%	12%	13%	6%	6%

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 17. Interests in other entities (continued)

\$ '000

(a) Joint arrangements (continued)

(d) Summarised financial information for joint ventures

Statement of financial position	Civic West		Civic Risk	
	2018	2017	2018	2017
Current assets				
Cash and cash equivalents	3,022	2,935	1,158	506
Other current assets	19,442	13,732	5,759	6,239
Non-current assets	41,740	47,434	5,989	5,889
Current liabilities				
Current financial liabilities (excluding trade and other payables and provisions)	6,111	5,008	2,690	2,890
Other current liabilities	720	688	299	423
Non-current liabilities				
Non-current financial liabilities (excluding trade and other payables and provisions)	15,612	20,429	1,448	2,830
Net assets	41,761	37,976	8,469	6,490
Reconciliation of the carrying amount				
Opening net assets (1 July)	37,976	32,195	6,490	7,287
Profit/(loss) for the period	5,913	7,465	1,978	(796)
Other adjustments to equity	(2,128)	(1,684)	–	–
Closing net assets	41,761	37,976	8,469	6,490
Council's share of net assets (%)	3.8%	2.6%	12.4%	13.1%
Council's share of net assets (\$)	1,584	988	1,054	847
Statement of comprehensive income				
Income	6,076	7,066	9,425	8,302
Interest income	3,261	3,757	439	584
Interest expense	(17)	(17)	–	–
Other expenses	(3,408)	(3,341)	(7,886)	(9,682)
Profit/(loss) from continuing operations	5,912	7,465	1,978	(796)
Rounding Adjustment	(2)	–	–	–
Total comprehensive income	5,913	7,465	1,978	(796)
Share of income – Council (%)	10.1%	8.2%	10.5%	10.9%
Profit/(loss) – Council (\$)	596	612	207	(87)
Total comprehensive income – Council (\$)	596	612	207	(87)
Summarised Statement of cash flows				
Cash flows from operating activities	113	3,219	903	(1,115)
Cash flows from investing activities	1,510	(2,396)	(250)	(1)
Cash flows from financing activities	(1,537)	(847)	–	–
Net increase (decrease) in cash and cash equivalents	86	(24)	653	(1,116)

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 17. Interests in other entities (continued)

\$ '000

(a) Joint arrangements (continued)

Accounting policy for joint arrangements

The Council has determined that it has only joint ventures.

Joint ventures

Interests in joint ventures are accounted for using the equity method in accordance with AASB128 *Investments in Associates and Joint Ventures*. Under this method, the investment is initially recognised as a cost and the carrying amount is increased or decreased to recognise the Council's share of the profit or loss and other comprehensive income of the joint venture after the date of acquisition.

If the Council's share of losses of a joint venture equals or exceeds its interest in the joint venture, the Council discontinues recognising its share of further losses.

The Council's share in the joint venture's gains or losses arising from transactions between itself and its joint venture are eliminated.

Adjustments are made to the joint venture's accounting policies where they are different from those of the Council for the purpose of the consolidated financial statements.

(b) Subsidiaries, joint arrangements and associates not recognised

The following subsidiaries, joint arrangements and associates have not been recognised in this financial report.

Name of entity/operation	Principal activity/type of entity	2018 Net profit	2018 Net assets
1. Illawarra Shoalhaven Joint Organisation	Inter-Governmental Collaboration Joint Venture	(242)	774
Reasons for non-recognition			
Council has assessed this operation as not material for recognition in these statements.			
2. Illawarra District Noxious Weed Authority	Administer Noxious Weeds Act Joint Venture	(19)	793
Reasons for non-recognition			
Council has assessed this operation as not material for recognition in these statements.			
3. Destination Wollongong	Tourism Development & Promotion Associate	8	57
Reasons for non-recognition			
Council has assessed this operation as not material for recognition in these statements.			
4. Illawarra Performing Arts Centre	Theatre & Town Hall Management Associate	5	309

Reasons for non-recognition

Council has assessed this operation as not material for recognition in these statements.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 18. Commitments for expenditure

\$ '000	2018	2017
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(a) Capital commitments (exclusive of GST)

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Property, plant and equipment

Buildings	2,957	112
Infrastructure	3,399	21,228
Total commitments	6,356	21,340

These expenditures are payable as follows:

Within the next year	6,356	21,340
Total payable	6,356	21,340

Sources for funding of capital commitments:

Unrestricted general funds	4,881	8,874
Future grants and contributions	1,415	165
Sect 64 and 94 funds/reserves	–	100
Unexpended grants	60	2,389
Externally restricted reserves	–	6,312
Unexpended loans	–	3,500
Total sources of funding	6,356	21,340

Details of capital commitments

Buildings include Stanwell Park Café, Austinmer Boatshed, Wombarra Pre School, Western Suburbs Pool Office & Amenities, Helensburgh RLFC.
Infrastructure includes Fowlers Road to Fairwater Drive, Coalcliff Beach Works, Yallah Bay Road Bridge, O'Brien's Road Pedestrian Bridge, Harry Graham Drive stabilise, King George V Oval lighting, The Parkway Balgownie Retaining Wall, Belmore Basin Embankment, Wombarra Rock Pool Retaining wall.

(b) Operating lease commitments (non-cancellable)

a. Commitments under non-cancellable operating leases at the reporting date, but not recognised as liabilities are payable:

Within the next year	335	100
Later than one year and not later than 5 years	661	400
Later than 5 years	612	699
Total non-cancellable operating lease commitments	1,608	1,199

b. Non-cancellable operating leases include the following assets:

Lease of Land for Dapto Ribbonwood Centre and lease of Warrawong Library.

Conditions relating to operating leases:

- All operating lease agreements are secured only against the leased asset.
- No lease agreements impose any financial restrictions on Council regarding future debt etc.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 19. Contingencies and other liabilities/assets not recognised

The following assets and liabilities do not qualify for recognition in the Balance Sheet, but their knowledge & disclosure is considered relevant to the users of Council's Financial Report.

LIABILITIES NOT RECOGNISED:

1. Bank Guarantees

Council has provided Bank Guarantees totalling \$414,123 as security over damages for work that may impact a third party.

Council is also Guarantor on a mortgage for a third party of \$180,000.

2. Third Party Claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its Insurance Coverage and does not expect any material liabilities to eventuate.

3. Development Contributions

Council levies Development Contributions upon various development across the Council area through the required Contributions Plans. As part of these Plans, Council has received funds for which it will be required to expend the monies in accordance with those Plans.

As well, these Plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's General Funds.

These future expenses do not yet qualify as liabilities as of the Reporting Date, but represent Councils intention to spend funds in the manner and timing set out in those plans.

4. Defined Benefit Superannuation Contribution Plans

Council participates in an employer sponsored Defined Benefit Superannuation Scheme, and makes contributions as determined by the Superannuation Scheme's Trustees.

Member Councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The Schemes most recent full actuarial review indicated that the Net Assets of the Scheme were not sufficient to meet the accrued benefits of the Schemes Defined Benefit member category with member Councils required to make a higher contribution during the reporting period. This amounted to \$1.868M for Council in 2017/18. Council's LTFM includes forecast payments of \$1.778M in 2018/19 and \$1.868M annually up to and including 2020/21.

The Local Government Superannuation Scheme however is unable to provide Council with an accurate estimate of its share of the net deficit and accordingly Council has not recorded any net liability from its Defined Benefit Scheme obligations in accordance with AASB 119.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable - similar to the accounting for Defined Contributions Plans.

5. Greenhouse Park

Council owns and manages a former landfill site at Greenhouse Park. The landfill was constructed prior to contemporary environmental regulations and used as both a putrescible and builders waste landfill. Following the closure of the site as a landfill, remediation of the site has been progressively occurring to transform the site into a natural area.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 19. Contingencies and other liabilities/assets not recognised (continued)

LIABILITIES NOT RECOGNISED:

5. Greenhouse Park (continued)

Council is also working with the EPA and specialised consultants to manage the landfill waste which was placed on the site. Total remediation costs at this stage are unknown and will be dependent on the remediation strategies implemented.

6. Helensburgh Landfill Site

Council manages a former landfill site at Helensburgh located off Halls Road/Nixon Place. The landfill was commenced prior to contemporary environmental regulations and was used at various times for both putrescible and builders construction waste. Following the closure of the site as a landfill, Council is required to remediate the site in accordance with EPA requirements and licence conditions. Council is currently working with EPA and specialised consultants to prepare the final design documentation for this project. Final remediation costs at this stage are in the order of \$8.7M to \$11.8M depending on the source of capping materials and the final design solution adopted. Council's current provision is approximately \$4.3M. If a shortfall eventuates this will impact the income statement.

7. Cleveland Road Stockpile

Council operated a stockpile adjacent to Cleveland Road to stockpile material for the road projects specified within the West Dapto Access Strategy. Recently a large amount of this stockpile has been incorporated within the Fowlers to Fairwater Stage 1 works. One of the stockpiles during testing was found to contain small amounts of Asbestos Containing Material and the known material has been subsequently removed from site to a licenced facility. The remainder of the stockpile is currently being tested to determine its classification for reuse or disposal. If the remaining material is found to be contaminated, the cost to dispose is in

7. Cleveland Road Stockpile (continued)

the order of \$1.3M, while reuse costs if the material is suitable, will be costed to the 'Fowlers to Fairwater' Project.

8. Native Title

In January 2018, the National Native Title Tribunal accepted registration of a native title claim that includes the Wollongong LGA. The claim will take some time to determine. Private freehold land, and certain other land owned by Council is not affected. Council will continue to pursue updates on the progress of the claim.

ASSETS NOT RECOGNISED:

1. Various Insurances - HIH & CIC

Council placed or was a party to various liability, property and workers compensation insurance policies with HIH & CIC. During 2000/2001 HIH & CIC went into liquidation. Both HIH & CIC remain responsible for payment of their portion of each Council claim incurred which exceeded Council's insurance excess. Council has recovered \$1,123,732 to date. The total of Council's unrecovered claims is currently \$1,173,770. At this time, based on the liquidator's estimated final dividend rates, Council expects to recover a further \$75,000 from the remaining assets of HIH & CIC.

2. Land Under Roads

As permitted under AASB 1051, Council has elected not to bring to account Land Under Roads that it owned or controlled up to & including 30/6/08.

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20. Financial risk management

\$ '000

Risk management

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's finance section under policies approved by the Council.

The fair value of Council's financial assets and financial liabilities approximates their carrying amount.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance area manages the cash and Investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the *Local Government Act 1993* and Ministerial Investment Order 625. This policy is regularly reviewed by Council and its staff and a monthly Investment report is provided to Council setting out the make-up and performance of the portfolio as required by Local Government regulations.

The risks associated with the investments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

(a) Market risk – price risk and interest rate risk

The following represents a summary of the sensitivity of Council's Income Statement and accumulated surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

2018	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
Possible impact of a 10% movement in market values	4,316	4,316	(4,316)	(4,316)
Possible impact of a 1% movement in interest rates	1,146	1,146	(1,146)	(1,146)
2017				
Possible impact of a 10% movement in market values	4,343	4,343	(4,343)	(4,343)
Possible impact of a 1% movement in interest rates	1,241	1,241	(1,241)	(1,241)

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 20. Financial risk management (continued)

\$ '000

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

The major risk associated with these receivables is credit risk – the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages the payment of debt.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

	2018 Rates and annual charges	2018 Other receivables	2017 Rates and annual charges	2017 Other receivables
(i) Ageing of receivables – %				
Current (not yet overdue)	0%	87%	0%	83%
Overdue	100%	13%	100%	17%
	100%	100%	100%	100%

(ii) Ageing of receivables – value

Rates and annual charges

	2018	2017
< 1 year overdue	5,331	7,410
1 – 2 years overdue	1,367	1,381
2 – 5 years overdue	851	803
> 5 years overdue	1,945	1,817
	9,494	11,411

Other receivables

	2018	2017
Current	14,052	10,403
0 – 30 days overdue	652	589
31 – 60 days overdue	328	61
61 – 90 days overdue	82	112
> 91 days overdue	956	1,306
	16,070	12,471

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20. Financial risk management (continued)

\$ '000

(c) Liquidity risk

Payables and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities and interest rate structures.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's payables and borrowings are set out in the maturity table below:

\$ '000	Weighted average interest rate	Subject to no maturity	payable in:			Total cash outflows	Actual carrying values
			≤ 1 Year	1 – 5 Years	> 5 Years		
2018							
Trade/other payables	0.00%	1,605	25,194	700	–	27,499	27,454
Loans and advances	1.50%	–	8,814	27,448	3,313	39,575	32,755
Total financial liabilities		1,605	34,008	28,148	3,313	67,074	60,209
2017							
Trade/other payables	0.00%	2,557	36,103	–	–	38,660	38,660
Loans and advances	1.50%	–	8,814	26,556	7,220	42,590	39,701
Total financial liabilities		2,557	44,917	26,556	7,220	81,250	78,361

Wollongong City Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 21. Material budget variations

Council's original financial budget for 17/18 was adopted by the Council on 26 June 2017 and is not required to be audited.

While the Income Statement included in this General Purpose Financial Report must disclose the original budget adopted by Council, the *Local Government Act 1993* requires Council to review its financial budget on a quarterly basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This note sets out the details of **material variations** between Council's original budget and its actual results for the year as per the Income Statement – even though such variations may have been adjusted for during each quarterly budget review.

Note that for variations* of budget to actual :

Material variations represent those variances that amount to **10%** or more of the original budgeted figure.

F = Favourable budget variation, **U** = Unfavourable budget variation

\$ '000	2018 Budget	2018 Actual	2018 ----- Variance* -----		
REVENUES					
Rates and annual charges	190,940	191,449	509	0%	F
User charges and fees	35,691	34,805	(886)	(2%)	U
Interest and investment revenue	4,321	5,162	841	19%	F
Interest & investment income is greater due to increased cash holdings for a significant part of the year due to timing of delivery of projects, favourable operating performance and positive fair valuation of a number of investment assets.					
Other revenues	9,705	10,551	846	9%	F
Operating grants and contributions	20,838	31,364	10,526	51%	F
Operating grants are affected by the early receipt of two instalments of the Financial Assistance Grant (\$9.5M) and additional grants received during the year.					
Capital grants and contributions	44,858	40,637	(4,221)	(9%)	U
Fair value increment on investment property	–	5	5	0%	F
No movement was anticipated on investment property valuation for 2017/18 budget purposes.					
Joint ventures and associates - net profits	–	803	803	0%	F
Council's budget does not currently provide for potential movements in joint ventures as these valuations are impacted by a range of external variables that cannot be easily determined.					

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 21. Material budget variations (continued)

\$ '000	2018 Budget	2018 Actual	2018 ----- Variance* -----		
EXPENSES					
Employee benefits and on-costs	110,205	107,843	2,362	2%	F
Borrowing costs	3,849	3,819	30	1%	F
Materials and contracts	52,052	53,709	(1,657)	(3%)	U
Depreciation and amortisation	64,340	60,067	4,273	7%	F
Other expenses	39,480	40,211	(731)	(2%)	U
Net losses from disposal of assets	-	361	(361)	0%	U

Budget variations relating to Council's Cash Flow Statement include:

Cash flows from operating activities	100,807	80,201	(20,606)	(20.4%)	U
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The lower level of cash flow compared to original budget is largely attributed to a change in timing of land release in the West Dapto subdivision area which has resulted in a lower level of developer contributions (\$25.7M) that has been partially offset by the early payment of the first two quarter of the 2018-19 Financial Assistance Grant (\$9.5M) in June 2018.

Cash flows from investing activities	(89,993)	(69,731)	20,262	(22.5%)	F
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This is primarily due to a net sale (decrease) of investment securities necessitated by lower than anticipated cash from operating activities.

Cash flows from financing activities	(7,486)	(7,513)	(27)	0.4%	U
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Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 22. Fair value measurement

\$ '000

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, property, plant and equipment
- Investment property
- Financial assets and liabilities

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

2018	Date of latest valuation	Fair value measurement hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements					
Financial assets					
Investments					
– 'Designated at fair value on initial recognition'	30/06/18	–	–	43,162	43,162
Total financial assets		–	–	43,162	43,162
Investment property					
Commercial building	30/06/18	–	–	4,780	4,780
Total investment property		–	–	4,780	4,780
Infrastructure, property, plant and equipment					
Roads	30/06/17	–	–	548,394	548,394
Bridges	30/06/17	–	–	98,172	98,172
Footpaths	30/06/17	–	–	130,662	130,662
Stormwater	30/06/17	–	–	523,775	523,775
Plant and equipment	30/06/18	–	–	22,350	22,350
Office equipment	30/06/18	–	–	3,745	3,745
Furniture and fittings	30/06/18	–	–	1,867	1,867
Operational land	30/06/14	–	–	170,106	170,106
Community land	30/06/16	–	–	338,951	338,951
Land under roads	30/06/14	–	–	30,165	30,165
Buildings	30/06/14	–	–	188,583	188,583
Other structures	30/06/16	–	–	5,967	5,967
Swimming pools	30/06/16	–	–	6,805	6,805
Library books	30/06/18	–	–	4,451	4,451
Other open space/recreational assets	30/06/16	–	–	109,986	109,986
Tip asset	30/06/18	–	–	5,724	5,724
Works in progress	30/06/18	–	–	119,560	119,560
Artworks	30/06/17	–	–	12,842	12,842
Other	30/06/16	–	–	34,201	34,201
Total infrastructure, property, plant and equipment		–	–	2,356,306	2,356,306

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 22. Fair value measurement (continued)

\$ '000

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values: (continued)

2017	Date of latest valuation	Fair value measurement hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements					
Financial assets					
Investments					
– 'Designated at fair value on initial recognition'	30/06/17	–	–	43,428	43,428
Total financial assets		–	–	43,428	43,428
Investment property					
Commercial building	30/06/17	–	–	4,775	4,775
Total investment property		–	–	4,775	4,775
Infrastructure, property, plant and equipment					
Roads	30/06/17	–	–	543,097	543,097
Bridges	30/06/17	–	–	93,910	93,910
Footpaths	30/06/17	–	–	124,151	124,151
Stormwater	30/06/17	–	–	522,164	522,164
Plant and equipment	30/06/17	–	–	21,524	21,524
Office equipment	30/06/17	–	–	3,060	3,060
Furniture and fittings	30/06/17	–	–	1,478	1,478
Operational land	30/06/14	–	–	169,578	169,578
Community land	30/06/16	–	–	338,044	338,044
Land under roads	30/06/14	–	–	30,127	30,127
Buildings	30/06/14	–	–	190,609	190,609
Other structures	30/06/16	–	–	6,418	6,418
Swimming pools	30/06/16	–	–	7,280	7,280
Library books	30/06/16	–	–	4,358	4,358
Other open space/recreational assets	30/06/16	–	–	108,650	108,650
Tip asset	30/06/17	–	–	10,807	10,807
Works in progress	30/06/17	–	–	89,997	89,997
Artworks	30/06/17	–	–	12,369	12,369
Other	30/06/16	–	–	32,007	32,007
Total infrastructure, property, plant and equipment		–	–	2,309,628	2,309,628
Non-recurring fair value measurements					
Non-current assets classified as 'held for sale'					
Flinders Street North Wollongong	30/06/14	–	–	6,381	6,381
Total NCA's classified as 'held for sale'		–	–	6,381	6,381

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 22. Fair value measurement (continued)

(2) Valuation techniques used to derive Level 2 and Level 3 Fair Values

Where Council is unable to derive Fair Valuations using quoted market prices of identical assets (i.e. Level 1 inputs), Council instead utilises a spread of both observable inputs (Level 2 inputs) and unobservable inputs (Level 3 inputs).

Level 2 inputs include;

- quoted prices for similar assets in active markets,
- quoted prices for identical or similar assets in markets that are not active,
- inputs other than quoted prices that are observable (e.g. interest rates, credit spreads etc.) and
- market corroborated inputs.

Level 3 inputs are unobservable inputs. If an observable input (Level 2) requires an adjustment using an unobservable input and that adjustment results in a significantly higher or lower fair value measurement, the resulting measurement is categorised within Level 3 of the fair value hierarchy. Council uses unobservable inputs to the extent relevant observable inputs are not available. But the objective remains the same; i.e. an exit price from the perspective of market participants. Therefore, unobservable inputs reflect the assumptions market participants would use when pricing, including assumptions about risk. Assumptions about risk include risk inherent in a particular valuation technique and risk inherent in inputs to the technique. Such an adjustment may be necessary if there is a significant measurement uncertainty.

Unobservable inputs have been developed using the best information available, which includes Council's own data. In some cases, Council adjusts its own data if reasonable available information indicates other market participants would use different data or if there is an entity specific synergy (i.e. not available to other market participants).

Level 3 inputs include;

- Unit Rates,
- Unit Price,
- Asset Condition,
- Remaining Useful Life,
- Future Demands,
- Borrowing Rates

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 22. Fair value measurement (continued)

The Fair Valuation techniques Council has employed while utilising Level 2 and Level 3 inputs are as follows:

Financial Assets

Valuation Technique – A portion of Council's investment portfolio is measured at fair value (i.e. market approach).

Fair Value Hierarchy – the fair value has been derived from the current price in an active market for similar assets. Emerald Reverse Mortgage investment securities form part of this portion of Council's portfolio. The market for Australian mortgage backed securities, regardless of the robustness of the structure, is highly illiquid as a direct consequence of the global financial crisis. This has caused difficulties in valuing the security as there is limited "price discovery" in the market. As such the level of valuation input for Council's fair valued investments was considered a Level 3.

Investment Property

Valuation Technique – Council's Investment Property is measured using sales direct comparison based on a market selling approach (i.e. market approach).

Fair Value Hierarchy - the fair value has been derived from the sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant inputs into this valuation approach are rental yields and price per square metre.

The level of evidence to support the critical assumptions of Council's investment property valuation was considered to be significant due to high levels of variability in the market for rental yields and future demands. As such the level of valuation input for these properties was considered level 3.

Infrastructure, Property, Plant & Equipment

Infrastructure – Council's Infrastructure incorporates;

- Roads - Surface and bases, Car Parks, Kerb and Guttering and Traffic Facilities (speed humps, bollards and signs),
- Bridges – Road, Pedestrian and Jetties,
- Footpaths including shared pathways and
- Stormwater Drainage

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 22. Fair value measurement (continued)

Valuation Technique – Infrastructure assets are recognised using the cost method, which equates to the current replacement cost of a modern equivalent asset. The cost to replace the asset is to equal the amount that a market participant buyer of that asset would pay to acquire it.

Fair Value Hierarchy - the general valuation approach to determine the fair value of Council's infrastructure inventory is to determine a unit rate based on square metres or an appropriate unit corroborated by market evidence (Level 2 input). A process is then undertaken to compare these rates with internal unit rates derived by Council as a result of specific projects that have been undertaken. Further to this other input such as asset condition and useful life require a significant level of professional judgement and can impact significantly on the fair value. As such the level of valuation input for these assets was considered level 3.

Property Plant & Equipment, Office Equipment & Furniture & Fittings incorporate:

- Property, Plant & Equipment – Trucks, Tractors, Graders, Rollers, Buses, Vans, Passenger Vehicles, Mobile Equipment (i.e. generators, hand mowers, tools), Fluid storage units (i.e. septic tanks, water tanks),
- Office Equipment – Electronic Whiteboards, Printing Equipment, Safes and I.T. equipment such as computers, printers and scanners,
- Furniture & Fittings – Chairs, Tables, Filing Cabinets, Bookshelves, Compactuses,

Valuation Technique – These assets are recognised at depreciated historical cost as an acceptable substitute for fair value because any difference between fair value and depreciated historical cost is unlikely to be material.

Fair Value Hierarchy – The key unobservable unit to the valuation of this category is asset condition and useful life. The condition of assets is reviewed on an annual basis and an assessment of remaining life undertaken based on these results.

Operational Land

Valuation Technique – Council's Operational Land is measured using a comparative market selling approach (i.e. market approach).

Fair Value Hierarchy – the fair value has been derived from the sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant inputs into this valuation approach is price per square metre. The level of evidence to support the critical assumptions of Council's operational land valuation was considered to be significant due to high levels of variability in the market for similar properties and future demands. As such the level of valuation input for these properties was considered level 3.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 22. Fair value measurement (continued)

Community Land

Valuation Technique – Council's Community Land is measured using comparative Land Values (LV) provided by the Valuer General (VG) or an average unit rate based on a comparable LV for similar properties (i.e. market approach).

Fair Value Hierarchy – the fair value has been derived from the LV's provided by the Valuer General or an average unit rate based on the LV for similar properties where the Valuer General did not provide a LV. The most significant input into this valuation approach is price per square metre. Valuations provided by the Valuer General are not in the public domain and the application of an average rate requires a level of professional judgement. As such the level of valuation input for these properties was considered level 3.

Land Under Roads

Valuation Technique – Land is generally valued using comparative Land Values (LV) provided by the Valuer General (VG) or an average unit rate based on a comparable LV for similar properties (i.e. market approach).

Fair Value Hierarchy – The existing use fair value of land under roads is best expressed as undeveloped or en globo land (pre-subdivision). However, as sufficient sales evidence of en globo land with similar features to the land being valued is generally not available, it is appropriate to use a proxy to estimate the en globo value. Community land value is used as a reasonable proxy to value land under roads, as such land generally has no feasible alternative use, and it is undeveloped and is publicly accessible. As such the level of valuation input for these properties was considered level 3.

Buildings – Non-Specialised and Specialised

Valuation Technique – Buildings are recognised using the cost method, which equates to the current replacement cost of a modern equivalent asset. The cost to replace the asset is equal to the amount that a market participant buyer of that asset would pay to acquire it.

Fair Value Hierarchy – Specialised and Non-Specialised buildings are generally assessed at level 3 of the fair value hierarchy due to lack of market evidence. Key inputs are unit rates and remaining useful life. The exception is non-specialised residential properties which have been valued using sale prices of comparable properties (level 2). The most significant input into this valuation approach is price per square metre. The level of evidence to support the critical assumptions of Council's residential property valuation was considered to be significant due to high levels of variability in the market for rental yields and future demands. As such the level of valuation input for all buildings was considered level 3.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 22. Fair value measurement (continued)

Intangible Assets

Valuation Technique – These assets are recognised at depreciated historical cost as an acceptable substitute for fair value because any difference between fair value and depreciated historical cost is unlikely to be material.

Fair Value Hierarchy – The key unobservable unit to the valuation of this category is asset condition and useful life. The condition of assets is reviewed on an annual basis and an assessment of remaining life undertaken based on these results.

Other Structures

Other Structures incorporates Bus Shelters, Shade Structures, Picnic Shelters and BBQ Shelters.

Valuation Technique – Other Structures are recognised at depreciated historical cost as an acceptable substitute for fair value because any difference between fair value and depreciated historical cost is unlikely to be material.

Fair Value Hierarchy – The key unobservable unit to the valuation of this category is asset condition and useful life. The condition of assets is reviewed on an annual basis and an assessment of remaining life undertaken based on these results.

Other Open Space / Recreational Assets

Other Open Space/Recreational Assets incorporate Off-road Footpaths, Park Assets including Playgrounds, Skateboard Facilities, Tennis Courts, Furniture and Landscaping and Power Poles.

Valuation Technique – Other Open Space/Recreational Assets are recognised using the cost method (e.g. Off-Road Footpaths).

Fair Value Hierarchy – while some elements of the cost method can be supported by market evidence (Level 2) other factors require professional judgement such as asset condition and useful life. As these inputs can have a significant impact on the fair value the valuation input all Other Open Space / Recreational Assets were considered level 3.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 22. Fair value measurement (continued)

Swimming Pools – Structures

Valuation Technique – Swimming Pools and Rock Pools are valued using the cost approach, which equates to the current replacement cost of a modern equivalent asset. The cost to replace the asset is to equal the amount that a market participant buyer of that asset would pay to acquire it. External Valuer Ninnes Fong undertook the original valuation in 2009. An internal valuation was undertaken during the 2016 financial year.

Fair Value Hierarchy - the general valuation approach to determine the fair value of Council's swimming pool inventory is to determine a unit rate based on square metres corroborated by market evidence (Level 2 input). A process is then undertaken to compare these rates with internal unit rates derived by Council as a result of specific work that has been undertaken. Further to this other input such as asset condition and useful life require a significant level of professional judgement and can impact significantly on the fair value. As such the level of valuation input for these properties was considered level 3.

Artworks

Valuation Technique – Art Works are valued using the cost approach, which equates to the current replacement cost of a modern equivalent asset. The cost to replace the asset is to equal the amount that a market participant buyer of that asset would pay to acquire it.

Fair Value Hierarchy - the general valuation approach to determine the fair value of Council's Artworks is to use the market price or purchase price of the original transaction or if the work is in the form of a donation an external valuation is undertaken corroborated by market evidence (Level 2 input). It is noted that the valuation process requires a significant level of professional judgement and this can impact significantly on the fair value. As such the level of valuation input for artworks was considered level 3.

Library Books

Valuation Technique – These assets are recognised at depreciated historical cost as an acceptable substitute for fair value because any difference between fair value and depreciated historical cost is unlikely to be material.

Fair Value Hierarchy – The key unobservable unit to the valuation of this category is asset condition and useful life. The condition of assets is reviewed on an annual basis and an assessment of remaining life undertaken based on these results.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 22. Fair value measurement (continued)

Other Assets

Other Assets is a catch all for the remaining assets held by Council and includes Waste Assets such as Cell Development and Liners, Public Art, Power Poles and Crematorium and Cemetery Beams and Walls.

Valuation Technique - Other Assets are recognised using the cost method.

Fair Value Hierarchy – While some elements of the cost method can be supported by market evidence (Level 2) others factors require professional judgement such as asset condition and useful life. As these inputs can have a significant impact on the fair value the valuation input all Other Assets were considered level 3.

Tip Remediation Asset

Valuation Technique – Council's Tip Remediation Asset is measured using the cost method.

Fair Value Hierarchy – Whytes Gully Waste Disposal Depot will require remediation and restoration works to be carried out during and at the end of its useful life. The cash outflows relating to these remediation and restoration works have been modelled and recognised as an asset in Note 9 of Council's statements. Key unobservable inputs are the discount rate, cost escalation rate, timing of costs and future environmental management requirements. As such the level of valuation input for Council's fair valued tip asset was considered a Level 3.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 22. Fair value measurement (continued)

A summary of the Fair Valuation techniques Council has employed while utilising Level 2 and Level 3 inputs are as follows:

Asset Category	Valuation Frequency	Description of Process	Valuer*	Responsibility
Financial Assets	Monthly	Monthly valuation using the current price in an active market for similar assets	External	Finance Division
Investment Properties	Annually	Assessed each year for material change and adjusted accordingly	External	Property Division
Infrastructure	5 years	Full valuation using current unit rates and comparable work. Assessed each year for material change and adjusted accordingly	Internal	Infrastructure & Strategic Planning Division
Property Plant & Equipment	Annually	Assessment of remaining useful life undertaken with adjustments to consumption patterns that may impact fair value	Internal	Finance Division
Office Equipment & Furniture & Fittings	Annually	Assessment of remaining useful life undertaken with adjustments to consumption patterns that may impact fair value	Internal	Finance Division
Operational Land	5 Years	Full valuation every 5 years or index applied annually if material	External	Property Division
Community Land	5 Years	Valuer General Land Values or Average Unit Rate for similar properties if not available	Valuer General / Internal	Property / Finance Division
Land Under Roads	5 Years	Valuer General Land Values or Average Unit Rate used as proxy to derive englobo rate	Valuer General / Internal	Finance Division
Buildings – Non Specialised & Specialised	5 Years	Full valuation every 5 years or index applied annually if material	External / Internal	Infrastructure & Strategic Planning Division / Property Division

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 22. Fair value measurement (continued)

Asset Category	Valuation Frequency	Description of Process	Valuer	Responsibility
Intangibles	5 years	Assessment of remaining useful life undertaken with adjustments to consumption patterns that may impact fair value	Internal	Finance Division
Other Structures	5 years	Assessment of remaining useful life undertaken with adjustments to consumption patterns that may impact fair value	Internal	Infrastructure & Strategic Planning Division
Other Open Space / Recreational Assets	5 years	Full valuation every 5 years or index applied annually if material	Internal	Infrastructure & Strategic Planning Division
Swimming Pools - Structures	5 years	Full valuation every 5 years or index applied annually if material	External / Internal	Infrastructure & Strategic Planning Division
Library Books	Annually	Assessment of remaining useful life undertaken with adjustments to consumption patterns that may impact fair value	Internal	Finance Division
Other Assets	5 years	Full valuation every 5 years or index applied annually if material	Internal	Various
Tip Remediation Asset	Annually	Reassessment of discount rate and application to discounted cash flows if material	Internal	Finance Division

* Internal Valuation refers to the utilisation of in-house expertise to value Council's assets.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 22. Fair value measurement (continued)

\$ '000

(3). Fair value measurements using significant unobservable inputs (level 3)

a. The following tables present the changes in level 3 fair value asset classes.

	Financial assets	Investment property	IPP&E	Total
Opening balance – 1/7/16	31,663	4,775	2,270,419	2,306,857
Transfers from/(to) another asset class	–	–	(6,380)	(6,380)
Purchases (GBV)	11,125	–	119,994	131,119
Disposals (WDV)	(30)	–	(7,199)	(7,229)
Depreciation and impairment	–	–	(60,671)	(60,671)
FV gains – other comprehensive income	–	–	(511)	(511)
FV gains – Income Statement	670	–	–	670
Prior period errors	–	–	(4,649)	(4,649)
Impairment (refer Note 4d)	–	–	(760)	(760)
Land remediation reversal	–	–	(315)	(315)
Transfer to expense	–	–	(300)	(300)
Closing balance – 30/6/17	43,428	4,775	2,309,628	2,357,831
Purchases (GBV)	3,348	–	114,042	117,390
Disposals (WDV)	(4,057)	–	(8,447)	(12,504)
Depreciation and impairment	–	–	(59,673)	(59,673)
FV gains – other comprehensive income	–	–	5,692	5,692
FV gains – Income Statement	443	5	–	448
Waste remediation reassessment	–	–	(4,863)	(4,863)
Transfer to expense	–	–	(73)	(73)
Closing balance – 30/6/18	43,162	4,780	2,356,306	2,404,248

	Held for sale assets	IPP&E	Total
Opening balance – 1/7/16	–	6,381	6,381
Transfers from/(to) another asset class	6,381	(6,381)	–
Closing balance – 30/6/17	6,381	–	6,381
Disposals (WDV)	(6,381)	–	(6,381)
Closing balance – 30/6/18	–	–	–

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 23. Related party transactions

\$ '000

a. Key management personnel

Key management personnel (KMP) of the Council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

Compensation:	2018	2017
Short-term benefits	2,176	1,955
Termination benefits	–	2
Total	2,176	1,957

b. Other transactions with KMP and their related parties

Council has assessed other transactions with KMP and their related parties as not material for recognition in these statements.

c. Other related party transactions

Nature of the transaction	Value of transactions during year	Outstanding balance (incl. loans and commitments)	Terms and conditions
2018	\$		
Associate			
Marketing, events, business and investment in LGA	1,375,691	–	Amounts provided under a funding agreement.
LGA Major Events	20,000	–	Amounts provided under a funding agreement.
Subsidised office space	146,000	–	Amounts provided under a funding agreement.
Event sponsorship & support	90,800	–	Based on specific events
Feasibility study	7,500	–	
Visitor guide	3,950	–	
Partner program	3,341	–	
Contribution to Green Bus Service Extension	3,255	–	
Commission on accommodation bookings	665	–	
Associate			
Contribution for management of the Performing Arts Centre	689,829	–	Amounts provided under a funding agreement.
Town Hall management	375,000	–	Amounts provided under a funding agreement.
Community Subsidy	22,727	–	Amounts provided under a funding agreement.
Venue Hire	10,956	–	
Ticket Purchase	9,311	–	
Town Hall - Evacuation Ushers	5,546	–	
Student Transportation	736	–	
Power Supply for event	187	–	

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 23. Related party transactions (continued)

c. Other related party transactions (continued)

Nature of the transaction	Value of transactions during year	Outstanding balance (incl. loans and commitments)	Terms and conditions
			Amounts provided under a funding agreement
2017			
Associate	1,010,188	–	Marketing, events, business and investment in LGA.
	331,950	–	LGA Major events.
	146,000	–	Subsidised office space
Associate			Amounts provided under a funding agreement.
	673,175	–	Contribution for Management of the Performing Arts Centre
	350,000	–	Town Hall management.

Note 24. Events occurring after the reporting date

Council is unaware of any material or significant 'non-adjusting events' that should be disclosed.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 25. Statement of developer contributions

\$ '000

Council recovers contributions, raises levies and enters into planning agreements on development works that are subject to a development consent issued by Council. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions and levies and the value of all remaining funds which are 'restricted' in their future use.

SUMMARY OF CONTRIBUTIONS AND LEVIES

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Drainage	3,910	55	–	123	–	–	4,088	–
Roads	(3,967)	1,857	–	(144)	(5,497)	–	(7,751)	–
Open space	3,568	1,645	–	147	–	–	5,360	–
Community facilities	738	348	–	30	–	–	1,116	–
Administration	(817)	5	–	(29)	(336)	–	(1,177)	–
Public transport	555	5	–	17	–	–	577	–
S7.11 contributions – under a plan	3,987	3,915	–	144	(5,833)	–	2,213	–
S7.12 levies – under a plan	12,062	5,066	49	422	(1,333)	–	16,266	–
Total S7.11 and S7.12 revenue under plans	16,049	8,981	49	566	(7,166)	–	18,479	–
S7.11 not under plans	318	9	–	10	–	–	337	–
S7.4 planning agreements	–	141	1,433	4	(1,433)	–	145	–
Total contributions	16,367	9,131	1,482	580	(8,599)	–	18,961	–

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 25. Statement of developer contributions (continued)

\$ '000

S7.11 CONTRIBUTIONS – UNDER A PLAN

CONTRIBUTION PLAN - WEST DAPTO

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Drainage	3,910	55	–	123	–	–	4,088	–
Roads	(3,967)	1,857	–	(144)	(5,497)	–	(7,751)	–
Open space	3,568	1,645	–	147	–	–	5,360	–
Community facilities	738	348	–	30	–	–	1,116	–
Administration	(817)	5	–	(29)	(336)	–	(1,177)	–
Public transport	555	5	–	17	–	–	577	–
Total	3,987	3,915	–	144	(5,833)	–	2,213	–

S7.12 LEVIES – UNDER A PLAN

CONTRIBUTION PLAN - WOLLONGONG

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
City Wide	13,539	4,020	49	459	(1,249)	–	16,818	–
City Centre	(1,477)	1,046	–	(37)	(84)	–	(552)	–
Total	12,062	5,066	49	422	(1,333)	–	16,266	–

- A** The Wollongong S94A plan is a levy based plan that reflects development activity in the Local Government Area excluding areas covered by the West Dapto Section 94 Plan.
- B** Figures provided include amounts collected under the Section 94A Plan as well as contributions received from relevant development consents approved prior to 2006 that contained conditions for contributions to be made, under now repealed Section 94 plans. These are transferred and applied towards items within the Section 94A Plan Works schedule as the Section 94A is the replacement for the plans repealed in June 2006.

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 25. Statement of developer contributions (continued)

\$ '000

S7.11 CONTRIBUTIONS – NOT UNDER A PLAN

CONTRIBUTION PLAN - CALDERWOOD

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Roads	318	9	–	10	–	–	337	–
Total	318	9	–	10	–	–	337	–

- A** The Calderwood Urban Release Area was historically in the Shellharbour City Local Government Area. However, the Urban Release Area was later expanded during the State Government's major project approval process to include land that straddles the local government boundary, which comprises 107 hectares of land in the Wollongong Local Government Area at Marshall Mount.
- B** In 2013, the Land and Environment Court imposed a development contribution condition on Stage 1 of the Calderwood development within Shellharbour City Council Local Government area, requiring the payment of a contribution of \$1,320 per lot to Wollongong City Council to be used towards the upgrades of Marshall Mount Road and Yallah Road. The payments reflected in the above relate to these court proceedings.
- C** Wollongong City Council and Lendlease Communities (Australia) Limited have entered into a Planning Agreement for the remainder of the contributions relating to the Calderwood development. No contributions have been received as a result of the Planning Agreement.

S7.4 planning agreements

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Roads	–	141	1,433	4	(1,433)	–	145	–
Total	–	141	1,433	4	(1,433)	–	145	–

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 26. Financial result and financial position by fund

Council utilises only a general fund for its operations.

Note 27(a). Statement of performance measures – consolidated results

\$ '000	Amounts	Indicator	Prior periods		Benchmark
	2018	2018	2017	2016	
Local government industry indicators – consolidated					
1. Operating performance ratio					
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions less operating expenses	<u>7,552</u>	2.76%	10.74%	0.87%	> 0.00%
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions	<u>273,201</u>				
2. Own source operating revenue ratio					
Total continuing operating revenue ⁽¹⁾ excluding all grants and contributions	<u>241,837</u>	77.06%	74.75%	79.55%	> 60.00%
Total continuing operating revenue ⁽¹⁾	<u>313,838</u>				
3. Unrestricted current ratio					
Current assets less all external restrictions ⁽²⁾	<u>121,584</u>	2.93x	2.65x	2.25x	> 1.5x
Current liabilities less specific purpose liabilities ^(3, 4)	<u>41,472</u>				
4. Debt service cover ratio					
Operating result ⁽¹⁾ before capital excluding interest and depreciation/impairment/amortisation	<u>71,438</u>	6.30x	8.51x	6.44x	> 2x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	<u>11,332</u>				
5. Rates, annual charges, interest and extra charges outstanding percentage					
Rates, annual and extra charges outstanding	<u>9,494</u>	4.66%	5.88%	4.79%	< 5% metro
Rates, annual and extra charges collectible	<u>203,728</u>				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	<u>114,606</u>	5.83 mths	6.9 mths	7.3 mths	> 3 mths
Payments from cash flow of operating and financing activities	<u>19,670</u>				

Notes

⁽¹⁾ Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and the net share of interests in joint ventures and associates.

⁽²⁾ Refer Notes 6-8 inclusive.

Also excludes any real estate and land for resale not expected to be sold in the next 12 months.

⁽³⁾ Refer to Notes 13 and 14.

⁽⁴⁾ Refer to Note 13(b) and 14(a) – excludes all payables and provisions not expected to be paid in the next 12 months (incl. ELE).

Wollongong City Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 27(b). Statement of performance measures – consolidated results (graphs)

<p>1. Operating performance ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>2%</td> </tr> <tr> <td>2016</td> <td>1%</td> </tr> <tr> <td>2017</td> <td>11%</td> </tr> <tr> <td>2018</td> <td>3%</td> </tr> </tbody> </table>	Year	Ratio %	2015	2%	2016	1%	2017	11%	2018	3%	<p>Purpose of operating performance ratio</p> <p>This ratio measures Council's achievement of containing operating expenditure within operating revenue.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 ratio 2.76%</p> <p>The 2017 result has been favourably distorted by the early payment of the first two quarters of the 2017/18 Financial Assistance Grant (\$9M) and the elimination of carbon tax liability (\$4.1M) . The variation has been further impacted by election cost (\$1M) and abnormal material disposal costs (\$2.8M) in 2017/18. Without these abnormal variations, this indicator would be 5.2% and 5.9% for 2016/17 and 2017/18 respectively.</p>
Year	Ratio %											
2015	2%											
2016	1%											
2017	11%											
2018	3%											
<p>Benchmark: Minimum >=0.00% Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p> Ratio achieves benchmark Ratio is outside benchmark</p>											
<p>2. Own source operating revenue ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>81%</td> </tr> <tr> <td>2016</td> <td>80%</td> </tr> <tr> <td>2017</td> <td>75%</td> </tr> <tr> <td>2018</td> <td>77%</td> </tr> </tbody> </table>	Year	Ratio %	2015	81%	2016	80%	2017	75%	2018	77%	<p>Purpose of own source operating revenue ratio</p> <p>This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 ratio 77.06%</p> <p>This result is consistent with previous reporting periods. It is noted that total revenue includes non-cash contributed assets which fluctuate from year to year and impact this result.</p>
Year	Ratio %											
2015	81%											
2016	80%											
2017	75%											
2018	77%											
<p>Benchmark: Minimum >=60.00% Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p> Ratio achieves benchmark Ratio is outside benchmark</p>											
<p>3. Unrestricted current ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio (x)</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>2.2</td> </tr> <tr> <td>2016</td> <td>2.3</td> </tr> <tr> <td>2017</td> <td>2.6</td> </tr> <tr> <td>2018</td> <td>2.9</td> </tr> </tbody> </table>	Year	Ratio (x)	2015	2.2	2016	2.3	2017	2.6	2018	2.9	<p>Purpose of unrestricted current ratio</p> <p>To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 ratio 2.93x</p> <p>1. Council's strategy is to maximise the use of available funds and target a lean unrestricted ratio. 2. Cash assets held for future waste facility requirements are held in the unrestricted ratio. As the requirements to hold funds for waste facility rehabilitation is significant the measure is expected to increase until payments are required.</p>
Year	Ratio (x)											
2015	2.2											
2016	2.3											
2017	2.6											
2018	2.9											
<p>Benchmark: Minimum >=1.50 Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p> Ratio achieves benchmark Ratio is outside benchmark</p>											

Wollongong City Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 27(b). Statement of performance measures – consolidated results (graphs)

<p>4. Debt service cover ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio (x)</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>7.6</td> </tr> <tr> <td>2016</td> <td>6.4</td> </tr> <tr> <td>2017</td> <td>8.5</td> </tr> <tr> <td>2018</td> <td>6.3</td> </tr> </tbody> </table> <p>Benchmark: — Minimum ≥ 2.00 Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	Year	Ratio (x)	2015	7.6	2016	6.4	2017	8.5	2018	6.3	<p>Purpose of debt service cover ratio</p> <p>This ratio measures the availability of operating cash to service debt including interest, principal and lease payments</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 ratio 6.30x</p> <p>The result indicates that Council can adequately service its outstanding debt.</p>
Year	Ratio (x)											
2015	7.6											
2016	6.4											
2017	8.5											
2018	6.3											
<p>5. Rates, annual charges, interest and extra charges outstanding percentage</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>5.48%</td> </tr> <tr> <td>2016</td> <td>4.79%</td> </tr> <tr> <td>2017</td> <td>5.88%</td> </tr> <tr> <td>2018</td> <td>4.66%</td> </tr> </tbody> </table> <p>Benchmark: — Maximum $< 5.00\%$ Source for Benchmark: Code of Accounting Practice and Financial Reporting #26</p>	Year	Ratio %	2015	5.48%	2016	4.79%	2017	5.88%	2018	4.66%	<p>Purpose of rates and annual charges outstanding ratio</p> <p>To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 ratio 4.66%</p> <p>The on-going development of improved recovery processes has continued for all classes of rate payers and this is reflected in this result. One such recovery strategy that has been implemented entails contacting the corporate ratepayers to remind them that instalments are due.</p>
Year	Ratio %											
2015	5.48%											
2016	4.79%											
2017	5.88%											
2018	4.66%											
<p>6. Cash expense cover ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio (mths)</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>8.0</td> </tr> <tr> <td>2016</td> <td>7.3</td> </tr> <tr> <td>2017</td> <td>6.9</td> </tr> <tr> <td>2018</td> <td>5.8</td> </tr> </tbody> </table> <p>Benchmark: — Minimum ≥ 3.00 Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	Year	Ratio (mths)	2015	8.0	2016	7.3	2017	6.9	2018	5.8	<p>Purpose of cash expense cover ratio</p> <p>This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 ratio 5.83 mths</p> <p>The result of this measure reflects a high level of liquidity in Council's investment portfolio at the end of 2017/18.</p>
Year	Ratio (mths)											
2015	8.0											
2016	7.3											
2017	6.9											
2018	5.8											

Wollongong City Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 28. Council information and contact details

Principal place of business:

41 Burelli Street
Wollongong NSW 2500

Contact details

Mailing address:

Locked Bag 8821
Wollongong NSW 2500

Opening hours:

Administration Building: 8:30am - 5:00pm

Telephone: (02) 4227 7111

Facsimile: (02) 4227 7277

Internet: www.wollongong.nsw.gov.au

Email: council@wollongong.nsw.gov.au

Officers

GENERAL MANAGER

David Farmer

RESPONSIBLE ACCOUNTING OFFICER

Brian Jenkins

PUBLIC OFFICER

Clare Phelan

AUDITORS

Audit Office of New South Wales
Level 15, 1 Margaret Street, Sydney, NSW, 2000

Elected members

LORD MAYOR

Gordon Bradbery

COUNCILLORS

Ward 1

Leigh Colacino
Janice Kershaw
Jenelle Rimmer
Mithra Cox

Ward 2

John Dorahy
David Brown (DEPUTY LORD MAYOR)
Tania Brown
Cath Blakey

Ward 3

Chris Connor
Vicky King
Dom Figliomeni
Cameron Walters

Other information

ABN: 63 139 525 939

Financial Statements 2018

END OF AUDITED FINANCIAL STATEMENTS

Wollongong City Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Wollongong City Council

Special Purpose Financial Statements for the year ended 30 June 2018

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Statement of Financial Position – Other Business Activities	5
3. Notes to the Special Purpose Financial Statements	7
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Background

- (i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
 - (ii) The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.
 - (iii) For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).
 - (iv) In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).
-

SPFS 2018

Wollongong City Council

Special Purpose Financial Statements

for the year ended 30 June 2018

Statement by Councillors and Management

made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

- the NSW Government Policy Statement '*Application of National Competition Policy to Local Government*',
- the Division of Local Government Guidelines '*Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*',
- the Local Government Code of Accounting Practice and Financial Reporting,
- the NSW Office of Water Best-Practice Management of Water and Sewerage Guidelines.

To the best of our knowledge and belief, these financial statements:

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 24 September 2018.

Gordon Bradbery
Lord Mayor

David Brown
Deputy Lord Mayor

David Farmer
General Manager

Brian Jenkins
Responsible Accounting Officer

SPFS 2018

Wollongong City Council

Income Statement of Council's Other Business Activities for the year ended 30 June 2018

\$ '000	Waste Disposal		Tourist Parks	
	Category 1		Category 1	
	2018	2017	2018	2017
Income from continuing operations				
User charges	28,716	29,967	6,975	6,928
Other income	516	397	128	128
Total income from continuing operations	29,232	30,364	7,103	7,056
Expenses from continuing operations				
Employee benefits and on-costs	1,755	1,624	2,639	2,591
Borrowing costs	1,989	1,894	–	–
Materials and contracts	1,533	1,464	958	1,116
Depreciation, amortisation and impairment	1,265	1,179	967	966
Loss on sale of assets	–	2	28	–
Calculated taxation equivalents	393	451	522	596
EPA levy	15,369	15,357	–	–
Other expenses	1,890	1,870	1,169	1,085
Total expenses from continuing operations	24,194	23,841	6,283	6,354
Surplus (deficit) from continuing operations before capital amounts	5,038	6,523	820	702
Surplus (deficit) from continuing operations after capital amounts	5,038	6,523	820	702
Surplus (deficit) from all operations before tax	5,038	6,523	820	702
Less: corporate taxation equivalent [based on result before capital] 27.5% for Tourist Parks and 30% for Waste Disposal	(1,511)	(1,957)	(226)	(211)
SURPLUS (DEFICIT) AFTER TAX	3,527	4,566	594	491
Plus opening retained profits	40,069	33,095	10,676	9,378
Plus adjustments for amounts unpaid:				
– Taxation equivalent payments	393	451	522	596
– Corporate taxation equivalent	1,511	1,957	226	211
Closing retained profits	45,500	40,069	12,018	10,676
Return on capital %	19.2%	24.7%	3.4%	2.9%

SPFS 2018

Wollongong City Council

Income Statement of Council's Other Business Activities for the year ended 30 June 2018

	Health & Fitness Category 1		Crematorium & Cemeteries Category 1	
	2018	2017	2018	2017
\$ '000	2018	2017	2018	2017
Income from continuing operations				
User charges	2,628	2,617	2,296	2,697
Grants and contributions provided for non-capital purposes	16	6	–	–
Other income	96	89	11	–
Total income from continuing operations	2,740	2,712	2,307	2,697
Expenses from continuing operations				
Employee benefits and on-costs	2,353	2,294	1,468	1,496
Materials and contracts	396	303	320	335
Depreciation, amortisation and impairment	54	32	10	2
Loss on sale of assets	1	–	–	3
Calculated taxation equivalents	174	226	133	154
Other expenses	995	1,038	561	590
Total expenses from continuing operations	3,973	3,893	2,492	2,580
Surplus (deficit) from continuing operations before capital amounts	(1,233)	(1,181)	(185)	117
Surplus (deficit) from continuing operations after capital amounts	(1,233)	(1,181)	(185)	117
Surplus (deficit) from all operations before tax	(1,233)	(1,181)	(185)	117
Less: corporate taxation equivalent (27.5%) [based on result before capital]	–	–	–	(35)
SURPLUS (DEFICIT) AFTER TAX	(1,233)	(1,181)	(185)	82
Plus opening retained profits	(10,996)	(10,041)	(775)	(1,046)
Plus adjustments for amounts unpaid:				
– Taxation equivalent payments	174	226	133	154
– Corporate taxation equivalent	–	–	–	35
Closing retained profits	(12,055)	(10,996)	(827)	(775)
Return on capital %	-29.2%	-27.6%	-3.7%	2.5%
Subsidy from Council	1,344	1,283	317	–

SPFS 2018

Wollongong City Council

Statement of Financial Position – Council's Other Business Activities as at 30 June 2018

\$ '000	Waste Disposal Category 1		Tourist Parks Category 1	
	2018	2017	2018	2017
ASSETS				
Current assets				
Investments	2,165	5,915	–	–
Total Current Assets	2,165	5,915	–	–
Non-current assets				
Receivables	53,277	49,521	3,663	2,087
Infrastructure, property, plant and equipment	36,680	34,040	24,210	24,444
Total non-current assets	89,957	83,561	27,873	26,531
TOTAL ASSETS	92,122	89,476	27,873	26,531
LIABILITIES				
Non-current liabilities				
Provisions	36,994	39,779	–	–
Total non-current liabilities	36,994	39,779	–	–
TOTAL LIABILITIES	36,994	39,779	–	–
NET ASSETS	55,128	49,697	27,873	26,531
EQUITY				
Accumulated surplus	45,500	40,069	12,018	10,676
Revaluation reserves	9,628	9,628	15,855	15,855
TOTAL EQUITY	55,128	49,697	27,873	26,531

SPFS 2018

Wollongong City Council

Statement of Financial Position – Council's Other Business Activities as at 30 June 2018

	Health & Fitness		Crematorium & Cemeteries	
	Category 1		Category 1	
\$ '000	2018	2017	2018	2017
ASSETS				
Non-current assets				
Infrastructure, property, plant and equipment	4,224	4,278	5,021	4,608
Total non-current assets	4,224	4,278	5,021	4,608
TOTAL ASSETS	4,224	4,278	5,021	4,608
LIABILITIES				
Non-current liabilities				
Payables	13,063	12,058	3,494	3,029
Total non-current liabilities	13,063	12,058	3,494	3,029
TOTAL LIABILITIES	13,063	12,058	3,494	3,029
NET ASSETS	(8,839)	(7,780)	1,527	1,579
EQUITY				
Accumulated surplus	(12,055)	(10,996)	(827)	(775)
Revaluation reserves	3,216	3,216	2,354	2,354
TOTAL EQUITY	(8,839)	(7,780)	1,527	1,579

SPFS 2018

Wollongong City Council

Special Purpose Financial Statements for the year ended 30 June 2018

Contents of the notes accompanying the financial statements

Note	Details	Page
1	Summary of significant accounting policies	8

Wollongong City Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2018

Note 1. Significant accounting policies

A statement summarising the supplemental accounting policies adopted in the preparation of the Special Purpose Financial Statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these Special Purpose Financial Statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these Special Purpose Financial Statements have been prepared in accordance with the *Local Government Act 1993 (NSW)*, the *Local Government (General) Regulation 2005*, and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 NSW government policy statement titled 'Application of National Competition Policy to Local Government'.

The *Pricing and Costing for Council Businesses, A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements.

These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, return on investments (rate of return), and dividends paid.

Declared business activities

In accordance with *Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

- a. **Waste Disposal:** Manages the disposal of solid waste generated within the city.
- b. **Tourist Parks:** Operation, management & development of tourist parks at Bulli, Corrimal & Windang.
- c. **Health & Fitness:** Responsible for the management and upkeep of Council's Leisure Centres.

Wollongong City Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2018

Note 1. Significant accounting policies (continued)

d. Crematorium & Cemeteries: Provision of quality crematorium, cemetery & memorial facilities & services

Category 2

(where gross operating turnover is less than \$2 million)

Nil

Monetary amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest thousand dollars.

(i) Taxation-equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – **27.5% tax for an aggregated turnover under \$25m; otherwise 30%**

Land tax – the first \$629,000 of combined land values attracts **0%**. For the combined land values in excess of \$629,001 up to \$3,846,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$3,846,000 a premium marginal rate of **2.0%** applies.

Payroll tax: – **5.45%** on the value of taxable salaries and wages in excess of \$750,000.

Income tax

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 27.5% for an aggregated turnover under \$25m; otherwise 30%.

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

Wollongong City Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2018

Note 1. Significant accounting policies (continued)

The rate applied of 27.5% or 30% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges payable on all category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that council business activities face 'true' commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(ii) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed.

Subsidies occur when Council provides services on a less-than-cost-recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations.

Accordingly, 'subsidies disclosed' (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by Council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported business activity.

(iii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The actual rate of return achieved by each business activity is disclosed at the foot of each respective Income Statement.

The rate of return is calculated as follows:

$$\frac{\text{Operating result before capital income + interest expense}}{\text{Written down value of I,PP\&E as at 30 June}}$$

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 2.63% at 30/6/18.

(iv) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

SPFS 2018

Wollongong City Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2018

Note 1. Significant accounting policies (continued)

END OF AUDITED SPECIAL PURPOSE FINANCIAL STATEMENTS

Wollongong City Council

SPECIAL SCHEDULES
for the year ended 30 June 2018

Wollongong City Council

Special Schedules for the year ended 30 June 2018

Contents		Page
Special Schedules ¹		
Special Schedule 1	Net Cost of Services	2
Special Schedule 2	Permissible income for general rates	4
Special Schedule 2	Independent Auditors Report	5
Special Schedule 7	Report on Infrastructure Assets	6

¹ Special Schedules are not audited (with the exception of Special Schedule 2).

Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
- the NSW Grants Commission
 - the Australian Bureau of Statistics (ABS),
 - the NSW Office of Water (NOW), and
 - the Office of Local Government (OLG).
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
 - the incorporation of Local Government financial figures in national statistics,
 - the monitoring of loan approvals,
 - the allocation of borrowing rights, and
 - the monitoring of the financial activities of specific services.

Wollongong City Council

Special Schedule 1 – Net Cost of Services for the year ended 30 June 2018

\$'000				
Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Governance	-	-	-	-
Administration	32,752	5,174	-	(27,578)
Public order and safety				
Fire service levy, fire protection, emergency services	5,256	521	730	(4,005)
Beach control	5,706	2	20	(5,684)
Enforcement of local government regulations	2,136	2,558	-	422
Animal control	1,461	601	-	(860)
Other	109	3	-	(106)
Total public order and safety	14,668	3,685	750	(10,233)
Health	1,433	834	-	(599)
Environment				
Noxious plants and insect/vermin control	-	-	-	-
Other environmental protection	7,296	613	659	(6,024)
Solid waste management	37,337	45,021	-	7,684
Street cleaning	4,934	13	-	(4,921)
Drainage	13,670	1,817	267	(11,586)
Stormwater management	-	-	-	-
Total environment	63,237	47,464	926	(14,847)
Community services and education				
Administration and education	56	12	-	(44)
Social protection (welfare)	4,894	3,418	-	(1,476)
Aged persons and disabled	364	47	-	(317)
Children's services	3,667	1,689	-	(1,978)
Total community services and education	8,981	5,166	-	(3,815)
Housing and community amenities				
Public cemeteries	2,359	2,307	-	(52)
Public conveniences	709	-	-	(709)
Street lighting	3,154	684	-	(2,470)
Town planning	13,698	5,257	10,869	2,428
Other community amenities	3,294	1,560	-	(1,734)
Total housing and community amenities	23,214	9,808	10,869	(2,537)

Wollongong City Council

Special Schedule 1 – Net Cost of Services (continued) for the year ended 30 June 2018

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Recreation and culture				
Public libraries	11,901	843	–	(11,058)
Museums	–	–	–	–
Art galleries	2,965	183	–	(2,782)
Community centres and halls	5,111	549	–	(4,562)
Performing arts venues	2,249	5	–	(2,244)
Other performing arts	–	–	–	–
Other cultural services	937	19	–	(918)
Sporting grounds and venues	4,428	567	116	(3,745)
Swimming pools	7,193	688	–	(6,505)
Parks and gardens (lakes)	18,648	810	121	(17,717)
Other sport and recreation	3,617	2,743	–	(874)
Total recreation and culture	57,049	6,407	237	(50,405)
Fuel and energy	–	–	–	–
Agriculture	–	–	–	–
Mining, manufacturing and construction				
Building control	–	–	–	–
Other mining, manufacturing and construction	–	–	–	–
Total mining, manufacturing and const.	–	–	–	–
Transport and communication				
Urban roads (UR) – local	41,093	1,646	27,190	(12,257)
Urban roads – regional	–	–	–	–
Sealed rural roads (SRR) – local	–	–	–	–
Sealed rural roads (SRR) – regional	–	–	–	–
Unsealed rural roads (URR) – local	–	–	–	–
Unsealed rural roads (URR) – regional	–	–	–	–
Bridges on UR – local	–	–	–	–
Bridges on SRR – local	–	–	–	–
Bridges on URR – local	–	–	–	–
Bridges on regional roads	–	–	–	–
Parking areas	2,593	1,266	–	(1,327)
Footpaths	9,201	29	447	(8,725)
Aerodromes	–	–	–	–
Other transport and communication	837	–	–	(837)
Total transport and communication	53,724	2,941	27,637	(23,146)
Economic affairs				
Camping areas and caravan parks	5,766	7,106	–	1,340
Other economic affairs	5,186	5,872	218	904
Total economic affairs	10,952	12,978	218	2,244
Totals – functions	266,010	94,457	40,637	(130,916)
General purpose revenues ⁽¹⁾	–	178,879	–	178,879
Share of interests – joint ventures and associates using the equity method	–	803	–	803
NET OPERATING RESULT ⁽²⁾	266,010	274,139	40,637	48,766

(1) Includes: rates and annual charges (including ex gratia, excluding water and sewer), non-capital general purpose grants, interest on investments (excluding externally restricted assets) and interest on overdue rates and annual charges (2) As reported in the Income Statement

Wollongong City Council

Special Schedule 2 – Permissible income for general rates for the year ended 30 June 2019

\$'000		Calculation 2018/19	Calculation 2017/18
Notional general income calculation ⁽¹⁾			
Last year notional general income yield	a	160,469	157,481
Plus or minus adjustments ⁽²⁾	b	854	668
Notional general income	c = (a + b)	161,323	158,149
Permissible income calculation			
Special variation percentage ⁽³⁾	d	0.00%	0.00%
Or rate peg percentage	e	2.30%	1.50%
Or crown land adjustment (incl. rate peg percentage)	f	0.00%	0.00%
Less expiring special variation amount	g	–	–
Plus special variation amount	h = d x (c – g)	–	–
Or plus rate peg amount	i = c x e	3,710	2,372
Or plus Crown land adjustment and rate peg amount	j = c x f	–	–
Sub-total	k = (c + g + h + i + j)	165,033	160,521
Plus (or minus) last year's carry forward total	l	190	30
Less valuation objections claimed in the previous year	m	(138)	–
Sub-total	n = (l + m)	52	30
Total permissible income	o = k + n	165,085	160,551
Less notional general income yield	p	165,477	160,469
Catch-up or (excess) result	q = o – p	(392)	82
Plus income lost due to valuation objections claimed ⁽⁴⁾	r	396	138
Less unused catch-up ⁽⁵⁾	s	–	(30)
Carry forward to next year	t = q + r – s	4	190

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916*.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Special Schedule 2 in the financial data return (FDR) to administer this process.

Special Schedules 2018

Wollongong City Council

Special Schedule 2 – Independent Auditors Report for the year ended 30 June 2019

Report on Special Schedule 2

Insert here signed Independent Auditors Report

Special Schedules 2018

Wollongong City Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2018

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2017/18 Required maintenance ^a	2017/18 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings	Buildings	3,341	677	20,536	20,011	196,916	522,996	2%	9%	86%	3%	0%
	Sub-total	3,341	677	20,536	20,011	196,916	522,996	2.0%	9.0%	86.0%	3.0%	0.0%
Other structures	Other structures	920	1,232	512	499	6,609	15,544	6%	18%	45%	23%	8%
	Sub-total	920	1,232	512	499	6,609	15,544	6.0%	18.0%	45.0%	23.0%	8.0%
Roads	Sealed roads	78,982	108,907	15,984	14,971	552,342	1,401,805	5%	10%	74%	3%	8%
	Bridges	785	1,049	1,022	957	98,526	150,163	11%	32%	50%	0%	7%
	Footpaths	1,679	3,383	2,198	2,059	135,841	279,783	14%	16%	68%	1%	1%
	Sub-total	81,446	113,339	19,204	17,987	786,709	1,831,751	6.9%	12.7%	71.1%	2.4%	6.8%
Stormwater drainage	Stormwater drainage	64	86	2,703	2,528	523,856	931,671	4%	13%	83%	0%	0%
	Sub-total	64	86	2,703	2,528	523,856	931,671	4.0%	13.0%	83.0%	0.0%	0.0%
Open space/recreational assets	Swimming pools & Open Space/Recreation	4,093	5,795	26,006	26,926	118,740	187,226	4%	9%	71%	12%	4%
	Sub-total	4,093	5,795	26,006	26,926	118,740	187,226	4.0%	9.0%	71.0%	12.0%	4.0%
	TOTAL – ALL ASSETS	89,864	121,129	68,961	67,951	1,632,830	3,489,188	5.2%	12.1%	76.4%	2.5%	3.8%

Notes:

a Required maintenance is the amount identified in Council's asset management plans.

Wollongong City Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2018 (continued)

Notes:

Infrastructure asset condition assessment 'key'

- (1) Cost to bring up to 'satisfactory standard' refers to the estimated cost to replace the calculated percentage of each asset type that are below satisfactory. Satisfactory standard is generally defined as condition 2 (see Asset Condition Definitions). As identified through Council's Securing our Future community engagement, for footpaths and shared paths, this is condition 3. Cost estimates are based on adopted valuation methodologies and do not generally include the cost of enhancements/upgrades to existing assets. The nominated percentage of each asset type below satisfactory standard is detailed under Condition of Public Works in the Annual Report.
- (2) Required Annual Maintenance is the amount that should be spent to maintain assets in a satisfactory standard and to ensure that the estimated remaining life of the asset is achieved PLUS the new requirement to include the "operating expenses required to keep the asset in a functional state for community use". During the 2016/17 financial year this process was completely reviewed to ensure inclusion of all labour and materials on all 'asset operation' tasks.
- (3) Current Annual Maintenance is the total expenditure incurred during the year to maintain assets. It also includes the actual expenditure on operational costs to keep the asset in a functional state for community use, which includes costs such as mowing, painting, lighting, cleaning, energy supply etc. It does not include operational overheads (eg. administration staff) or capital expenditure.
- (4) Cost to bring to agreed service level is defined as "The proportion of the GRC that have reached the intervention level based on condition." The outstanding renewal works compared to the total replacement cost of Council assets. That is calculated as the cost of bringing condition 4 and 5 assets to condition 1.
- (5) Below is a summary of asset types included in Asset Class:

Buildings: Community Facilities, Cultural Facilities, Childcare Centres, Public Toilets, Exelooos, Grandstands, Surf Life Savings Clubs, Amenities, Office/Shops, Industrial, Residences, Cabins and Leisure Centres

Roads and Road Related Assets: Road seal, base, sub-base, kerb and gutter, guardrails and traffic facilities (roundabouts, speedhumps, medians, etc)

Bridge, Boardwalks and Jetties: Road Bridges, Pedestrian Bridges, Boardwalks and Jetties

Footpaths and Cycleways: Footpaths and cycleways (excluding off road footpaths in parks)

Car parks: Surface car parks (not multi-storey) and Boat ramps

Stormwater: Pits, Pipes, Headwalls, Culverts and Riparian Assets

Recreation: Pools, Playgrounds, Sport Courts, Park Furniture, Picnic Shelters and Landscaping. Does not include non-depreciable land and earthworks

Wollongong City Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2018 (continued)

Condition of Public Assets

In assessing the condition of Public Assrts, Council has considered the existing condition and function of each asset. The results shown for the condition of assets within each category are an average. Therefore, a proportion of assets in each category are above and below the average result. Council recognise that the ratings scale used (as outlined below) may be different from those used by other Councils, but has been based on the rating scale in the International Infrastructure Management Manual.

Asset Condition Definition

Rating	Status
1	As New
2	Good
3	Fair
4	Poor
5	To be replaced

Wollongong City Council

Special Schedule 7 – Report on Infrastructure Assets (continued) for the year ended 30 June 2018

	Amounts 2018	Indicator 2018	Prior periods		Benchmark
			2017	2016	
Infrastructure asset performance indicators * consolidated					
1. Buildings and infrastructure renewals ratio ⁽¹⁾					
Asset renewals ⁽²⁾	<u>53,906</u>	104.26%	104.90%	92.20%	>= 100%
Depreciation, amortisation and impairment	<u>51,703</u>				
2. Infrastructure backlog ratio ⁽¹⁾					
Estimated cost to bring assets to a satisfactory standard	<u>89,864</u>	5.50%	5.72%	5.90%	< 2.00%
Net carrying amount of infrastructure assets	<u>1,632,830</u>				
3. Asset maintenance ratio					
Actual asset maintenance	<u>67,951</u>	98.54%	98.07%	97.40%	> 100%
Required asset maintenance	<u>68,961</u>				
4. Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	<u>121,129</u>	3.47%	3.68%	4.24%	
Gross replacement cost	<u>3,489,188</u>				

Notes

* All asset performance indicators are calculated using the asset classes identified in the previous table.

⁽¹⁾ Excludes Work In Progress (WIP)

⁽²⁾ Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Wollongong City Council

Special Schedule 7 – Report on Infrastructure Assets (continued) for the year ended 30 June 2018

<p>1. Buildings and infrastructure renewals ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>91%</td> </tr> <tr> <td>2016</td> <td>92%</td> </tr> <tr> <td>2017</td> <td>105%</td> </tr> <tr> <td>2018</td> <td>104%</td> </tr> </tbody> </table>	Year	Ratio %	2015	91%	2016	92%	2017	105%	2018	104%	<p>Purpose of asset renewals ratio</p> <p>To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 Ratio 104.26%</p> <p>Capital renewal is calculated at an individual capital project level, providing a high degree of confidence in the renewal result. The ratio has increased above 100%. This is ideal and represents Councils allocations of rates specifically for asset renewal.</p>
Year	Ratio %											
2015	91%											
2016	92%											
2017	105%											
2018	104%											
<p>Benchmark: Minimum >=100.00% Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>												
<p>2. Infrastructure backlog ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>6.2%</td> </tr> <tr> <td>2016</td> <td>5.9%</td> </tr> <tr> <td>2017</td> <td>5.7%</td> </tr> <tr> <td>2018</td> <td>5.5%</td> </tr> </tbody> </table>	Year	Ratio %	2015	6.2%	2016	5.9%	2017	5.7%	2018	5.5%	<p>Purpose of infrastructure backlog ratio</p> <p>This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 Ratio 5.50%</p> <p>The cost to bring to satisfactory is defined as the cost difference of the written down value of the assets in condition 4 and 5, to their written down value at condition 2, with the exception of path assets to condition 3. Councils 'Securing our Future' financial review confirmed condition 3 for paths through public consultation.</p>
Year	Ratio %											
2015	6.2%											
2016	5.9%											
2017	5.7%											
2018	5.5%											
<p>Benchmark: Maximum <2.00% Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>												
<p>3. Asset maintenance ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>98%</td> </tr> <tr> <td>2016</td> <td>97%</td> </tr> <tr> <td>2017</td> <td>98%</td> </tr> <tr> <td>2018</td> <td>99%</td> </tr> </tbody> </table>	Year	Ratio %	2015	98%	2016	97%	2017	98%	2018	99%	<p>Purpose of asset maintenance ratio</p> <p>Compares actual vs. required annual asset maintenance. A ratio above 100% indicates Council is investing enough funds to stop the infrastructure backlog growing.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 Ratio 98.54%</p> <p>As at 2015/16 the ratio now requires the inclusion of '...operating expenses required to keep the asset in a functional state for community use...'. Council has reviewed 500 cost centres and all supporting natural accounts to improve the detail of this result. Operational required costs have been set to equal the operational actual cost.</p>
Year	Ratio %											
2015	98%											
2016	97%											
2017	98%											
2018	99%											
<p>Benchmark: Minimum >100.00% Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>												
<p>4. Cost to bring assets to agreed service level</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>4.80%</td> </tr> <tr> <td>2016</td> <td>4.24%</td> </tr> <tr> <td>2017</td> <td>3.68%</td> </tr> <tr> <td>2018</td> <td>3.47%</td> </tr> </tbody> </table>	Year	Ratio %	2015	4.80%	2016	4.24%	2017	3.68%	2018	3.47%	<p>Purpose of agreed service level ratio</p> <p>This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 Ratio 3.47%</p> <p>This ratio is the sum of the outstanding renewal works compared to the total replacement cost of infrastructure assets. That is, the cost to renew assets in condition 4 and 5 as a proportion of the Gross Replacement Cost.</p>
Year	Ratio %											
2015	4.80%											
2016	4.24%											
2017	3.68%											
2018	3.47%											

Wollongong City Council

General Purpose Financial Statements for the year ended 30 June 2018

Statement by Councillors and Management

made pursuant to Section 413(2)(c) of the *Local Government Act 1993 (NSW)* (as amended)

The attached General Purpose Financial Statements have been prepared in accordance with:

- the *Local Government Act 1993 (NSW)* (as amended) and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these financial statements:

- present fairly the Council's operating result and financial position for the year,
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 24 September 2018.

Gordon Bradbery
Lord Mayor
24 September 2018

David Brown
Deputy Lord Mayor
24 September 2018

David Farmer
General Manager
24 September 2018

Brian Jenkins
Responsible Accounting Officer
24 September 2018

SPFS 2018

Wollongong City Council

Special Purpose Financial Statements

for the year ended 30 June 2018

Statement by Councillors and Management

made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

- the NSW Government Policy Statement '*Application of National Competition Policy to Local Government*',
- the Division of Local Government Guidelines '*Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*',
- the Local Government Code of Accounting Practice and Financial Reporting,
- the NSW Office of Water Best-Practice Management of Water and Sewerage Guidelines.

To the best of our knowledge and belief, these financial statements:

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 24 September 2018.

Gordon Bradbery
Lord Mayor

David Brown
Deputy Lord Mayor

David Farmer
General Manager

Brian Jenkins
Responsible Accounting Officer



EXECUTIVE SUMMARY

As General Manager of Wollongong City Council, I present the Annual Financial Statements for 2017-2018. These statements continue to reflect Council's transformation in recent years to an organisation that is financially stable having the capacity to manage short, medium and longer term challenges.

It is pleasing to report that Council continued the momentum gained under the Securing Our Future Program, which was finalised in 2016-2017. During 2017-2018 Council was able to continue to harness improvements and to add to the Strategic Projects restricted asset. It was also able to deliver some recurring service enhancements and accelerated some capital projects applying improvements from prior years. Also, following extensive community consultation, Council increased its preparedness for the challenges and opportunities of future years through the development of the Wollongong 2028 Community Strategic Plan and the Our Resourcing Strategy 2018-2021.

The Income Statement shows a net operating surplus of \$48.8 million compared to a surplus of \$69.4 million in 2016-2017. The net operating result before capital grants and contributions, Council's external financial indicator of long term financial viability, was a surplus of \$8.1 million. This compares to a surplus of \$27.4 million in 2016-2017. The 2016-17 result was peculiarly high due to several one-off events. This year's result is consistent with long term financial target of achieving a small operating surplus.

Council's Balance Sheet shows the vast extent of assets managed by Council for the Community. The total value of Council's assets at 30 June 2018 was \$2.57 billion. During 2017-2018, Council completed capital works of \$95.9 million including the construction and acquisition of \$39.4 million of new assets and \$56.4 million for the renewal of existing assets. The program includes projects such as the continuation of West Dapto Access Works including the extension of Fowlers Road to Fairwater Drive, continuation of works on the Blue Mile, the Tramway sea wall, the Grand Pacific Walk and various upgrades to community centres, amenities and buildings at Council parks, gardens and sports fields across the Local Government Area.

Council maintains a strong position in cash and investments with holdings of \$158 million at 30 June 2018 [\$168 million in 2016-2017]. \$142 million of Council's cash [\$133 million in 2016-2017] is restricted in its use to specific purposes by external bodies, legislation and Council resolution.

Council's unrestricted current ratio rose slightly from 2.65:1 in 2016-2017 to 2.93:1 in 2017-2018. This ratio, which measures Council's liquidity and ability to satisfy short-term obligations, is above the Local Government Bench mark of >1.5:1. Council's strategy is to better utilise cash and target a lean unrestricted cash ratio, however, significant cash assets held for future waste facility requirements are included in this ratio. The measure is expected to increase until payments are required.

Rates and Annual Charges outstanding fell from 5.88% in 2016-2017 to 4.66% in 2017-2018, an improvement which is attributable to Council's ongoing development of improved recovery processes for all classes of rate payers. The result is also within the industry standard of <5%.

Council continues to have relatively low levels of borrowing and did not undertake any additional borrowings in 2017-2018. This contrasts to recent years where borrowings under attractive and/or subsidised terms for specific works have been sought. Low debt levels remain a financial strength of Council and add flexibility in making financial decisions for the future. The 2017-2018 debt service ratios increased slightly to 3.34% compared to 3.18% in 2016-2017. This change is the result of decreased income from continuing operations, which was impacted by the timing of the receipt of the Financial Assistance Grant year-on-year, rather than a shift in borrowing levels. This ratio remains positive in comparison to the Local Government benchmark of <10% and is within Council's financial strategy to operate within a ratio of 4%.

My thanks to all staff and external auditors who worked on the preparation of these statements.



David Farmer
General Manager
Wollongong City Council



2017-2018 FINANCIAL OVERVIEW

This report provides an overview of Council's 2017-2018 Financial Statements. The Financial Statements are prepared by Council to provide information in relation to Council's financial performance and position. The Statements are prepared in accordance with Australian Accounting Standards, the NSW Local Government Act 1993 and the NSW Local Government Code of Accounting Practice and Financial Reporting (Update N° 26). The Statements are independently audited by the Audit Office of NSW, reported to Council, placed on public exhibition and lodged with the Office of Local Government. The Financial Statements are made up of five key financial reports; Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows.

2017-2018 FINANCIAL OVERVIEW

The 2017-2018 financial results are positive, continuing to build on the achievements of the Securing our Future Program, achieving an operating surplus before grants and contributions for capital purposes. At the end of the reporting period the Council's financial position is financially sustainable in the short, medium and long term. Overall, Council is well placed for the future having the financial stability and capacity to manage short and medium-term challenges.

While the Securing our Future Program was officially completed in 2017, Council continued the practice developed under the Program where improvements beyond plan targets are restricted for future Strategic Projects. During the year, Council added to these restricted assets and delivered recurring service enhancements and accelerated some capital projects. These funds are allocated using Council's planning process, which encapsulates extensive community consultation.

During its first year of term, the current Council worked on developing the Wollongong 2028 Community Strategic Plan and relevantly the Our Resourcing Strategy 2018-2021. Having achieved financial sustainability under the Securing our Future Program, Council will continue to rigorously maintain financial sustainability and shift focus to deliver services more effectively, efficiently and innovatively. Alongside this it will manage the anticipated significant growth in West Dapto and associated impacts. These plans and strategies will take Council into the future by building on current strengths and addressing future challenges.

2017-2018 HIGHLIGHTS

\$2.57B

Total Assets

LY \$2.53B

3.34%

Debt Service Ratio

LY 3.18%

\$39.4M

Capital Works - New

LY \$31M

\$56.4M

Capital Works - Renew

LY \$59.4M

\$48.8M Surplus

Net Operating Result

LY \$69.5M Surplus

\$8.1M Surplus

Net Operating Result Before Capital
Grants & Contributions

LY \$27.4M Surplus

\$18.2M

Contributed Assets Recognised

LY \$29.5M

2.93:1

Unrestricted Current Ratio

LY 2.60:1

\$157.8M

Cash Assets & Investments

LY \$167.6M

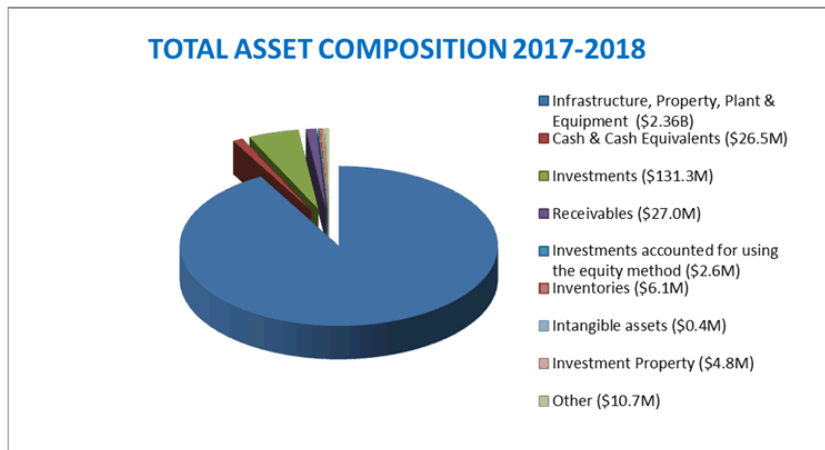
4.66%

Rates, Annual Charges, Interest &
Extra Charges Outstanding

LY 5.88%

ASSETS

Council is the custodian of community assets with a total value of \$2.57B at 30 June 2018. The composition of assets at balance date is shown as follows:



Infrastructure, Property, Plant & Equipment (IPPE)

With a carrying value of \$2.36B IPPE is Council's most significant asset group representing 92% of total asset value. This asset group include roads, drains, footpaths, community facilities, recreational facilities, parks and gardens.

During 2017-2018, Council achieved its target and delivered a capital works program of \$95.9M including the construction and purchase of \$39.4M of new assets and renewal of existing assets of \$56.4M. After accounting for annual depreciation expense, the overall value of IPPE increased by \$106.4M during 2017-2018. Further financial details of IPPE are shown at Note 10.

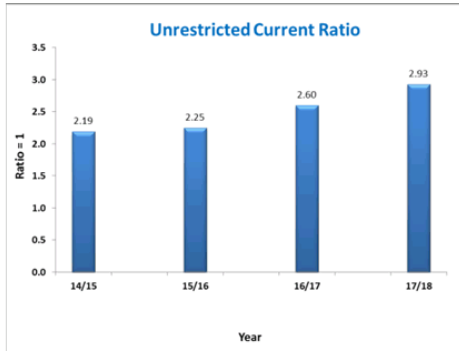
Cash and Investments

Council maintained robust levels of cash and investments, with holdings of \$158M at 30 June 2018. While holdings decreased compared to last year it is noted that last year's holdings were higher than usual. Cash and investment positions over recent years are as follows:

CASH, INVESTMENTS & AVAILABLE FUNDS (\$M)				
	YTD Actual 30 June 2015	YTD Actual 30 June 2016	YTD Actual 30 June 2017	YTD Actual 30 June 2018
TOTAL CASH & INVESTMENTS	144.656	154.025	167.577	157.768
Less Restrictions:				
External	77.693	75.276	75.788	74.192
Internal	41.960	55.377	57.379	68.129
AVAILABLE CASH	25.003	23.372	34.410	15.447
Adjusted for :				
Current payables	(40.408)	(40.626)	(41.617)	(30.010)
Receivables	26.422	24.487	34.211	37.702
AVAILABLE FUNDS	11.017	7.233	27.004	23.139

Council's cash and investment position is robust at face-value; however these funds are subject to restriction. Council's true cash position is more accurately depicted by considering available funds which are uncommitted and not subject to restriction. External restrictions are funds held by Council that must be spent for a specific purpose and cannot be used by Council for general operations. Internal restrictions are funds that Council has determined will be used for a specific future purpose.

At 30 June 2018, Council achieved an available funds position of \$23.1M, which is significantly higher than the Financial Strategy target range of 3.5% to 5.5% of operational revenue (pre-capital) or \$9.6M - \$15.1M. The result at balance date was uplifted by the early receipt of the first two instalments of the Financial Assistance Grant for 2018-2019 totalling \$9.5M.



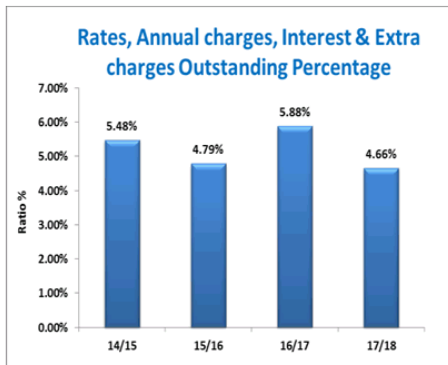
Measures: Cash/Liquidity Position or Council's ability to satisfy obligations in the short term from its unrestricted activities.

Strategy: Council's strategy is to maximise the use of available funds for asset renewal by targeting a lean Unrestricted Current Ratio. Cash assets held for future waste facility requirements are captured in this ratio. As these amounts are significant, this ratio is expected to increase until payments are required.

Performance: Council's performance is on par with the Local Government Benchmark of >1.5:1 and it is reflective of a deliberate strategy to better utilise cash.

Receivables

Receivables are the amount of money that is owed to Council or funds that Council has paid in advance. At 30 June 2018, receivables totalled \$27M, an increase of \$3.5M compared to the 2016-2017 reporting period. The fluctuation is related to an increase in Government Grants and Subsidies receivable, which is partially offset by a decrease in Rates and Annual Charges Outstanding. Full details of receivables are provided in Note 7.

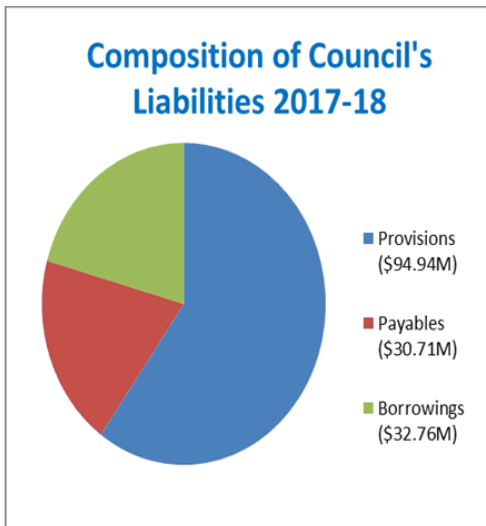


Measures: The impact of uncollected rates and other charges on liquidity and the adequacy of recovery efforts.

Target: Industry standard of <5%.

Performance: Council's Debt Recovery Policy has produced a result which exceeds target and performance in recent years. This is the result of an improved debt recovery process for all classes of rate payers implemented over the last several years.

LIABILITIES



At 30 June 2018 Council's Total Liabilities were \$158.4M. The composition of Council's Total Liabilities is shown below.

Provisions: Account for 59.9% of Council's Liabilities with the most significant provisions relating to Employee Leave Entitlements [\$47.9M], Waste Depot Remediation Provision [\$41.3M], Workers' Compensation Provision [\$4.9M] and Self-Insurance [\$0.8M].

Payables: Account for 19.4% of Council's Liabilities. The most significant payables being goods and services received and capital expenditure incurred but not yet paid for, and accrued expenditure.

Borrowings: Account for 20.7% of Council's Liabilities and relate to the interest free Infrastructure Loan from the State Government secured in 2010 and the subsidised Local Infrastructure Renewal Scheme Programs (1, 2 and 3) secured over the previous five financial years.



Provisions

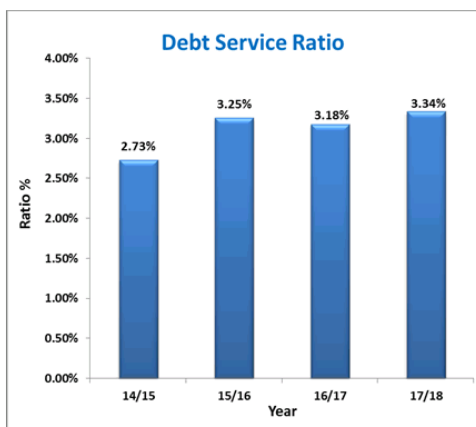
Provisions decreased during 2017-2018 by \$2M. The decrease is mainly attributable to decreased valuation for future remediation works at Whytes Gully waste facility [\$2.9M] offset by increased Workers' Compensation [\$0.7M].

Borrowings

Council continues to remain a relatively low debt user. In 2017-2018 Council did not undertake additional borrowings, all activity related to the repayment of previously secured loans.

In prior years Council took advantage of borrowing opportunities enabling it to accelerate specific capital programs. The loan facilities which Council has in place include an interest free infrastructure loan from the NSW State Government for West Dapto Access Works, which was secured in 2010 for a 10 year term which will continue to be repaid over the next three years.

Council also has subsidised loans under the Local Government Infrastructure Renewal Scheme (LIRS). Funds were secured under LIRS rounds 1, 2 and 3. The projects funded under round 1 (Citywide Footpaths and Shared Path Renewal and Missing Links Construction Program) and round 2 (Upgrade Berkeley and Corrimal Community Centres and Thirroul Pavilion and Kiosk) are complete. The project funded by the round 3 applications, (the West Dapto Access Project to construct Fowlers Road to Fairwater Drive) is still active. Repayment of LIRS loans will continue in accordance with the various payment schedules until 2025.



Measures: The proportion of revenues that is required to meet Council's annual loan repayments.

Target: Council's Financial Strategy allows for a ratio of 4%.

Performance: A low level of debt is reflected in Council's Debt Service Ratio of 3.34%. This is exceptionally low in comparison to the Local Government benchmark ratio of <10%, and is within Council's own Strategy.

The Debt Service Ratio increased slightly in the 2017-2018 reporting period. This is due to a decrease in Council's income from continuing operations.

Operational Performance - Income & Expenses

Council achieved a Net Operating Surplus from Continuing Operations of \$48.8M in 2017-2018 in comparison to a Surplus of \$69.5M in 2016-2017. Council's underlying measure of long term operational performance, the Operational Result before Capital Grants and Contributions, is a surplus of \$8.1M, compared to a surplus of \$27.4M in 2016-2017. The 2017-2018 result compares favourably to the original budget and meets Council's long term financial target of achieving a small surplus. The decrease on prior year result is due to several one-off events that occurred in 2016-2017.

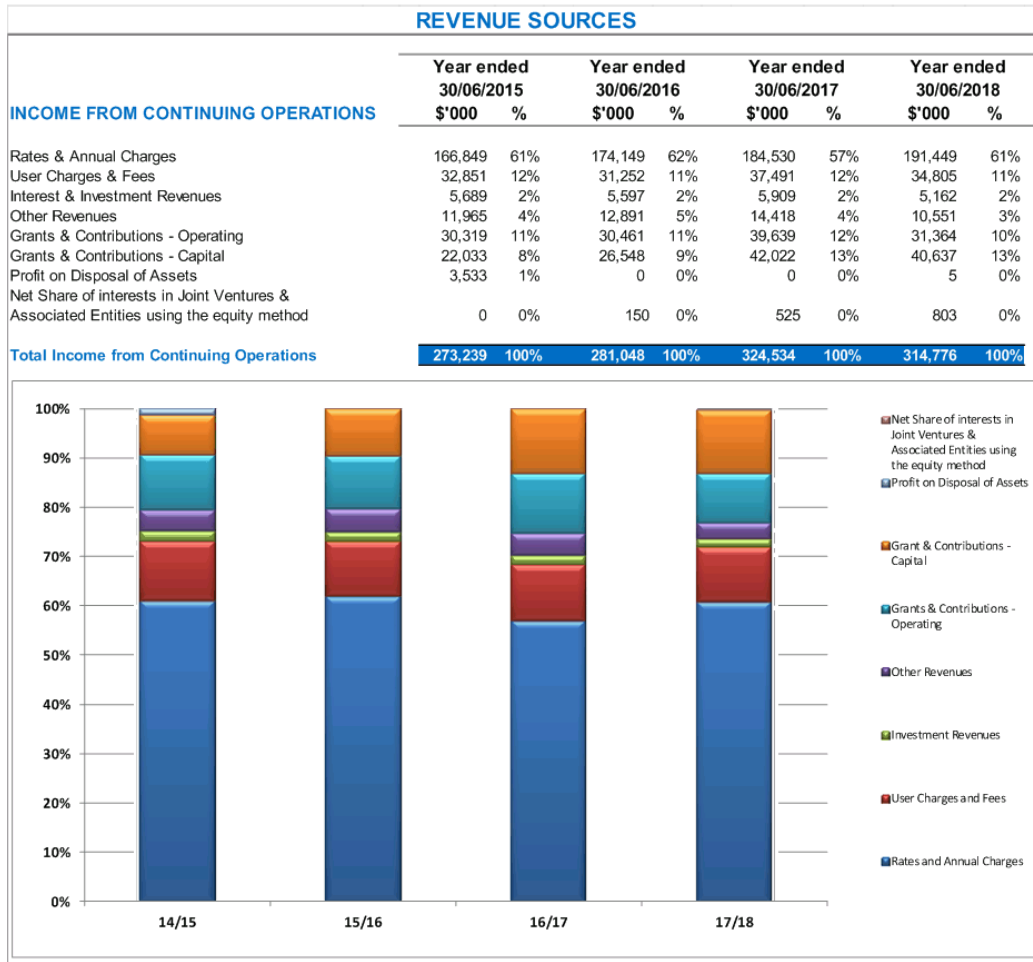
Income

Council's Income from Continuing Operations for 2017-2018 was \$314.8M compared to a prior year result of \$324.5M. Although there was an increase in Rates & Annual Charges of \$6.9M, decreases in other revenue categories combined to offset this and cause an overall decrease, including:

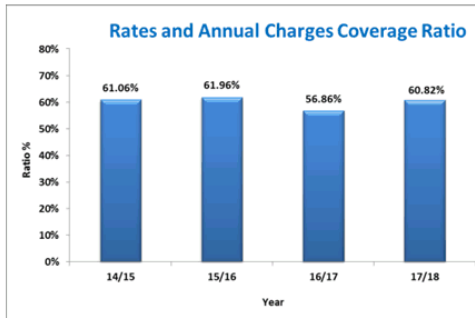
- Decreased grants & contributions operating [\$8.3M] due to the timing of Financial Assistance Grant receipts from the Federal Government. The equivalent of a full year grant was received in 2017-2018 compared to one and a half years grant in 2016-2017.
- Decreased other revenues [\$3.9M] as 2016-2017 included recognition of a one off rebate for the cessation of the Carbon Tax Legislation of \$4.2M.
- Decreased user fees and charges [\$2.7M] mainly associated with lower revenue at Whytes Gully Waste Facility the result of reduced use by major commercial customers.
- Decreased Grants and Contributions Capital [\$1.4M] due to a lower level of subdivision dedications which are impacted by the timing of development activity, largely offset by an

increase in capital grants due to funding for West Dapto Infrastructure in particular for Fowlers Road.

The composition of Council's revenue remained reasonably consistent compared to previous years as depicted in the table below. Exceptions include Rates and Annual Charges which increased in its portion of total income from continuing operations [from 57% to 61%] in favour of Grants and Contributions Capital which decreased [from 12% to 10%] its portion of total income from continuing operations. It is noted that Council does not control the flow of asset dedications by developers and contributions vary from year to year.



Income from Rates and Annual Charges, Council's largest revenue stream, totalled \$191.5M in 2017-2018, an increase of \$6.9M on the prior year. The increase is due to indexation and an increase in residential rates resulting from subdivision growth in West Dapto and an increase in multi-unit developments. In addition, there was also an increase in revenue from domestic waste management that is partly due to a discount in 2016-2017 charges for carbon tax payments collected in previous years and increased costs of providing the service and growth in services as the City continues to grow.

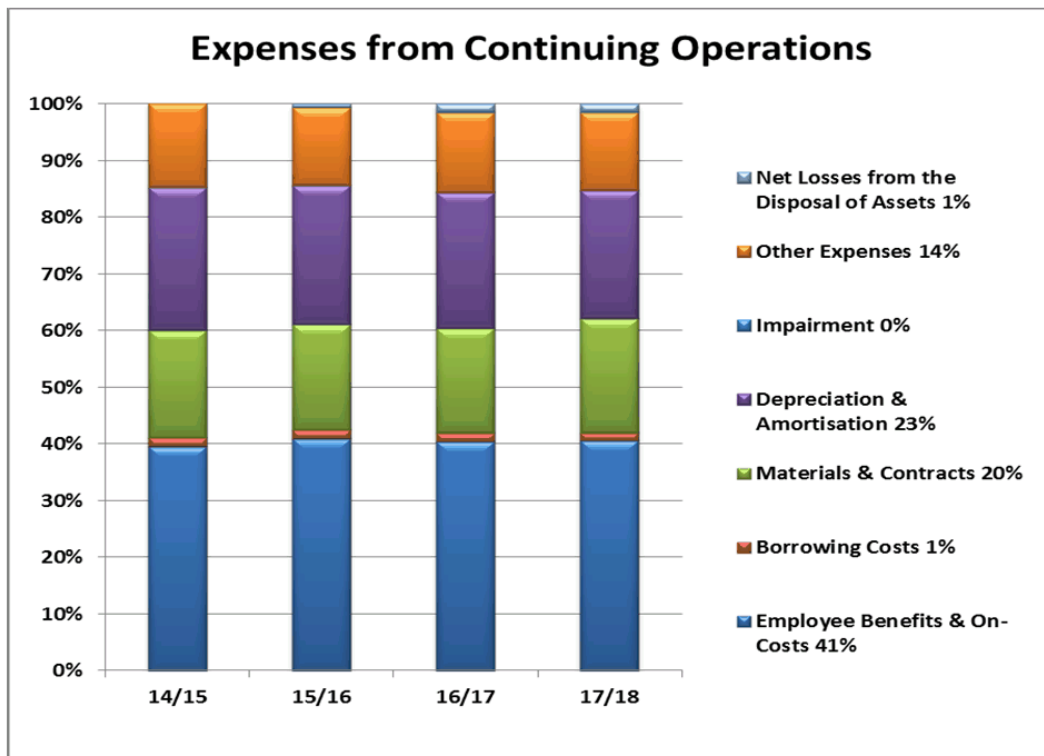


Measures: The degree of Council's dependence upon revenue from rates and annual charges and the security of Council's income.

Performance: In this ratio indicates an increased level of dependence on rates and annual charges revenue compared to last year. It is noted that this year's performance is in line with the years prior to 2016-2017 and last year's result was skewed by an increase in the flow of developer contributions which did not recur this year. As predicted, this ratio is subject to some fluctuation, and the current year performance is as expected.

Expenses

Expenses from Continuing Operations for 2017-2018 totalled \$266M, an increase on prior year expenditure of \$10.9M. This increase can predominately be explained by Materials and Contracts rising from \$47M in 2016-2017 to \$53.8M in 2017-2018 alongside the \$4.7M increase in Employee Benefits and On-Costs. This is partly due to impact of normal price increases such as enterprise agreement rises as well as an increase in volume of specific projects undertaken that required additional resources. In terms of composition, the proportion of each expenditure category against total expenses from continuing operations has remained consistent compared to prior years. Material budget variations from the 2017-2018 year for income and expenditure items are detailed in Note 21 of the statements.



Wollongong City Council

Historical Financial Data

Income Statement

		Actual 2014/15 \$'000	Actual 2015/16 \$'000	Actual 2016/17 \$'000	Actual 2017/18 \$'000
	Notes				
Income from Continuing Operations					
Revenue:					
Rates & Annual Charges	3a	166,849	174,149	184,530	191,449
User Charges & Fees	3b	32,851	31,252	37,491	34,805
Interest and Investment Revenue	3c	5,689	5,597	5,909	5,162
Other Revenues	3d	11,965	12,891	14,418	10,551
Grants & Contributions provided for Operating Purposes	3e,f	30,319	30,461	39,639	31,364
Grants & Contributions provided for Capital Purposes	3e,f	22,033	26,548	42,022	40,637
Other Income:					
Net Gains from the Disposal of Assets	5	3,533	-	-	-
Fair Value Increment on Investment Property	11	-	-	-	5
Profit from interests in Joint Ventures & Associates		-	-	-	-
Entities using the equity method	17	-	150	525	803
Total Income from Continuing Operations		273,239	281,048	324,534	314,776
Expenses from Continuing Operations					
Employee Benefits & On-Costs					
Employee Benefits & On-Costs	4a	95,399	103,547	103,139	107,843
Borrowing Costs	4b	4,037	4,223	4,071	3,819
Materials & Contracts	4c	45,647	47,144	47,032	53,709
Depreciation & Amortisation	4d	60,763	61,882	61,271	60,067
Impairment	4d	-	6	-	-
Other Expenses	4e	35,777	34,782	35,594	36,667
Net Losses from the Disposal of Assets	5	-	1,627	3,960	3,905
Loss from interests in Joint Ventures & Associates	19	22	-	-	-
Total Expenses from Continuing Operations		241,645	253,211	255,067	266,010
Operating Result from Continuing Operations		31,594	27,837	69,467	48,766
NET OPERATING RESULT FOR THE YEAR		31,594	27,837	69,467	48,766
Less:					
Grants & Contributions provided for Capital Purposes	3e,f	22,033	26,548	42,022	40,637
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes		9,561	1,289	27,445	8,129

This Statement is to be read in conjunction with the Notes in the body of the financial statements.

Wollongong City Council

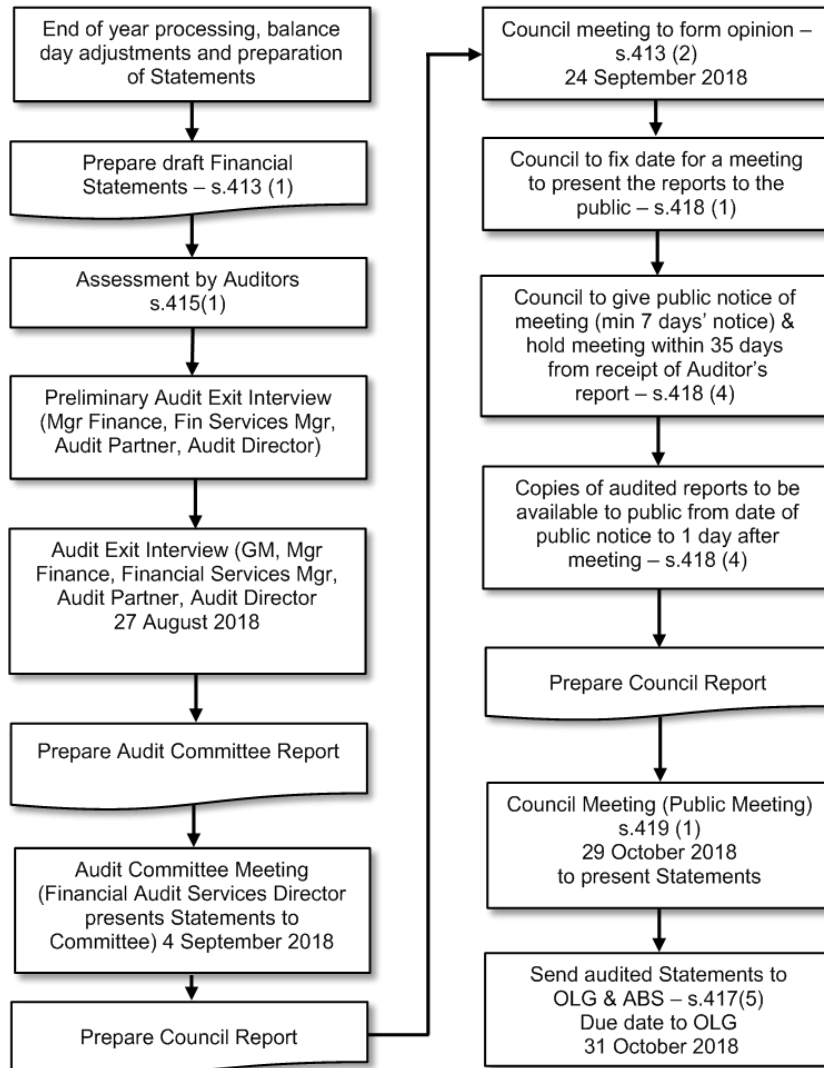
Historical Financial Data

Statement of Financial Position

		Actual 2014/15 \$'000	Actual 2015/16 \$'000	Actual 2016/17 \$'000	Actual 2017/18 \$'000
	Notes				
ASSETS					
Current assets					
Cash & cash equivalents	6a	33,580	17,747	23,534	26,491
Investments	6b	102,076	126,193	119,458	109,162
Receivables	7	22,109	21,280	23,531	27,036
Inventories	8	6,040	6,027	6,089	6,141
Other	8	4,313	3,207	10,680	10,666
Assets held for sale (previously non-current)	9	-	-	6,381	-
Total current assets		168,118	174,454	189,673	179,496
Non-current assets					
Cash assets	6a	-	-	-	-
Investments	6b	9,000	10,085	24,585	22,115
Receivables	7	-	-	-	-
Inventories	8	-	-	-	-
Infrastructure, property, plant & equipment	10	2,250,472	2,270,419	2,314,277	2,356,306
Investments accounted for using the equity method	17	1,160	1,310	1,835	2,638
Investment property	11	2,750	4,775	4,775	4,780
Intangible assets	12	1,220	1,043	653	388
Non-current assets classified as 'held for sale'		-	-	-	-
Other		-	-	-	-
Total non-current assets		2,264,602	2,287,632	2,346,125	2,386,227
TOTAL ASSETS		2,432,720	2,462,086	2,535,798	2,565,723
LIABILITIES					
Current liabilities					
Payables	13	34,039	34,238	38,660	26,754
Income received in advance	13	6,369	3,194	2,957	3,256
Interest bearing liabilities	13	47,487	6,690	7,513	7,716
Provisions	14	-	50,683	48,853	50,377
Total current liabilities		87,895	94,805	97,983	88,103
Non-current liabilities					
Payables	13	-	-	-	700
Interest bearing liabilities	13	39,758	33,940	32,188	25,039
Provisions	14	42,554	44,031	48,121	44,566
Total non-current liabilities		82,312	77,971	80,309	70,305
TOTAL LIABILITIES		170,207	172,776	178,292	158,408
NET ASSETS		\$ 2,262,513	2,289,310	2,357,506	2,407,315
EQUITY					
Retained earnings	15	1,251,040	1,302,643	1,389,905	1,441,990
Revaluation reserves	15	1,011,473	986,667	962,952	965,325
Council Equity Interest		2,262,513	2,289,310	2,352,857	2,407,315
Minority Equity Interest		-	-	-	-
TOTAL EQUITY		\$ 2,262,513	2,289,310	2,352,857	2,407,315

This Statement is to be read in conjunction with the Notes in the body of the financial statements..

**Wollongong City Council
Flowchart of the Annual Financial Statements Approval Process**



ITEM 2 ELECTION OF DEPUTY LORD MAYOR

The election for the Deputy Lord Mayor is generally undertaken at the September Council meeting. Council held an extraordinary meeting on 9 October 2017 and at this meeting elected Councillor David Brown for a term of one year. Council is now required to elect a Deputy Lord Mayor for a term to be determined.

The Local Government (General) Regulation 2005 establishes the process for electing a Deputy Lord Mayor, which is outlined in this report.

RECOMMENDATION

- 1 Council elect a Deputy Lord Mayor for a term determined by the Council.
- 2 Council determine whether the method of election for the Deputy Lord Mayor is by preferential ballot, ordinary ballot or open voting.
- 3 Council proceed to conduct the election of Deputy Lord Mayor in accordance with the determined method and the requirements of the Local Government (General) Regulation 2005.

REPORT AUTHORISATIONS

Report of: Clare Phelan, Manager Governance and Information (Acting)
Authorised by: Renee Campbell, Director Corporate Services - Connected and Engaged City

ATTACHMENTS

There are no attachments for this report.

BACKGROUND

Section 231 of the Local Government Act 1993 provides for Councillors to elect a person from among their number to be the Deputy Lord Mayor.

The person may be elected for the mayoral term or a shorter term.

A Deputy Lord Mayor assumes all the duties and powers of the Lord Mayor at the request of the Lord Mayor, or if the Lord Mayor is prevented by illness, absence or otherwise from exercising the function or if there is a casual vacancy in the Office of Lord Mayor.

Clause 394 of the Local Government (General) Regulation 2005 stipulates that 'if a Mayor or Deputy Mayor is to be elected by the Councillors of an area, the election is to be in accordance with Schedule 7' (of the Regulation). Council is therefore required to conduct the election of Deputy Lord Mayor in accordance with this Schedule, which is summarised below.

PROPOSAL

A call for nominations was provided to Councillors. Nominations must be submitted to the General Manager no later than the commencement of Council meeting at 6pm on 24 September 2018.

The process to be followed in the election of the Deputy Lord Mayor in accordance with Schedule 7 of the Local Government (General) Regulation 2005 is as follows:

- A Councillor is to be nominated in writing by two or more Councillors, one of whom may be the nominee, and the nomination is not valid unless the nominee has indicated consent to the nomination in writing.
- The nomination is to be delivered or sent to the Returning Officer.

- The General Manager, or a person appointed by the General Manager, is the Returning Officer for the election and that person is to announce the names of the nominees at the Council meeting at which the election is to be held.
- Should more than one Councillor be nominated, Council is to resolve at the meeting at which the election is to be held whether the election is to proceed by way of preferential ballot, ordinary ballot or open voting, with preferential ballots and ordinary ballots being secret ballots. Open voting means voting by a show of hands or similar means.
- Counting will be conducted in accordance with Parts 2 or 3 of Schedule 7, depending on the method adopted by Council.

CONSULTATION AND COMMUNICATION

This report has been prepared in accordance with the provisions of the Local Government Act 1993 and the Local Government (General) Regulation 2005.

Councillors have been provided with notification of this election together with a nomination form prior to receiving the business paper for this meeting.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal “We are a connected and engaged community”.

It specifically delivers on core business activities as detailed in the Governance and Administration Service Plan 2018-19.

CONCLUSION

Council is able to elect a Deputy Lord Mayor to exercise the functions of the Lord Mayor at the request of the Lord Mayor, or if the Lord Mayor is prevented by illness, absence or otherwise from exercising the function, or if there is a casual vacancy in the Office of Lord Mayor. This election should proceed at this meeting and, in line with past practice, could be conducted by way of open voting on a show of hands.

ITEM 3

APPOINTMENT OF COUNCILLOR DELEGATES TO COMMITTEES AND REFERENCE GROUPS

Council is represented or participates on a number of reference groups, Section 355 Committees and external organisations. Councillors are elected to the committees, reference groups and external organisations listed in the attachment to this report, for a period of 12 months.

This report identifies those committees, reference groups and external organisations which require the appointment of Councillor Representatives, and recommends elections be duly conducted.

RECOMMENDATION

- 1 Elections be undertaken to appoint Councillor Representatives to committees, reference groups and external organisations as listed in the attachment to this report.
- 2 Existing Councillor appointments to the Heritage Reference Group and Walking, Cycling, and Mobility Reference Group be extended to September 2019.
- 3 The elections are conducted by open means on a show of hands.

REPORT AUTHORISATIONS

Report of: Clare Phelan, Manager Governance and Information (Acting)

Authorised by: Renee Campbell, Director Corporate Services - Connected and Engaged City

ATTACHMENTS

- 1 List for Councillor Appointments to External Organisations and Section 355 Committees

PROPOSAL

Councillors have been provided with the opportunity to submit nominations for the various committees and organisations. Any nominations received will be distributed to Councillors prior to the meeting. Further nominations can be made from the floor when considering this item.

Council appointed delegates to the newly formed Heritage Reference Group and Walking, Cycling and Mobility Reference Group at its meeting of 3 April 2018. The appointments were for an annual term. It is recommended these appointments continue through to September 2019 to align with the annual process for committee appointments. Note, the Heritage Reference Group currently has one Councillor position vacant, and nominations will be sought to fill this.

Clause 251(5) of the Local Government (General Regulation) 2005 stipulates that voting in an election at a Council meeting is to be by open means such as by voice or a show of hands.

Council's *Appointment of Councillor Delegates to Committees Policy* states that Councillors are appointed annually unless otherwise determined by Resolution of Council.

As this is an election, the Lord Mayor does not have a casting vote.

CONSULTATION AND COMMUNICATION

Lord Mayor and Councillors

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal "We are a connected and engaged community". It specifically delivers on core business activities as detailed in the Governance and Administration Service Plan 2018-19.

CONCLUSION

Council should proceed to elect Councillor Representatives to the Council Committees and Reference Groups listed in the report.

OVERVIEW OF COMMITTEES / REFERENCE GROUPS / EXTERNAL ORGANISATIONS

Purpose	Membership	Meeting Frequency and/or Venue	Current Delegates	Delegates to be Nominated
ADVISORY COMMITTEES				
PERFORMANCE REVIEW COMMITTEE				
The Performance Review Committee is responsible for conducting performance reviews of the General Manager on an annual basis and report the findings and recommendations of those reviews to Council	Lord Mayor – Chair, Deputy Lord Mayor, one Councillor elected by Council. One Councillor may be nominated by the General Manager (optional)	As required in accordance with the performance review timetable	<ul style="list-style-type: none"> • Lord Mayor – Cr G Bradbery AM • Deputy Lord Mayor - Cr D Brown • Cr M Cox 	<ul style="list-style-type: none"> • Lord Mayor • Deputy Lord Mayor • Councillor 1 <p>-----</p>
REFERENCE GROUPS				
ABORIGINAL REFERENCE GROUP				
<p>The Aboriginal Reference Group (ARG) will provide input to Council regarding issues affecting the Indigenous community in Wollongong and provide the Aboriginal community with capacity to inform Council's decision-making processes.</p> <p>Broadly, the Reference Group will enable Wollongong City Council (Council) to meet its Community Strategic Plan, in particular those parts of the plan that relate to Aboriginal and Torres Strait Islander people.</p> <p>The Reference Group will also provide a point of contact for Council's broader consultation with the Aboriginal community and promote Aboriginal initiatives and celebrations auspiced by Wollongong City Council.</p>	<p>The Reference Group will include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> 5 Aboriginal community representatives who may also be constituents of particular interest groups or employees of particular Aboriginal organisations, and <input type="checkbox"/> 1 representative per Aboriginal community organisation as listed below (total of 3) and as nominated by the following organisations: <ul style="list-style-type: none"> o Illawarra Aboriginal Corporation (1 representative) o Illawarra Local Aboriginal Land Council (1 representative) o Illawarra Aboriginal Medical Service (1 representative) 	Meetings will be held on a quarterly basis, four times per year.	<ul style="list-style-type: none"> • Lord Mayor – Cr G Bradbery AM • Cr V King 	<ul style="list-style-type: none"> • Councillor 1 <p>-----</p> <ul style="list-style-type: none"> • Councillor 2 <p>-----</p>

OVERVIEW OF COMMITTEES / REFERENCE GROUPS / EXTERNAL ORGANISATIONS

Purpose	Membership	Meeting Frequency and/or Venue	Current Delegates	Delegates to be Nominated
	<p>In addition to the above members, the Aboriginal Reference Group will be supported by:</p> <ul style="list-style-type: none"> <input type="checkbox"/> 2 Wollongong City Councillors; and <input type="checkbox"/> 1 Wollongong City Council Officer 			
COMMUNITY SAFETY REFERENCE GROUP				
<p>The purpose of the Community Safety Reference Group (CSRG) is to bring partners together; NSW Police, Local, State and Federal Government agencies; non-government agencies and the community; to identify and drive the development of specific strategies to enhance community safety in the Wollongong Local Government Area (LGA).</p> <p>Broadly, the CSRG will enable Wollongong City Council to meet the Our Wollongong Community Strategic Plan and in particular those parts of the plan that relate to the creation of a safe city. The CSRG will also provide a point of contact for Council's broader consultation with the wider community 2028.</p>	<p>The CSRG shall consist of no more than 20 members, comprising of:</p> <ul style="list-style-type: none"> • 2 Police representatives who will be from Wollongong Local Area Command and Lake Illawarra Area Command respectively; • Representatives from a range of relevant government and non-government agencies including but not limited to: <ul style="list-style-type: none"> i Service Representatives ii Religious and Charity Based Organisation iii Business and Industry iv State Government Departments v Education and Research. <p>In addition to the above members, the CSRG will be supported by</p> <ul style="list-style-type: none"> • 2 Wollongong City Councillors; and 	<p>Bi monthly</p>	<ul style="list-style-type: none"> • Lord Mayor – Cr G Bradbery AM • vacant 	<ul style="list-style-type: none"> • Councillor 1 ----- • Councillor 2 -----

OVERVIEW OF COMMITTEES / REFERENCE GROUPS / EXTERNAL ORGANISATIONS

Purpose	Membership	Meeting Frequency and/or Venue	Current Delegates	Delegates to be Nominated
	<ul style="list-style-type: none"> • 1 Wollongong City Council Officer. <p>Community representatives must live or work in the Wollongong LGA and must be able to demonstrate an appropriate involvement in the Wollongong City Council area and within their local community.</p>			
SPORTS AND FACILITIES REFERENCE GROUP				
<p>The Sports and Facilities Reference Group has been established to provide advice to Council on policies and strategies which relate to the implementation of the Sportsground and Sporting Facilities Strategy</p>	<p>Three Councillors (one to be Chair), a representative from the Office of Sport, a representative of Illawarra Academy of Sport, minimum of ten members targeting major sporting associations that utilise Council sporting facilities and grounds, and a single representative from emerging sports as nominated by their peak body.</p>	<p>Bi-monthly meetings, except where no business has been identified</p>	<ul style="list-style-type: none"> • Cr J Kershaw (Chair) • Cr J Rimmer • Vacant 	<ul style="list-style-type: none"> • Councillor 1 (Chair) ----- • Councillor 2 ----- • Councillor 3 -----

OVERVIEW OF COMMITTEES / REFERENCE GROUPS / EXTERNAL ORGANISATIONS

Purpose	Membership	Meeting Frequency and/or Venue	Current Delegates	Delegates to be Nominated
WALKING, CYCLING AND MOBILITY REFERENCE GROUP				
<p>The Walking, Cycling and Mobility Reference Group has been established to provide advice to Council on the preparation and implementation of bicycle, pedestrian and disability access policies and strategic plans in Wollongong.</p>	<p>Two Councillors (one to be Chair)</p> <p>One Council officer from Infrastructure, Strategy and Planning</p> <p>One Council officer from Community and Cultural Services</p> <p>Two community members representing bicycle users</p> <p>Two community members representing pedestrians</p> <p>Two community members representing the access needs of people with disability</p> <p>One community member representing the access needs of seniors</p> <p>One community member representing the access needs of families with children</p>	<p>Bi-monthly</p>	<ul style="list-style-type: none"> • Cr D Brown (Chair) • Cr M Cox 	<p>Delegates were appointed April 2018. Recommend appointments continue through to September 2019.</p>

OVERVIEW OF COMMITTEES / REFERENCE GROUPS / EXTERNAL ORGANISATIONS

Purpose	Membership	Meeting Frequency and/or Venue	Current Delegates	Delegates to be Nominated
WOLLONGONG HERITAGE REFERENCE GROUP				
The Wollongong Heritage Reference Group plays a significant role in development of Council's Heritage Strategy and Implementation Plan. The Group was created to assist and advise Council on development and delivery of a Heritage Strategy Plan and provide advice on a wide range of heritage issues and projects	Two Councillors (one as Chair), eight independent members with wide knowledge and expertise in natural and cultural heritage.	Bi-monthly	<ul style="list-style-type: none"> • Cr M Cox (Chair) • Vacant 	<p>Delegates were appointed April 2018. Recommend current appointment as Councillor (Chair) continues through to September 2019. Seek additional delegate for current vacancy.</p> <ul style="list-style-type: none"> • Councillor 1 <p>-----</p>
SECTION 355 COMMITTEE				
AUSTRALIA DAY COMMITTEE				
Provides community input into Wollongong City Council's organisation of an annual celebration of Australia Day; determines Citizen of the Year award winners	Lord Mayor (Chair), one Councillor, Australia Day Council representative, up to ten community representatives including two youth representatives (aged under 26 years), Current Citizen, Young Citizen and Cultural and Community Award winners	Meetings held at least monthly	<ul style="list-style-type: none"> • Lord Mayor – Cr G Bradbery AM - Chair • Cr C Connor 	<ul style="list-style-type: none"> • Lord Mayor • Councillor 1 <p>-----</p>

OVERVIEW OF COMMITTEES / REFERENCE GROUPS / EXTERNAL ORGANISATIONS

Purpose	Membership	Meeting Frequency and/or Venue	Current Delegates	Delegates to be Nominated
EXTERNAL ORGANISATIONS				
ASSOCIATION OF MINING & ENERGY RELATED COUNCILS				
The Association of Mining and Energy Related Councils represents mining and energy related councils and their communities throughout New South Wales. The Association's mission is to advocate on behalf of members (22 Local Government Areas) and their communities on mining and energy related issues and to ensure that mining activity is conducted in accordance with the principles of Ecologically Sustainable Development. In 2017 the Association adopted a new direction embracing the necessity and opportunities surrounding the growing renewable energy sector by renaming the Association to reflect this new direction - Mining and Energy Related Councils NSW	Two representatives from each member Council	Four meetings per year; meetings on a Friday, with an inspection during the afternoon on the previous day	<ul style="list-style-type: none"> • Cr D Figliomeni • Cr C Connor 	<ul style="list-style-type: none"> • Councillor 1 ----- • Councillor 2 -----
CIVICRISK MUTUAL AND CIVICRISK WEST BOARDS				
CivicRisk West is an insurance pool comprising 11 councils and CivicRisk Mutual is a related pool comprising a further 6 councils. The boards provide strategic direction and oversight of insurance procurement and claims management, as well as providing guidance to member councils regarding good governance principles for an effective enterprise-wide risk management framework.	CivicRisk West and CivicRisk Mutual comprise various NSW metropolitan and regional councils. The role of the Councillor is to participate as a Director on the Board; the Lord Mayor (or the Lord Mayor's nominee) and the General Manager (or the General Manager's nominee) attend the Board meetings	Combined, the CivicRisk West and CivicRisk Mutual Boards meet on average every second month at various member Council and other locations	<ul style="list-style-type: none"> • Lord Mayor – Cr G Bradbery AM • Alternate Cr V King 	<ul style="list-style-type: none"> • Lord Mayor • Alternate Delegate - Councillor -----

OVERVIEW OF COMMITTEES / REFERENCE GROUPS / EXTERNAL ORGANISATIONS

Purpose	Membership	Meeting Frequency and/or Venue	Current Delegates	Delegates to be Nominated
DESTINATION WOLLONGONG				
<p>The purpose of the company is to contribute to the sustainable growth of a diverse and vibrant economy, including through:</p> <ul style="list-style-type: none"> a) Growing the Wollongong and the region's visitor economy; b) Promoting and marketing Wollongong and the Illawarra region; and c) Supporting the attraction of new investment and business into Wollongong and the Illawarra region. 	<p>Comprising at least 5 directors and no more than 9 directors; three Council appointed independent Directors, two Council appointed Officer Directors (one Councillor and one Council employee) and four member directors.</p>	<p>Every two months</p>	<ul style="list-style-type: none"> • Cr L Colacino 	<ul style="list-style-type: none"> • Councillor 1 -----
FLOODPLAIN MANAGEMENT AUSTRALIA				
<p>Promotes sound and responsible floodplain management representing the interests of floodplain communities across Australia and the authorities responsible for reducing future flood losses</p>	<p>Two nominees of each member Council, together with representatives from consultants and other groups involved in floodplain management</p>	<p>Quarterly in February, May, August and November</p>	<ul style="list-style-type: none"> • Cr J Dorahy • Cr J Kershaw 	<ul style="list-style-type: none"> • Councillor 1 ----- • Councillor 2 -----

OVERVIEW OF COMMITTEES / REFERENCE GROUPS / EXTERNAL ORGANISATIONS

Purpose	Membership	Meeting Frequency and/or Venue	Current Delegates	Delegates to be Nominated
HEALTHY CITIES ILLAWARRA BOARD				
Responsible for the control and management of Healthy Cities Illawarra Incorporated and assists with improved collaboration between Healthy Cities Illawarra and Councils	Four members appointed, one from each local council in the geographic area in which the Association operates (being Wollongong, Shellharbour, Kiama and Shoalhaven Councils) and shall be the Lord Mayor, Mayor or their delegate; two members from the Health Sector, one of whom shall represent the Health entity that provides core funding to the Association; the General Manager of Healthy Cities Illawarra; up to four members elected from the membership at the annual general meeting; up to four members appointed by the Board who have specific skills required by the Board	Bi-monthly – time and dates determined at start of year (has been 9.30 – 11.30 am Friday mornings) generally held at the Wollongong office of Health Cities	<ul style="list-style-type: none"> Cr Cath Blakey 	<ul style="list-style-type: none"> Lord Mayor OR DELEGATE Councillor 1 <p>-----</p>
ILLAWARRA BUSHFIRE MANAGEMENT COMMITTEE				
Coordinates rural bush fire management activities over the Illawarra including the Local Government areas of Wollongong, Kiama and Shellharbour	One Councillor from each Local Government area, plus representatives of the Rural Fire Service and other Authorities throughout the Region	Scheduled quarterly at the Fire Control Centre in Albion Park	<ul style="list-style-type: none"> Cr C Connor 	<ul style="list-style-type: none"> Councillor 1 <p>-----</p>

OVERVIEW OF COMMITTEES / REFERENCE GROUPS / EXTERNAL ORGANISATIONS

Purpose	Membership	Meeting Frequency and/or Venue	Current Delegates	Delegates to be Nominated
ILLAWARRA DISTRICT NOXIOUS WEEDS AUTHORITY				
<p>IDNWA is a regulatory association of Kiama, Shellharbour and Wollongong Councils aimed at the control of all declared noxious weeds within the Wollongong-Shellharbour-Kiama boundary limits</p> <p>The IDNWA policy on noxious weed control involves the process of education, co-operation and where necessary enforcement with all affected private owners and occupiers of land and public authorities consulted. It aims to prevent the establishment of new noxious weeds and to restrict the spread and reduce the area of all existing noxious weeds</p>	<p>One delegate from each of Wollongong, Kiama and Shellharbour Councils</p>	<p>Quarterly meetings commencing at 9.30 am – rotated amongst member Councils</p>	<ul style="list-style-type: none"> • Cr C Blakey 	<ul style="list-style-type: none"> • Councillor 1 -----
ILLAWARRA ITEC LIMITED BOARD				
<p>Partnership between community, industry, Local, State and Federal Government to support small business and technology development in employment, training, business and industry</p>	<p>Twelve board members including representatives from business, University of Wollongong, community, department of education and one representative each from Shellharbour and Wollongong Councils</p>	<p>Every two months</p>	<ul style="list-style-type: none"> • Cr C Walters 	<ul style="list-style-type: none"> • Councillor 1 -----
ILLAWARRA PERFORMING ARTS CENTRE BOARD				
<p>Manage the operation of the Illawarra Performing Arts Centre.</p>	<p>Two Councillors, General Manager and community members.</p>		<ul style="list-style-type: none"> • Cr T Brown • Cr L Colacino 	<ul style="list-style-type: none"> • Councillor 1 ----- • Councillor 2 -----

OVERVIEW OF COMMITTEES / REFERENCE GROUPS / EXTERNAL ORGANISATIONS

Purpose	Membership	Meeting Frequency and/or Venue	Current Delegates	Delegates to be Nominated
ILLAWARRA REGIONAL AIRPORT MANAGEMENT ADVISORY COMMITTEE				
To advise on policy and strategies to encourage business growth and development at the airport and to strengthen the airport's role in providing transport services, tourism and business opportunities within the region.	Wollongong City Council (1) Kiama Municipal Council (1) Industry and Investment NSW (1) Regional Development Australia - Illawarra (1) South Coast Regional Tourism Organisation (1) Destination Wollongong (1) Division of the Department of Premier and Cabinet (1) Illawarra Business Chamber (1)	As and when required	<ul style="list-style-type: none"> • Cr C Walters • Alternate Cr T Brown 	<ul style="list-style-type: none"> • Delegate Councillor ----- • Alternate Delegate Councillor -----
ILLAWARRA REGIONAL INFORMATION SERVICE				
To ensure the overall strategic direction of the organisation, enabling it to continue to serve the social and economic development interests of the Illawarra Region and its community	Three Councillors from Wollongong City Council plus representatives from other local governments, business, the University, commerce and trade unions	Five meetings per year plus the Annual General Meeting	<ul style="list-style-type: none"> • Cr J Rimmer • Cr V King • Cr D Brown 	<ul style="list-style-type: none"> • Councillor 1 ----- • Councillor 2 ----- • Councillor 3 -----

OVERVIEW OF COMMITTEES / REFERENCE GROUPS / EXTERNAL ORGANISATIONS

Purpose	Membership	Meeting Frequency and/or Venue	Current Delegates	Delegates to be Nominated
ILLAWARRA SPORTS STADIUM LIMITED				
The Board looks after the management, policy, development and operation of the Indoor Sports complex at Fred Finch Park, Berkeley.	One Councillor representative, two netball representatives and two community representatives.	Four times per year, plus one; held from 8 am to 11 am at Stadium	<ul style="list-style-type: none"> Cr V King 	<ul style="list-style-type: none"> Councillor 1 -----
ILLAWARRA ZONE LIAISON COMMITTEE – RURAL FIRE SERVICE				
This committee reviews the performance criteria set out in the Illawarra Zone RFS Management Plan and the Service Level Agreement between Council and the RFS.	Two Councillors to be elected – one as delegate and one as alternate delegate; staff and elected members from Wollongong, Shellharbour and Kiama Councils, RFS staff and volunteer representatives	Quarterly	<ul style="list-style-type: none"> Cr C Connor Alternate Cr C Blakey 	<ul style="list-style-type: none"> Councillor 1 ----- Alternate Councillor -----
LACHLAN REGIONAL TRANSPORT COMMITTEE				
<p>The Committee's aim is to establish the most efficient and fair transport system covering all means of transport for freight and people in the State of New South Wales.</p> <p>The Lachlan Regional Transport Committee was established in 1983. It draws its membership from the outskirts of Sydney through the Central West of New South Wales to Dubbo, Parkes and Cootamundra.</p>	Members include fifteen local government councils and the Port of Port Kembla.	Quarterly meetings on Saturdays from 10 am until approx. 12 noon.	<ul style="list-style-type: none"> Lord Mayor – Cr G Bradbery AM Alternate Cr D Figliomeni 	<ul style="list-style-type: none"> Lord Mayor Delegate Alternate Delegate Councillor -----

OVERVIEW OF COMMITTEES / REFERENCE GROUPS / EXTERNAL ORGANISATIONS

Purpose	Membership	Meeting Frequency and/or Venue	Current Delegates	Delegates to be Nominated
LAKE ILLAWARRA ESTUARY MANAGEMENT COMMITTEE				
<p>The Lake Illawarra Estuary Management Committee is a joint Committee of Wollongong and Shellharbour City Councils. It will be chaired by Shellharbour City Council from Oct 2018 – Oct 2019.</p> <p>The Lake Illawarra Estuary Management Committee's role is to provide advice, feedback and support to Wollongong City and Shellharbour City Councils in developing, implementing and monitoring a Coastal Management Program and projects for Lake Illawarra, that are primarily focused on protecting estuary health. The Committee does not have decision making authority, the power to bind the two Councils or the power to incur expenditure.</p>	<p>Three WCC Councillors</p> <p>Shellharbour City Council will also be conducting their own process during September to elect their own 3 Councillors. one of the Shellharbour City Council Councillors will be Chair of the Committee for this term.</p> <p>Other members include two community representatives from both Wollongong and Shellharbour City Council LGA's. Two Aboriginal community reps, two Scientific Advisors and various state government agencies.</p>	<p>The LIEMC meets at least 4 times a year on a Wednesday evening's 5.30pm – 7.30pm. Meetings will be held at Shellharbour City Council for the next 12 months.</p>	<ul style="list-style-type: none"> • Cr Vicky King (chair) • Cr C Walters • Cr C Blakey 	<ul style="list-style-type: none"> • Councillor 1 ----- • Councillor 2 ----- • Councillor 3 ----- <p>N.B Chair will be from Shellharbour City Council</p>
LANDCARE ILLAWARRA				
<p>Obtain funding and provide support and development for environmental restoration and repair by Community Groups and individuals within the local government areas of Wollongong, Shellharbour and Kiama</p>	<p>One Councillor and one officer (observer); representatives of other local councils; representatives of Southern Rivers Catchment Management Authority; representatives of Landcare groups</p>	<p>Monthly on the fourth Thursday at 6 pm HACC Centre, Albion Park</p>	<ul style="list-style-type: none"> • Vacant <i>(resolution: The GM is to allocate a staff member to attend in cases where there are vacancies)</i> 	<ul style="list-style-type: none"> • Councillor 1 -----

OVERVIEW OF COMMITTEES / REFERENCE GROUPS / EXTERNAL ORGANISATIONS

Purpose	Membership	Meeting Frequency and/or Venue	Current Delegates	Delegates to be Nominated
PUBLIC LIBRARIES NSW – SE ZONE				
Enables those Councils and public library services which are members to meet on a regular basis for common purposes and to undertake united action; represents the interests of public libraries and their users throughout New South Wales and has a vital interest in improving library services and access to information resources for all people living in New South Wales through a range of initiatives, joint ventures and partnerships.	There are 120 members comprising 105 local government authorities and 15 regional library services. Membership is open to each Council directly providing or contributing funds towards a public library service. Each Council is entitled to three representatives being one Councillor one Council officer and one Library Manager or Library Officer-in-Charge	Meetings arranged as considered appropriate with a minimum of two meetings per year at a different library in the zone plus an Annual General Meeting and Conference	<ul style="list-style-type: none"> • Cr J Rimmer 	<ul style="list-style-type: none"> • Councillor 1 -----
SOUTH EAST AUSTRALIAN TRANSPORT STRATEGY				
Provides coordinated advocacy for the development of transport infrastructure in the South East Australian region that supports sustainable economic development and the prosperity of its constituents.	One Councillor delegate and one councillor alternate delegate	Quarterly meetings held at member Councils alternating between NSW and VIC Councils.	<ul style="list-style-type: none"> • Cr D Figliomeni • Alternate Cr M Cox 	<ul style="list-style-type: none"> • Delegate Councillor ----- • Alternate Delegate Councillor -----

OVERVIEW OF COMMITTEES / REFERENCE GROUPS / EXTERNAL ORGANISATIONS

Purpose	Membership	Meeting Frequency and/or Venue	Current Delegates	Delegates to be Nominated
SOUTHERN JOINT REGIONAL PLANNING PANEL – formerly Joint Regional Planning Panel (JRPP)				
<p>The Southern Region Planning Panel (SRPP) comprises of three state appointed and two locally appointed Panel Members to determine regionally significant development applications.</p> <p>The Planning Panels:</p> <ul style="list-style-type: none"> • Determines 'regionally significant' development applications (DA's) • Acts as the Planning Proposal Authority (PPA) when directed • Reviews rezoning requests (Planning Proposals) <p>Provides advice on other planning and development matters when requested</p>	<p>Each Planning Panel consists of five members:</p> <ul style="list-style-type: none"> • Three members including the Chair, appointed by the Minister (State members) and <p>Two members and two alternate members nominated by the relevant council (council members). At least one council member is required to have expertise in one or more of the following areas: planning, architecture, heritage, the environment, urban design, land economics, traffic and transport, law, engineering or tourism.</p>	<p>As required – typically one meeting each month.</p>	<ul style="list-style-type: none"> • Cr D Brown • Cr M Cox 	<ul style="list-style-type: none"> • Councillor 1 ----- • Councillor 2 -----

ITEM 4 BEATON PARK REGIONAL PRECINCT MASTER PLAN 2018 - 2038 - POST EXHIBITION

On the 25 June 2018 Council endorsed the public exhibition of the Draft Beaton Park Regional Precinct Master Plan for 2018-2038.

This report outlines the consultation undertaken, considers the submissions received as part of the exhibition process and presents a final master plan for endorsement.

RECOMMENDATION

Council endorses the Beaton Park Regional Precinct Master Plan 2018-2038.

REPORT AUTHORISATIONS

Report of: Peter Coyte, Manager Property and Recreation

Authorised by: Jenny Thompson, Director Community Services - Creative and Innovative City (Acting)

ATTACHMENTS

- 1 Beaton Park Regional Precinct Master Plan
- 2 Beaton Park Regional Precinct Master Plan Written Submissions
- 3 Beaton Park Regional Precinct Master Plan Online Engagement Summary
- 4 Beaton Park Regional Precinct Master Plan Financial Model

BACKGROUND

Over the past three years, Council has been working with the community and users of the Beaton Park precinct to develop a master plan which will allow the precinct to cater for the long term needs of the community.

A number of key objectives were formulated to guide the initial assessment, the updating of the plan of management for the precinct and ultimately the development of a 20 year master plan. These key objectives included:

- Provide an overall strategic approach for the Beaton Park precinct.
- Identify opportunities for complementary infrastructure and services to those currently present in the precinct.
- Identify opportunities to enhance existing stakeholder relationships and explore new potential stakeholders that could align to the vision for the Beaton Park precinct.
- Identify potential funding and/or investment sources from current or potential stakeholders.
- Determine the feasibility of the establishment and integration of a 'Centre of Excellence' that enables community participation and engagement.
- Identify opportunities to inform Council's Capital Program to support the precinct strategy.
- Enhance community access, engagement and usage of the precinct.

In 2015, the Beaton Park Needs Assessment was completed and provided recommendations based on extensive consultation with stakeholders on the best way to ensure these objectives could be met and support the population's recreation, leisure and health and wellbeing needs well into the future. Following the endorsement of the Needs Assessment, an update to the Beaton Park Plan of Management, which reflects the long term goals for the site, was completed and adopted by Council on 28 May 2018.

In 2017, staff commenced the development of the Beaton Park Regional Precinct Master Plan 2018-2038. The proposed master plan aimed to -

- Deliver an integrated sports, recreation and well-being centre to service the needs of the Wollongong population.
- Introduce additional health and well-being floor space.
- Introduce additional facilities to cater to an ageing population.
- Provide flexible and multiuse facilities.
- Provide spaces for indoor and outdoor interactive play spaces for children.
- Provide a staging plan which will result in minimal disruption to the existing facility operations during construction.
- Design a centralised entrance to the main facility (ie leisure centre, aquatic centre, fitness centre and health and well-being centre).
- Improve on site car parking circulation.
- Facilitate the integration of sustainable design strategies into the project and provide for a development which has low carbon emissions, is water sensitive and resource efficient both in construction and operation.
- Improve the existing pedestrian connections between Beaton Park and Wisemans Park, and throughout the Beaton Park site and connections to the City Centre.

The master planning process has included extensive site constraints and usage investigations as well as a review of all literature and current policies for the site to ensure a strategic alignment across the city. The policies and documents which informed the preparation of the master plan include:

- Beaton Park Needs Assessment 2015.
- Play Wollongong 2014-2024.
- Wollongong 2028.
- The Future of Our Pools 2014.
- Keiraville Gwynneville Community Planning Project.
- Keiraville/Gwynneville Access and Movement Strategy.
- City of Wollongong Bike Plan 2014-2018.
- Illawarra-Shoalhaven Regional Plan.
- Beaton Park Plan of Management 2018.
- Illawarra Shoalhaven Sport and Active Recreation Plan 2018.

Further internal and external stakeholder consultation was also undertaken with a draft master plan presented to Council in two briefings in February and June 2018, before being presented to Council in June 2018.

The draft master plan was exhibited from 2 July – 6 August inclusive.

Engagement Strategy

The objectives of the engagement strategy have ensured that as many stakeholders, users of the precinct facilities as well as the general community have had the opportunity to review the plan, ask questions and make comment during the exhibition period. These objectives focused around:

- Raising community awareness of the need to master plan the site.
- Create interest to ensure community members can constructively engage with Council.
- Encourage site users to express their opinions on the future of the facility.
- To reach a broad cross section of the community including current and future potential users.
- To develop a master plan with a list of options that are responsive to community, site opportunities and constraints.
- Support community members to communicate and engage via their local networks.
- To ensure the engagement process is open and transparent.

Methodology

The exhibition period 2 July – 6 August inclusive was extended due to it overlapping the school holidays to allow the community ample time to attend information booths and provide feedback.

Methods of communication utilised included:

Who	Method	Strategy
Internal	Team Brief	Published in the July Council Team Brief
Internal	Council Report	Presented to Council 24 June 2018
Internal	Yammer	Posted on 3 July invited staff to provide input into the plan
External	Facebook	Posted 10 July
External	Twitter	Posted 25 June, 9 July, 25 July and 2 August
External	Media Release	Media release issued 3 July
External	Stakeholder Engagement	107 stakeholders were emailed directly regarding the draft plan which included a FAQ sheet and opportunity to meet with the project team to discuss the plan
External	Resident Engagement	139 residents in the immediate area were sent a letter outlining the draft master plan
External	Signage	Signage was placed at all three precincts within Beaton Park including Wollongong Tennis Club, Illawarra Basketball Association and Beaton Park Leisure Centre
External	Council's Website – Have your say	Engagement Page set up on Council's website for the exhibition period at: https://www.haveyoursaywollongong.com.au/beaton-park-regional-precinct-master-plan-2018-2038

Who	Method	Strategy
External	Face to Face Meetings with Stakeholders	All stakeholders registered on our contact list were provided the opportunity to meet directly with the project team to discuss the draft plan. The following groups took up the opportunity - Wollongong Tennis Club Wollongong Tennis Association Illawarra Hawks Illawarra Table Tennis Association UOW Junior Football Club Peoplecare Paul Scully MP Member for Wollongong Wollongong Swim Club Inc
External	Libraries	Copies of the master plan were available at all Council libraries
External	Frequently Asked Question Sheet	A three page information sheet was developed outlining the progress to date and how to provide feedback. This was distributed to all booth participants as well as to all stakeholders.

Who	Method	Strategy
External	Information Booths	Four booths were held during the exhibition period across the precinct. These included - <ul style="list-style-type: none"> • Beaton Park Leisure Centre – Monday, 23 July 10am • Illawarra Basketball Stadium – Tuesday, 24 July 5.00pm • Wollongong Tennis Club – Wednesday, 25 July 5.30pm • Beaton Park Leisure Centre – Saturday, 28 July 9am <p>Approximately 120 people attended across all four booths</p>

The following is a summary of community involvement in the master plan process -

- 139 residents received a letter directly advising of the exhibition period and the plan
- 107 stakeholders received an email directly advising of the exhibition period and the plan
- four information booths held with approximately 120 community members present
- 28 written submissions received from community members, groups or organisations
- eight community members provided feedback via the website link
- 256 community members accessed the “haveyoursay” page with 149 downloading a document and 156 visiting multiple pages
- eight one on one meetings with key stakeholders

The following is a summary of all feedback received. A full account of all written feedback can be found in the attachments to this report.

Source	Key Feedback
Information Booths	<p>Parking – A number of participants believe more parking is required on site to cope with the major events. Tennis club members were concerned with the lack of parking available near the club. Though they acknowledged more parking would be available on site, they feel with the demographics of the club users being older, that if parking is not available in close proximity they would no longer frequent the club. A member of the public highlighted the issues facing residents along Gipps Road and problems users of the soccer fields pose to the residents parking across driveways. Possible solution is marking both sides of the road.</p> <p>Athletics – Facilities for running of track events were considered a priority. It was identified that these could be incorporated into the stadium with direct access onto the track and use available during major event.</p> <p>Swimming – A number of users asked about a 50m indoor pool however acknowledged that a bigger indoor pool was required only due to the current pool being at capacity in Winter. It was also acknowledged by a number of residents that the pool would only be utilised in Winter as in Summer they would move to one of our outdoor free pools. Requests for more family friendly facilities were a priority for a number of users, including change rooms and aquatic activities.</p> <p>Multipurpose stadium – Basketball users were very excited regarding a new facility that met current standards for the playing of basketball.</p>
Online Feedback	<p>More parking was again suggested along with accessible toilets and shower facilities.</p> <p>Priority for good cycle paths leading to and around the site including bike parking facilities.</p> <p>Concerns were raised regarding the alienation of athletics if field events were moved from the interior of the track.</p> <p>Increase in pool availability was supported however it was suggested it could be alleviated through longer opening hours/opening up of pool space across all Council pools.</p> <p>Basketball courts, wellbeing area and upgrades to the leisure centre were supported.</p>
Resident Submissions	<p>Requested the green space to the east of Weerona remain as open green space.</p> <p>Advocated for more family friendly change rooms and pool space.</p> <p>Identified options for consideration regarding parking including east of Beaton Park, to the Illawarra Rail Line easement, between Throsby Drive and Hay Street – possibility of between 150-360 car spaces. The need for adequate parking for disabled and parents with children.</p> <p>Four courts behind the stadium wouldn't be able to be seen from the pro-shop and would be hard to dry due to shadow from stadium. Need 12 courts visible from pro-shop and control room. Potentially the courts behind the stadium could be synthetic if they remained.</p>

Source	Key Feedback
	<p>Ensure there are family change room facilities in the pool area as currently none are available.</p> <p>Maintain the parkland east of Weerona as public open space. Introduce a high quality soccer field within the track and move field events to the area east of Weerona. Ensure flood mitigation works are carried out as a priority.</p> <p>Fast tracking of upgrades to the soccer fields including amenities and irrigation.</p> <p>Plan does not go further enough to create a legacy. No 50m pool included. City will outgrow the plan before any works are completed.</p>
<p>Mr Grant Hughes General Manager Wollongong Tennis Club on behalf of the Directors</p>	<p>Overall the Tennis Club supports the Beaton Park Master Plan and sees merit in the overall aim and vision of the plan. Seating opportunities and footpath connections between the courts are important. An alternative court arrangement could be explored in consultation with Tennis NSW. Required a review of parking especially close to the club as limited opportunities here would reduce club usage.</p>
<p>Committee Members Wollongong Tennis Association</p>	<p>Happy with the plans if a control room with adequate storage facilities can be maintained that provides line of site across all courts. This could be moved further south towards Weerona. Current court set out on plans is adequate. Believe more parking however is required.</p>

Source	Key Feedback
<p>Alan Russell President, Illawarra Table Tennis Association</p>	<p>Likes the plans currently on exhibition, however would also like to see some permanent tables set up within the facility to allow for casual users as well as more storage space and permanent control desk area. Needs to be separated from 'noisy sports'.</p>
<p>Mr Marcello Chiodo President, University of Wollongong, Junior Football</p>	<p>Likes the plans currently on exhibition however if priority could be placed on lighting before drainage upgrades on the field. Also requested if a mini field (50m x 40m) could be included between the soccer fields and the athletics track for the under 9's. Storage facilities and amenities within the aquatic facility would be welcomed and are a priority behind lighting.</p>
<p>Paul Malcolm General Manager Participation & Sport Development Swimming Australia</p>	<p>Support for a 50m indoor heated pool as proposed by Wollongong Swimming Club Inc. Letter was drafted in 2016 and resubmitted as part of the exhibition period.</p>
<p>David Winterbottom Secretary Neighbourhood Forum 5</p>	<p>Supports the provisions in the plan. Would like Council to investigate the moving of some or all of the field events within the running track to part of the open space adjacent to Weerona, provided some informal space remains, to enable a synthetic surface to be introduced. Objects to the alienation of well used community open space adjacent to Throsby Drive for car parking should this option be pursued.</p>
<p>Chris Birrer, First Assistant Secretary, Infrastructure Department of Defence</p>	<p>Advised they no longer wish to see parking expanded onto their site due to identified vulnerable persons requiring separation distances during activities.</p>

Source	Key Feedback
Mr Col Bruton Wollongong Swim Club Inc.	Identified that Wollongong is without a 50m indoor pool and that the city is unable to provide for local elite swimmers. Without a competition 50m pool our top swimmers have to leave Wollongong to train and compete. Disagree that Wollongong has an abundance of water facilities. A second 50m pool is also required for diving and water polo. Roundabout intersection should be upgraded in stage 1. Free bus to be able to drop off within Beaton Park. Consideration of green alternatives to offset utility costs. Consideration of 40km/hr speed limit along Gipps Street/Throsby Drive. Agree with the need and concept for a health and wellness facility. Believe many items within previous reports are false or unsubstantiated. A 50m indoor pool is supported by Swimming NSW and Swimming Australia. Piping of Fairy Creek to allow for more recreational space. A submission was also received on the endorsed plan of management for the precinct.
Paul Scully MP Member for Wollongong	Mr Scully advised parking along the South Coast Line is something we should further explore with his support. He also requested ensuring the master plan and precinct were identified in the Illawarra Shoalhaven Sport and Active Recreation Plan as a site of significance.
Mr Andrew Barrett Operations Manager Illawarra Hawks	The Hawks see the master plan as beneficial and would be interested in utilising the stadium as training and game hub for mid-week games that do not attract large numbers. Would require dedicated change rooms for the team.

Source	Key Feedback
Mr Mark O'Neill Chairman, Junior Tennis Wollongong	The plan is very positive in all aspects. Ensure some focus on drainage and access to courts is looked at.
Mr Brodie Billet Groundsman, WCC	Improvements to irrigation are a priority and ensuring enough space for plant to facilitate maintenance on site.
Mr Adam Renfry Place to Play Manager, Tennis NSW	A number of design considerations were identified that will be incorporated into the design of the multipurpose stadium (so to not impact on tennis courts) as well as the tennis court layout. An additional two hard courts would be preferred. Would be interested in a sports house concept housing development staff. This site has been identified as one of five key sites in New South Wales for the development of tennis. Overall, feel this is a phenomenal opportunity for the community of Wollongong.
Ms Melinda Williams CEO Peoplecare	Very supportive of integrated approach to health and wellbeing. Spaces need to be flexible to respond to community needs, have family/waiting/public areas and have natural light. Preferred option would be to move the health and wellbeing closer to reception so it can be staged with the leisure centre upgrade and provide more connectivity and increase floor space to 800sqm and then an additional 800sqm of office space.
Mr Canio Fierravanti Director Government Relations, University of Wollongong	UOW supportive of master plan as they it enhance the broader student lifestyle. Master plan will provide opportunities for collaboration for major sporting events as well as linking with UOW sports sciences.

Source	Key Feedback
<p>Mr Jeremy Wilshire Major Events and Special Projects Destination Wollongong</p>	<p>A number of recommendations were presented including –</p> <ol style="list-style-type: none"> 1 Incorporate infrastructure that caters for and encourages the growing ‘active’ recreation sector (ie rock climbing, mountain biking etc). 2 Give consideration to a pump track being built to realise an existing market opportunity and plan for complementary product/infrastructure. 3 Integrate elite training facilities into a regional community hub to ensure viable and vibrant usage. 4 Assess Cockburn Central West and AUT Millennium in regard to the investment and collaboration model for key learnings. 5 Marry industry trends and market needs with regional data and competitive advantages to identify a key specific goal or two that takes a market leading position.
<p>Mr John Madry Bravo Company MUD</p>	<p>Petition with 12 signatures objecting to the use of some of defence area for parking and highlighting the issues this would cause the depots functionality.</p>
<p>Ms Sue Worthington President, South Eastern Swimming Association</p>	<p>Advocate for a 50m indoor pool due to no other on the coast between Sydney and Melbourne, provision of a year round facility as no Council facilities are able to cater for major events.</p>

PROPOSAL

Following consideration of all submissions, the following changes are recommended to the Beaton Park Regional Precinct Master Plan 2018 – 2038 -

Parking

- Removal of car parking located on the Department of Defence site.
- Investigation of parking along the South Coast Rail Line easement.
- Adding line marking to the north of Gipps Road.
- Extension of the parking area to the west of the Wollongong Tennis Club.
- Removal of the alternative car park to ‘potential/event car park’ - The use of this car park would be for the purposes of events or provide opportunity for use of car parking only if required.
- Currently, there are 317 formal car parking spaces on the site. As a result of the master plan works, over 400 parking spaces would be provided on site, with an additional 130 event parking spaces available off Throsby Drive as overflow, or as a formal car park in the future.

Tennis

- A reconfiguration of tennis courts to ensure viewing from tennis club and incorporating tennis control room within either current tennis club facility or multipurpose stadium. Hot shot courts to be moved to be in front of tennis club.

Football

- Identification of a junior football pitch to the east of the Aquatic Centre to accommodate Under 9's football if required.
- Prioritisation of lighting on the current football fields.

Health and Wellbeing

- Moving of the health and wellbeing space to be located adjacent to the leisure centre and increasing size to 800sqm.
- Identification of potential first floor office space.

Multipurpose Stadium

- Moving of the stadium further to the south to allow health and wellbeing to be adjacent to leisure centre.
- Slight widening of the stadium floor plate has been included to allow for additional flexibility in use.

Other Changes

- Identification of seating and pathways throughout the tennis area.
- Inclusion of the need for more family friendly change rooms and facilities/access for the disabled.
- The identification of facilities for tennis and athletics to be able to operate carnivals/tournaments including storage.
- Identification of entrance upgrades as a priority once works commence.
- A number of options proposed by residents, stakeholders and user groups were not included for various reasons. These are summarised below -
 - **The moving of athletics field events within the running track to the open space adjacent to Weerona to facilitate a high quality soccer field within the track** – This will impact on the open green space as it would require the whole area and would require fencing for safety reasons. The moving of such events would also have a significant impact on athletics carnival and their ability to adequately supervise and undertake carnivals. Though space within the track would fit a small football field, once field events for athletics were moved, it would not be to regulation and therefore would support local activities only.
 - **A 50m indoor heated pool and a second 50m pool for diving and water polo** – The Future of our Pools Strategy highlighted the need for additional warm water pool space for Beaton Park however this was for recreation and rehabilitation purposes only. The strategy did not identify a need for a 50m indoor pool at Beaton Park.
 - Competitive swimming within the strategy was identified at Corrimal which is currently being master planned. The allocation of space for up to two 50m pools would see the need to relocate a communication base station and would also impact on at least one football and one cricket field. Though some support was seen for a 50 m pool due to current capacity issues, this will be alleviated with the construction of a LTS pool allowing additional space for lap swimming in the current 25m pool. A number of users also indicated they would utilise the 50m pool during winter only and then return to the outdoor free pools in summer.
 - **The piping of Fairy Creek to allow for more recreational space** – The piping of the creek would need significant investigations from a flood plain perspective and would need to consider the Fairy Creek Corridor Master Plan which is currently in development. This would need to form part of a separate intensive review if being considered and therefore has not been included here.

- **An additional two tennis hard courts** – There are currently an additional two courts located at Wisemans Park and therefore additional courts were not considered a priority at Beaton Park. Space also restricts additional courts being included. The stadium is to be designed to be capable of use for indoor tennis and would therefore provide opportunities for additional court space if required.
- **Consideration to a pump track being built** – limited space precludes a pump track being included without impacting on other activities on site.
- **Flood mitigation works** – these works are ongoing as part of Council’s maintenance program.
- Upon endorsement, Council will commence detailed design for Stage 1 of the Beaton Park Regional Precinct Master Plan 2018 – 2038.

CONSULTATION AND COMMUNICATION

The following groups were consulted and/or communicated with during the exhibition period from 2 July – 6 August 2018 -

- Council staff via the team brief, Yammer and project meetings.
- General community via media release, Facebook, Twitter, information booths, signage, Council’s website, and master plans located at leisure centre and libraries.
- Stakeholders – mail out to 107 stakeholders advising of exhibition period and offer to meet directly to discuss the master plan.
- Resident engagement - mail out to 139 residents in the immediate vicinity of Beaton Park advising of exhibition period.
- Face to Face Stakeholder meetings with Wollongong Tennis Club; Wollongong Tennis Association; Illawarra Hawks; Illawarra Table Tennis Association; UOW Junior Football Club; People Care; Paul Scully MP, Member for Wollongong and Wollongong Swim Club Inc.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal “We are a healthy community in a liveable city”. It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2018-2021	Operational Plan 2018-19
Strategy	3 Year Action	Operational Plan Actions
5.1.3 Involvement in lifelong learning, skills enhancement and community based activities is promoted	5.1.3.2 Carry out commercial business management of Council’s operational lands	Manage Council’s commercial businesses to maximise return at Beaton Park Leisure Centre

Community Strategic Plan	Delivery Program 2018-2021	Operational Plan 2018-19
Strategy	3 Year Action	Operational Plan Actions
5.1.4 Urban areas are created to provide a healthy living environment for our community	5.1.4.1 Provide an appropriate and sustainable range of quality passive and active open spaces and facilities	<p>Explore opportunities outlined in needs assessment developed for the Beaton Park Precinct</p> <p>Increase utilisation of Council’s recreation and leisure assets</p> <p>Completion of master plan for the Beaton Park Precinct</p> <p>Pursue key actions outlined in the 2017-2021 Sports Ground & Sporting Facilities</p>

Community Strategic Plan	Delivery Program 2018-2021	Operational Plan 2018-19
Strategy	3 Year Action	Operational Plan Actions
		Strategy
5.2.1 Provide a variety of quality public spaces and opportunities for sport, leisure, recreation, learning and cultural activities in the community	5.2.1.2 Investigate the future provision of Aquatic Services across the local government area	Implement program opportunities and innovative activity options to encourage healthy living, enhance user experience and increase patronage and new revenue streams at our supervised public swimming pools Incorporate elements of good design and wise use of water resources when undertaking improvements to public pool amenities
5.2.1 Provide a variety of quality public spaces and opportunities for sport, leisure, recreation, learning and cultural activities in the community	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	Implement the key recommendations of the Strategic Plan for Council's swimming pools in accordance with Council's capital program Implement The Future of Our Pools Strategy 2014-2024 Implement program of enhancing pool amenities, consistent with good design principles
5.2.2 Health, active ageing program are promotes in partnership with government agencies and community organisations	5.2.2.1 Deliver a range of programs and recreational pursuits for older people	Provide a variety of affordable senior programs at the leisure centres
5.5.1 Public facilities in key locations and transport routes are maintained and clean, accessible and inviting to our community and visitors	5.5.1.1 Well maintained assets are provided that meet the needs of the current and future communities	Undertake high priority works, as per open space works schedule to strengthen connections and people movement.

The Beaton Park Regional Precinct Master Plan is also aligned with the Illawarra Shoalhaven Sport and Active Recreation Plan 2018 – 2023 which highlights the need for considering regional sports hubs and enhancing and maintaining regionally significant sport facilities

Illawarra Shoalhaven Sport and Active Recreation Plan 2018 – 2023

Outcome 4 - Fit for Purpose Facilities

Strategy 4.1 – Establish a regional sporting hub and explore locations for sub-hubs

Strategy 4.2 – Enhance and maintain WIN stadium as a regionally significant sport facility and explore locations for the establishment of other significant sports facilities

FINANCIAL IMPLICATIONS

The following financial information was completed as part of the initial master planning process. As the changes made to the master plan are minimal, it is anticipated that these indicative costs will not be impacted.

The figures included are based on a range of high level concepts and assumptions about the nature of the assets, how these will be operated, service levels, community usage and possible commercial arrangements. The financial information will need to be modified over time as the underlying assumptions are better defined and more information becomes available.

Preliminary Capital Investment Estimates

The full capital investment, over the lifetime of the plan, equates to approximately \$55M based on the current draft master plan. The first stage is expected to cost in the vicinity of \$14M and would include the enhancement of the aquatics area, greening works, an upgrade to the main Foleys Street entrance and lighting upgrades.

Stage Description	Preliminary Capital Cost Estimate
Aquatics and Greening	\$ 14 M
Leisure Centre upgrade and expansion including café	\$ 9.8 M
Health and Wellbeing/community space	\$ 3 M
Tennis court works	\$ 1.2 M
Multipurpose Stadium including six basketball courts and office space	\$ 23 M
Future works	\$ 3 M
Repurpose Snakepit	\$ 0.545 M
Total Construction Cost	\$ 55 M + contingencies

In addition to the above construction costs, it is estimated that the project will also incur a non-recurrent net cost of \$0.89M from the closure of elements of the current operation as the master plan is implemented. Current estimates based on anticipated timing of the project indicate a potential loss in revenue of \$1.74M that would be partially offset by reduced expenditure during construction of \$0.85M that relates to the variable costs for facilities not utilised while construction occurs.

Funding Opportunities

A number of funding opportunities have been explored and these include:

- Federal Grants.
- State Grants.
- Grants from National and State Sporting organisations.
- Input from local sporting stakeholders where appropriate.
- Joint venture opportunities.

No allowance for these is included in the financial forecasts at this stage. Opportunities will be further explored once a master plan for the site is endorsed.

Preliminary Operational Impact Estimates

Preliminary operational cost estimates are based on the current master plan and a range of assumptions for income and expense projections. These assumptions are based on current service delivery approaches and methodologies and do not as yet include consideration of possible alternatives.

The financial forecast is shown in current dollars and is for the expected net annual recurrent costs when the master plan has been fully implemented. It should be noted that these projections do not include cost of capital.

Expense forecasts include an allowance for increased asset maintenance costs and depreciation associated with the additional assets. Maintenance costs are based on the nature and value of the new assets and are currently estimated to be between 1-2% of construction cost based on industry guidelines for the proposed asset types. Depreciation costs are based on the construction costs and expected useful lives of each asset type.

Recurrent Operational Implications

	Before Master Plan	After Master Plan
Income	\$2.37M	\$3.35M
Expenses	\$2.89M	\$6.12M
Operational Surplus/(Deficit)	(\$0.52M)	(\$2.77M)

Based on the indicative concepts and underlying assumptions, the Beaton Park Master Plan will increase the overall net operational costs by \$2.25M. Asset maintenance and depreciation are estimated to contribute \$2.2M towards this overall operational cost increase. As the infrastructure within the Beaton Park Precinct is ageing, it is anticipated that without any enhancements at the site, it will still require significant outflows for asset maintenance of the current facilities over the next 10 years. This will be funded from within the existing budget.

CONCLUSION

The Beaton Park Regional Precinct Master Plan will provide a road map for the delivery of recreational services in the region for the next 20 years. It will foster and promote healthy lifestyle choices for the whole community through a diverse and affordable range of quality recreational, sporting, health and leisure opportunities whilst ensuring the changing needs and shape of the community will be well catered for into the future.

The endorsement of the master plan will provide the first step to being able to provide quality services and facilities to the community for many years to come.

Beaton Park Regional Precinct Masterplan

2018 - 2038

Acknowledgements

Wollongong City Council would like to show its respect for and acknowledge the Traditional Custodians of the Land to which this Plan applies, of Elders past and present, and extend that respect to other Aboriginal and Torres Strait Islander people.



1980s Exterior of Leisure Centre

How to read this document

A Master Plan study is a critical component in guiding the orderly development of a site. The Beaton Park Regional Precinct Master Plan 2018-2038 (the Plan) sets the long term vision for the future development of the Beaton Park Precinct. The Plan has been prepared with respect to the aim and vision set for the future of Beaton Park, the Plan of Management, consideration of the site constraints and consultation with site stakeholders.

The Plan sets out 20 year vision to guide future development and the use of the land within the Precinct. It should be noted that the Plan has been prepared based on available information and amendments undertaken in response to feedback received during community consultation. The works proposed within the Plan are subject to detailed design, funding and grant applications.

The Master Plan guides the extent, type and general location of different development that can take place on the site. Each component of the Plan will be subject to the relevant application and public exhibition process. Like all businesses, market conditions and other requirements can change over time. The Master Plan will be regularly reviewed to ensure the Beaton Park Regional Precinct remains as the predominant recreation, leisure and wellbeing precinct for the region.

Wollongong City Council would like to thank the Beaton Park stakeholders and community members who contributed to this plan by providing feedback in engagement activities throughout 2017-2018.

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Introduction

Introduction

Beaton Park is located within the suburb of Gwynneville, 2km from the Wollongong City Centre Area and 1.5km from the University of Wollongong Main Campus Area.

Currently, the site contains Beaton Park Leisure Centre, Wollongong Tennis Club, 14 outdoor hardstand tennis courts, 8 hot shot tennis courts, the Snakepit (4 court Basketball Stadium), 2 soccer fields and 1 cricket field and Kerryn McCann Athletics Track and Grandstand and associated amenities and car parking areas. The complex covers almost 14 hectares and is generally bounded by Gipps Street to the north, the South Coast Railway Line to the east, Throsby Drive to the south and Foley Street to the west.

This precinct plays an important role in the lifestyles of many residents and visitors to Wollongong by providing significant opportunity as a leisure, sport and recreational hub.

The majority of existing buildings on site were constructed between the 1960's and 1980's and have remained relatively unchanged since.

Given the age of the facility, design changes and expansion over the coming years is essential to ensure facility is able to cater for not only the current clientele but also provide for increases in patronage and attraction of new users into the future.

History of Beaton Park

Originally comprising part of the Crown Grants to the Campbell Family, and later the site of the Federal Cokeworks, the area has significantly changed over the past 40 years.

The following table provides a brief history of the development of Beaton Park

1841	Crown Grant to Robert & Charles Campbell
1901	The Federal Coke Company established
1951	Consolidation of two adjoining private land areas
1957	Wollongong Tennis established
1964	Snake Pit developed - 2 courts
1973	Park area expanded following closure of the Cokeworks
1978	Area further expanded by 1.056 ha by linking excess railway land
1981	Beaton Park Leisure Centre and 25m pool completed
1983	Pool enclosed
1983	Snakepit extended – 4 courts
1993	Synthetic Athletics Track Completed
2001	Athletics track Grandstand added
2005	Children's playgrounds at Beaton Park and Wisemans Park opened
2017	Synthetic Athletics Track resurfaced



Caption



Caption

Informing the Masterplan

Alignment with Supporting Documents

A multitude of plans, studies and reports have informed the draft master plan, including:

- Beaton Park Needs Assessment
- Beaton Park Plan of Management
- Wollongong 2022 Community Strategic Plan
- Play Wollongong Strategy 2014-2024
- The Future of our Pools Strategy 2014-2024
- City of Wollongong Bike Plan 2014-2018
- Keiraville Gwynneville Community Planning Project 2014
- Illawarra Shoalhaven Regional Plan
- Keiraville Gwynneville Access and Movement Strategy (underway)
- Sportsground and Sporting Facilities Strategy 2017-2021
- 'A City for People', Wollongong Public Spaces Public Life 201
- Draft Illawarra Shoalhaven Sport and Active Recreation Plan 2018-2023



Alignment with Community Strategic Plan

The Master Plan will contribute to the delivery of the Wollongong 2022 community Strategic Plan goal *“We are a healthy community in a liveable city”*.

It specifically delivers on the following:

Community Strategic Plan		Delivery Program 2018-2021		Annual Plan 2018-19
Strategy		3 Year Action		Annual Deliverables
5.1.2	Child-friendly and age-friendly principles are incorporated in design, planning and service delivery within the city	5.1.2.1	Actively engage children and young people in planning and design processes	Continue to refine practices for children to ensure continuous improvement and actively to involve children in town and village planning, play space design and policy and planning
5.1.3	Involvement in lifelong learning, skills enhancement and community based activities is promoted	5.1.3.2	Carry out commercial business management of Council’s operational lands	Manage Council's commercial businesses to maximise return at Beaton Park Leisure Centre
5.1.4	Urban areas are created to provide a healthy living environment for our community	5.1.4.1	Provide an appropriate and sustainable range of quality passive and active open spaces and facilities	Explore opportunities outlined in needs assessment developed for the Beaton Park Precinct Increase utilisation of Council’s recreation and leisure assets Completion of master plan for the Beaton Park Precinct Pursue key actions outlined in the 2017-2021 Sports Ground & Sporting Facilities Strategy
5.2.1	Provide a variety of quality public spaces and opportunities for sport, leisure, recreation, learning and cultural activities in the community	5.2.1.2	Investigate the future provision of Aquatic Services across the local government area	Implement program opportunities and innovative activity options to encourage healthy living, enhance user experience and increase patronage and new revenue streams at our supervised public swimming pools Incorporate elements of good design and wise use of water resources when undertaking improvements to public pool amenities
5.2.1	Provide a variety of public spaces and opportunities for sport, leisure, recreation, learning and cultural activities in your community	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	Implement the key recommendations of the Strategic Plan for Council's swimming pools in accordance with Council's capital program Implement The Future of Our Pools Strategy 2014-2024 Implement program of enhancing pool amenities, consistent with good design principles
5.2.2	Healthy, active ageing programs are promoted in partnership with government agencies and community organisations	5.2.2.1	Deliver a range of recreational pursuits for older people	Provide a variety of affordable senior programs at the leisure centres
5.5.1	Public facilities in key locations and transport routes are maintained and clean, accessible and inviting to our community and visitors	5.5.1.1	Well maintained assets are provided that meet the needs of the current and future communities	Undertake high priority works, as per open space works schedule to strengthen connections and people movement.

Needs Assessment, 2015

In 2015, Council engaged SGL Group to undertake a Needs Assessment for the Beaton Park site. The Assessment was undertaken to provide an analysis of current and future social indicators, identify gaps and duplication of facilities within the community and provide a range of development options.

The needs assessment involved interviews with a number of site stakeholders and interested parties including Tennis Wollongong, NSW Tennis and the City of Wollongong Tennis Club, Illawarra Basketball Association, Football South Coast, Wollongong Olympic Junior Football, Illawarra Badminton, Wollongong Swimming Club, Illawarra Cricket, Illawarra District Table Tennis Association, Illawarra Sports Medicine Clinic, Illawarra Academy of Sport, Illawarra Blue Stars Athletics, Athletics Wollongong, Wollongong City Little Athletics, University of Wollongong, PeopleCare, Destination Wollongong, Swimming NSW, Basketball NSW, Football NSW, Little Athletics NSW, Netball NSW and Table Tennis NSW. Several of these stakeholders have been involved in further discussions and the development of the plan.

The assessment was aimed at identifying opportunities for complementary infrastructure and services to those currently present in the precinct and guide an overall strategic approach for the Beaton Park Precinct.

Key findings from this assessment are below:

Beaton Park Leisure Centre

- More health and fitness areas
- Expanded/new improved wellness facilities
- New food/beverage and merchandising areas
- Central reception to control users
- More aquatic leisure water facilities for family and children's use.
- New warm water pool area for older adults and warm water programs.

Kerryn McCann Athletics Track

- Investigate synthetic surface pitch inside track.
- Increase size of grandstand
- Co-located amenities
- Upgrade lighting

Illawarra Basketball Stadium

- Current stadium is aged and no longer complies with basketball standards
- Single use
- In the long term relocating of courts to the leisure centre site

Tennis Facilities

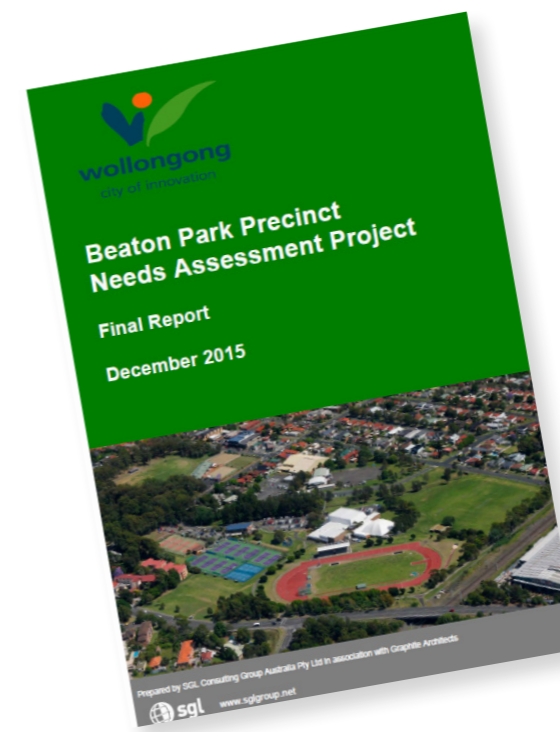
- Upgrade amenities
- Expand court lighting
- Adding 2 more courts to meet regional status.

Outdoor Playing Fields

- Upgraded surface, drainage and irrigation system on the outdoor fields.
- Co-locating amenities

Open Space

- New perimeter shared use trail
- Links to Wiseman Park
- New community playground and picnic area
- Outdoor fitness equipment
- Major active youth and children's area
- Redeveloped entry/exit and internal road network with linked car parks at key activity nodes.



The Future of our Pools Strategy, 2014 - 2024

The future of our pools considered the use and community feedback on the nine supervised and nine tidal rock pools across the LGA. Of the existing swimming pool facilities, seven of the nine supervised swimming pools are 50m pools. Helensburgh and Beaton Park have 25m pools.

The study also reviewed industry trends and advises that modern aquatic facility design is on expanding the facility mix to include a combination of facilities, including heated water spaces which can accommodate a range of activities including lap swimming, aquatic programs, learn to swim, interactive play elements, provided in conjunction with health and fitness centres.

Messages from this study include:

- Wollongong has a large number of 50m pools which cater well for lap/fitness swimming. No further 50m pools are required to service the current and projected Wollongong community
- Innovative and best practice aquatic centres are seeing aquatic facilities being co-located with other health and well-being facilities.
- The community is seeking more contemporary facilities including interactive water play space for children
- The available water space at Beaton Park is at capacity during peak periods

A Key Action from this Plan was to prepare a master plan for pool expansion/upgrading Beaton Park as the premier year round indoor facility and program pool in the Wollongong LGA.



Sportsground + Sporting Facilities Strategy, 2017-2021

The aim of this strategy is to assist Council to meet the existing and future needs of the community in a sustainable manner. The strategy seeks to clarify the current provision, distribution and identify service and infrastructure gaps in sportsgrounds and facility provision based on current and trending participation rates with the aim to determine the appropriate future needs, distribution, development and management of sportsgrounds and sporting facilities. Beaton Park is identified as a regional facility within this strategy.

The Master Plan is consistent with a number of recommendations and focus areas of this study, in particular:

- Increasing the capacity of the sportsgrounds at the site through field drainage improvements, provision of additional lighting, storage and improved amenities.
- Renewing and enhancing existing sporting facility infrastructure with a focus on gender equality, improved accessibility and storage



Illawarra Regional Plan

The Illawarra Shoalhaven Regional Plan sets out to guide strategic planning within the region for the next 20 years. The master plan is considered to be consistent with Direction 3.1 Grow the opportunities for investment and activity in the regions network of centres and 3.3 Build socially inclusive, safe and healthy communities. The Plan recognises that the redevelopment and expansion of sporting and active recreation infrastructure will be necessary as the region grows so that it retains its appeal as an attractive place to live, work and visit.



Draft Illawarra Shoalhaven Sport and Active Recreation Plan, 2014-2024

The Draft Illawarra Shoalhaven Sport and Active Recreation Plan sets out the vision, outcomes and strategies to ensure the Illawarra Shoalhaven region will provide increased sport and active recreation opportunities to enhance the lives and encourage the community to be more active. The draft plan complements the Illawarra-Shoalhaven Regional Plan and highlights the opportunities within the Metro Wollongong area as a key area for sporting and recreational activities to occur. Specifically, the progression of the Beaton Park Master Plan works would assist in addressing Outcome 4 of the draft Recreation Plan relating to the provision of Fit for Purpose Facilities.

There are several other outcomes and strategies outlined within the draft Recreation Plan which directly relate to aspects of the Draft Beaton Park Plan. Following the finalisation of the Draft Recreation Plan, an implementation Plan will be prepared where it is understood the importance of the Beaton Park site in the context of the Region will be highlighted.



Play Wollongong, 2014-2024

Provides direction for the future of playgrounds and play spaces in the Wollongong LGA including the planning and management. Direction is provided towards the expected evolution in play space and distribution of different categories of facilities, which has been considered as part of the master planning process.



Site Context

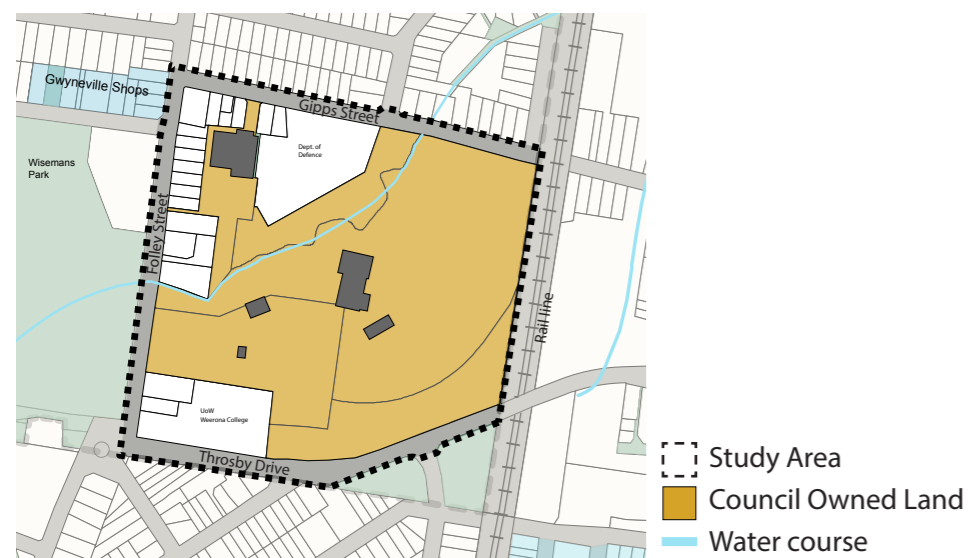
The Beaton Park site is located in close proximity to several other significant sites including being immediately adjacent to Wisemans Park and the Fairy Creek Master Plan area, between the Gwynneville village centre area and Wollongong CBD area, between Wollongong and North Wollongong Train Stations and in close proximity to the Wollongong Botanic Gardens and University of Wollongong main campus.

The site is also located on the green bus route, and is one of the main connecting sites for the cycle way links between the city centre and the University. There is also a significant amount of work currently being designed or under construction within the surrounds of the Site with regard to footpaths, playground replacement, community centre refurbishment, stormwater infrastructure and facility renewal.

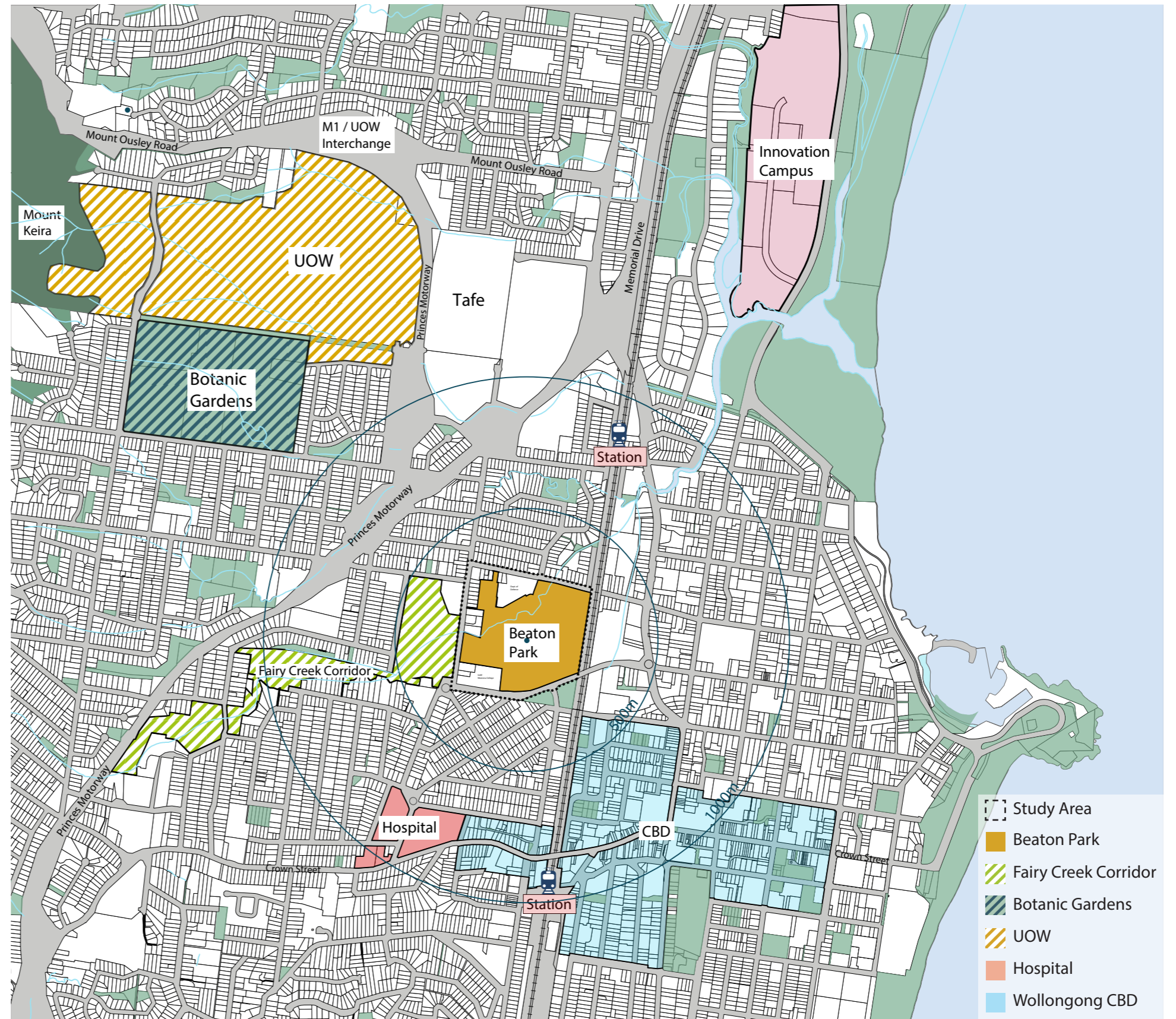
The Council owned land within the study area comprises six lots:

1. Lot 113 DP 788462
2. Lot 401 DP 1128781
3. Lot 104 DP 594259
4. Lot 105 DP 594259
5. Lot 102 DP 611233
6. Lot 2 DP 700616

There are three pockets of privately owned land adjoining the existing community land. These pockets are comprised of UOW Weerona College, a scouts hall and Girl Guides Hall on the corner of Foley Street and Throsby Drive, private properties to the north west and Department of Defence Land to the north.



The Study Area



Context Map: Key sites

Community Demographics

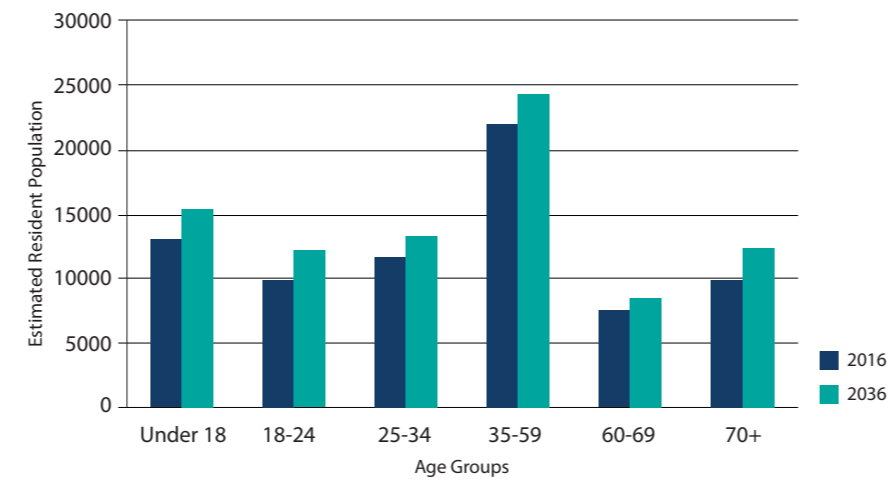
The Wollongong LGA estimated resident population has grown from 173,440 in 1991 to more than 211,000 people recorded in 2016. By 2036, the population is projected to grow by a further 17.17% to almost 255,000.

The City is expected to experience a significant population growth especially with significant urban infill development surrounding the CBD area, and also in close proximity to the hospital and university precincts. In 2016, 35% of the LGA population (more than 74,000 people), lived within 5kms of the Beaton Park site. By 2036, this population is forecast to increase by a further 14% to 86151 people. The greatest change in this the population age groups within this period is forecast to be in the 70+ service age group, which is expected to increase by more than 25% to comprise 14% of the total estimated resident population.

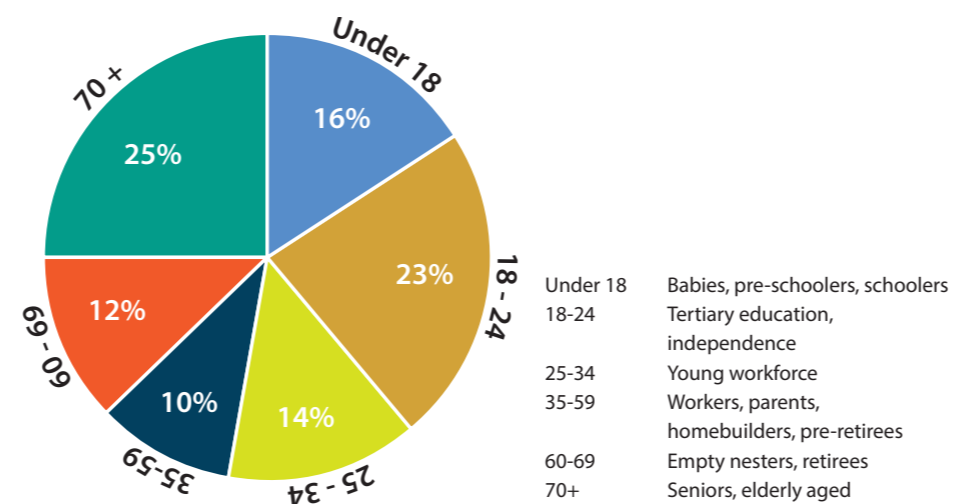
The percentage of the population aged 65 years or over has also increased from 16% in 2011 to 17.2% in 2015. This number has been forecast by the Illawarra Shoalhaven Health District to continue to increase, projected to reach 26% by 2036.



Projected population change by age group within a 5km radius, 2016-2036



Population change by age group within a 5km radius, 2016-2036



Site Analysis

The study area encompasses one of the most interesting and dynamic areas of the Wollongong LGA. The site is located between the CBD and main UOW campus area, and hence is one of the main connection points for people travelling between the two. The site is also located on one of the main access points from the M1 motorway to the Wollongong CBD, in close proximity to the Gwynneville town centre and located between Wollongong and North Wollongong Train Stations.

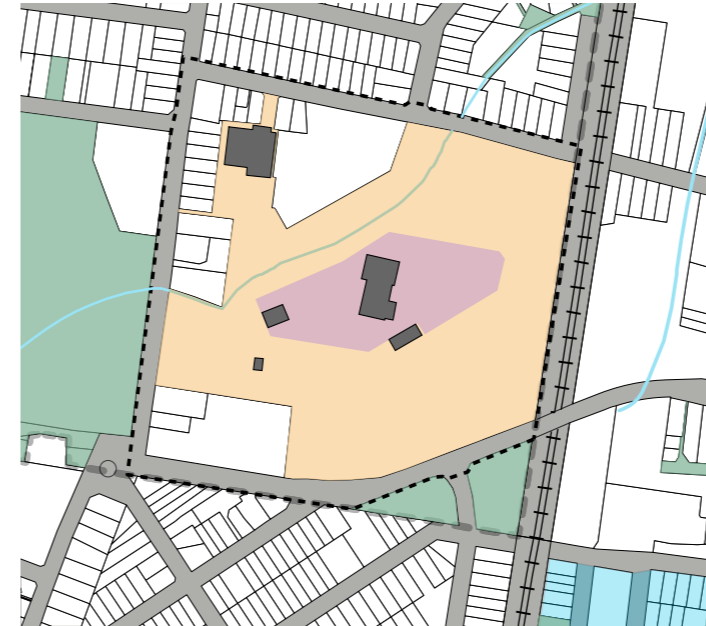
Understanding these key connections and the relationship of the site with the surrounding area was key to the development of the master plan.

LEP zoning



- RE1, Public Recreation
- R1, General Residential
- R2, Low Density Residential
- B4, Mixed Use
- B1, Neighbourhood Centre

Community + Lands Management



- Sportsground
- General Community Use
- Water Course

Key Connections



- Key footpath connections
- Cycleways

Public Transport



- Green Shuttle
- R1
- Bus Stops

Pedestrian + Vehicular Entrances



- ✱ Vehicular
- ✱ Pedestrian
- ✱ Proposed Pedestrian

Cycleways



- Existing Cycle Network
- Proposed Cycle Network

Site Constraints

The Beaton Park Precinct is known to be affected by several constraints and hazards. The site contains a tributary of Fairy Creek which is identified as a riparian corridor. The site is also known to contain low, medium and high flood risk precincts due to the presence of the watercourse. Dense vegetation within adjoining Wisemans Park creates a potential bushfire threat to the site and the previous use of part of the property as the Federal Cokeworks has resulted in areas of fill and potential contamination.

The following maps provide a visual representation of these hazards and the extent to which they affect the site currently.

Bushfire



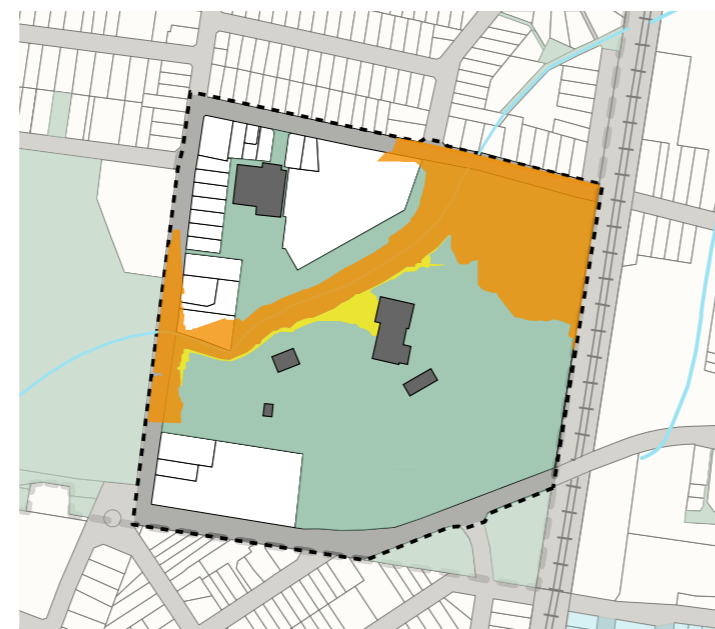
- .10K w/m2
- BAL 12.5
- BAL 19
- BAL 29
- BAL 40
- BAL FZ
- Vegetated Area

Contamination



- Dwelling
- Landfill
- Cokeworks + Tramway

Flood

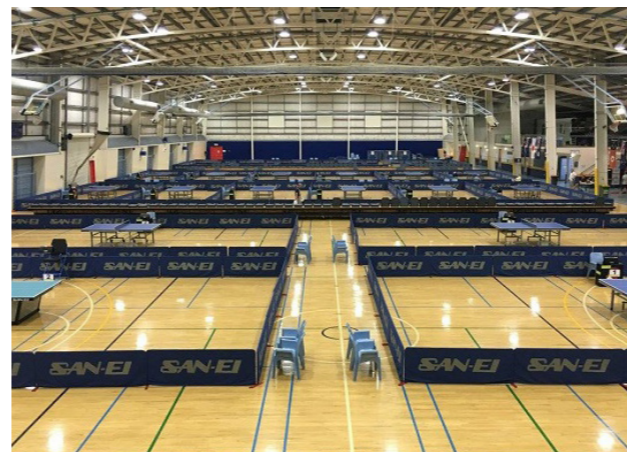


- Medium Flood Risk
- Low Flood Risk

Riparian/watercourse/vegetation



- Watercourse
- Management Zone 3
- Management Zone 2
- Management Zone 1



Aim:

To develop Beaton Park as a Regional Centre of excellence with high performance and event facilities that are complemented with improved local open space and parkland areas.

Vision:

Beaton Park is a place to foster and promote healthy lifestyle choices for the whole community through a diverse and affordable range of quality recreational, sporting, health and leisure opportunities.

Precinct Values:

To establish Beaton Park as a major regional focus for organised sport, recreational and health and wellbeing activities through:

- Affordable and well-designed facilities, services and programs that provide greater accessibility to the community.
- Facilities that are presented to the highest quality standards.
- The development of a financially sustainable precinct.
- Increasing utilization by providing a mix of sport, recreational, health and wellbeing opportunities.
- Flexible design that can grow and develop with changing community needs.

Master Plan

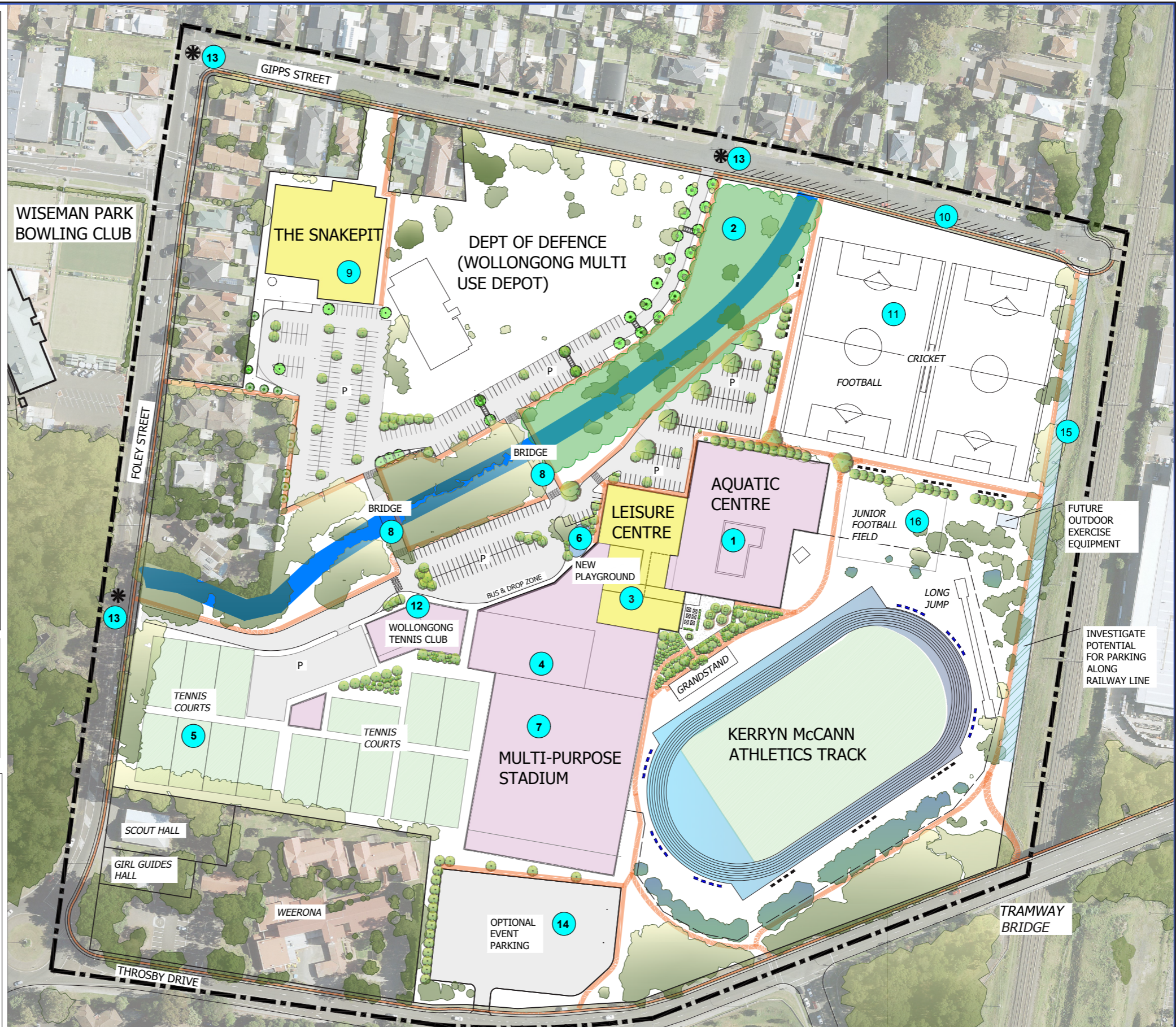
- 1 AQUATIC CENTRE
- 2 RIPARIAN WORKS
- 3 LEISURE CENTRE WORKS
- 4 HEALTH AND WELLBEING / COMMUNITY SPACE
- 5 TENNIS COURTS
- 6 PLAYGROUND
- 7 MULTIPURPOSE STADIUM
- 8 BRIDGES
- 9 SNAKEPIT REPURPOSE
- 10 FORMALISATION OF GIPPS STREET PARKING
- 11 DRAINAGE AND LIGHTING TO SPORTS FIELDS
- 12 TENNIS CLUB AND CLUBHOUSE WORKS
- 13 TRAFFIC FACILITIES UPGRADE
- 14 OPTIONAL EVENT PARKING AREA
- 15 PARKING TO BE INVESTIGATED
- 16 JUNIOR FOOTBALL FIELD

NOTES:

- FLOOD INFORMATION SUBJECT TO THE REVIEW OF THE FAIRY AND CABBAGE TREE CREEK FLOOD STUDY

LEGEND

- LIMIT OF WORK
 - EXISTING BUILDINGS
 - PROPOSED NEW FACILITIES
 - POTENTIAL RELOCATED AND RENEWED PLAY SPACE
 - NEW TRAFFIC FACILITIES
 - VEHICLE PARKING
 - LIGHTING FOR SPORTS FIELDS
- POTENTIAL NEW SHARED PATHWAYS AND INTERNAL ALL WEATHER FOOTPATHS
 - EXISTING WATER COURSE
 - POTENTIAL NEW PLANTING AND LANDSCAPE OPPORTUNITIES
 - NEW CREEK VEGETATION ASSOCIATED WITH THE VEGETATION MANAGEMENT PLAN
 - EXISTING VEGETATION
 - BENCH SEATING



Facility Changes

Existing Facilities

Aquatics

- 25m pool
- Amenities
- Learn to swim offices
- Pump room
- 120 sqm in amenities



Gym/leisure centre

- 420 sqm in gym floor space
- Two office areas
- 80 sqm reception floor – 2 workstations
- 20sqm retail space
- Ted Tobin Hall and group activity room
- RPM / Cycling room
- Amenities
- Spa and sauna
- Temporary kiosk
- Circuit room



Stadium

- 4 basketball courts (not to regulation)
- Approximately 2000 seating capacity
- 250 sqm temporary office space



Health and Wellbeing

- 300sqm



Tennis

- 4 grass courts
- 10 hard courts
- 8 hot shot courts
- Tennis Club



Sports fields

- 2 grass football fields
- 1 cricket pitch
- 150 sqm amenities



Car Parking

- 370 formed spaces + overflow



Proposed Future Facilities

Aquatics

- 25m pool
- Hydrotherapy/Program pool (approx. dimensions 20x15m)
- Up to 1500 sqm in aquatic play space
- Spa and sauna
- Hydro slide
- Expanded pump room - separate filters
- Chemical storage area
- 300 sqm + in amenities

Gym/leisure centre

- Up to 1400sqm in gym floor space
- Minimum 6 flexible office spaces
- 200sqm + reception space – min 3 workstations
- 20sqm retail area
- Ted Tobin Hall and group activity room
- RPM room
- Amenities
- 140 sqm in café floor space
- Additional storage areas
- Function training area

Stadium

- Flexible court space including provision multiple court arrangements
- 2000 seat retractable seating system
- 250 sqm office space

Health and Wellbeing

- Minimum 500sqm

Tennis

- 4 grass courts
- 10 hard courts
- 8 hot shot courts - All resurfaced / new
- Tennis Club

Sports fields

- 2 grass fields with improved drainage
- 1 cricket pitch
- New co-located amenities with storage
- Field lighting

Car Parking

- 400+ formed spaces + overflow

Preliminary Staging Plan

The following staging outline provides a preliminary schedule for the order of the development of the site. This schedule is not intended to 'lock in' the order that the development progresses at the site. The timing and progression of each phase of works will be subject to identified demand and funding opportunities.



Stage 1: Aquatic Expansion

It is anticipated that the first works undertaken at the site will involve an expansion of the existing aquatic offering, works to improve the quality of the central watercourse, lighting and new amenities to the sports fields, improvements to the main Foleys Street entrance and upgrades to the facility signage.

The works are proposed to involve the retention of the existing 25m pool, construction of a new multipurpose hydrotherapy/program pool, interactive water play area for children, new family friendly and accessible amenities, a new spa and sauna area and associated plant, office and dual direction storage areas. As part of the same building, new amenity, change room and storage areas are proposed to be provided to service the grass football and cricket fields. Once the existing 25m pool reaches the end of its design life, the floor plate provides the opportunity for a widened, rectangular 25m pool to replace the existing "L" shape pool. The gardeners store is also proposed to be relocated into the same structure part of this phase of development.

With regard to greening of the site, riparian works are proposed within the Fairy Creek tributary. The work proposed includes weed removal, seed collection and native vegetation reconstruction. Additional plantings and the establishment of the area between the grass fields and athletics track and additional green space, pedestrian connections and outdoor fitness equipment is also proposed. Improved lighting to the sport fields is also required as a priority.

Upgrades to the main Foleys Street entrance and an upgrades to the facility and directional signage will also form part of early works.



Stage 2: Leisure Centre upgrade, new entrance and Health and wellbeing area

The second phase of works is proposed to be an upgrade and expansion of the main leisure centre building including a new main entrance and reception area, establishment of a central corridor, providing a covered entrance, expanded the gym area including opportunities for first floor gym space, office and storage areas, a new health and wellbeing space, alterations to the existing child minding area, providing a new permanent café space which opens out to a landscaped courtyard area to the rear of the grandstand, a new playground and works to tennis courts.

It is expected that Council would undertake the construction of the shell of the health and wellbeing facility and engage with an external independent operator to undertake the fitout.

Works within the existing car parking area are proposed to include the provision for bus turning and drop off on site, directly adjacent to the main entrance.

The construction of new tennis courts is required due to the condition of the existing slabs and the location of the future multipurpose stadium. The existing Tennis clubhouse will be demolished to allow for more flexibility in the court design, and a new clubhouse facility incorporated into parts of other site improvements.



Stage 3: Multi-purpose Stadium

The stadium is proposed to be directly accessible from the leisure centre reception area and contain additional amenities, storage and change room facilities, as well as first floor office space. The dimensions of the stadium have been drafted to ensure maximum flexibility in the use of the space. As an example, the space could accommodate 6 basketball courts, 3 futsal fields, 3 indoor tennis courts, 6 indoor volleyball courts or a significant number of table tennis and badminton courts, with additional seating areas and circulation space.

A retractable seating system which has a capacity of approximately 3500 seats is also being explored for inclusion within this area. Additional opportunities for athletics and tennis club rooms and storage opportunities, opening out to these respective areas could also be included in the detailed design of the stadium floor plan.

Following the completion of the multipurpose stadium, it is envisaged that basketball will move from the Snakepit to the leisure centre area. This would allow for the repurposing of the Snakepit building, depending on market conditions and demand at the time.



Stage 4: Other Works

Additional works nominated as part of the master plan include intersection upgrade works, the formalisation of angled parking along Gipps Street adjoining the grass field areas, the renovation/rebuilding of the Tennis Club, drainage works to the grass field area and the construction of vehicular and pedestrian bridges over the watercourse.

Landscaping, cycleway and shared path connections and car parking works are also proposed throughout the site as part of the overall masterplan. It is expected that these works will be undertaken in conjunction with the stages of the development to which they relate.

The additional car parking area proposed off Throsby Drive is to be first utilised as optional event overflow parking only. Council is committed to monitoring the car parking usage as the development of the site progresses, to determine whether this area is required to be formalised. If required, an additional 130 hardstand formalised car parking spaces can be constructed in this location. Ancillary traffic management works would be required to be undertaken on Throsby Drive to ensure that this car park could safely operate in this location.

Accessibility:

The proposed facility should be accessible and inclusive of everyone, providing equal opportunity for people of all abilities to utilise and enjoy the site. As part of each phase of detailed design, the facility should be upgraded or designed to ensure that all members of the region are able to participate in activities at the site in an independent and inclusive manner. This includes the provision of ramp and hoist access to the warm water pool, appropriate amenities within each part of the development, level access throughout the centre and along the cycleways and share ways, lift access to first floor spaces and appropriate location of accessible car parking areas.

Sustainability:

Sustainable technologies will be incorporated into the design of each phase of the development to minimise the long term impact of the development on the environment. Aspects to be considered include but are not limited to additional greening, appropriate design consideration and material selection, additional solar photovoltaic (PV) and improved operational waste consideration. Other feasible options that will form part of the design include water sensitivity, low carbon emissions and resource efficiency to minimise the impact that the facility will have on its surrounds.

Conclusion

Whilst the types of sports that utilise the site remain largely the same as when the facility opened, the infrastructure and strategy behind the infrastructure could not be more different. It is with this in mind that we ensure that we plan for versatile, functional facilities that have the ability to serve multiple groups, purposes, and most importantly, the local community.

The Beaton Park Regional Precinct Master Plan 2018-2038 sets the strategic direction and vision for the study area over the next 20 years. Delivering on the Master Plan will require collaboration across government agencies, private industry and the community.

Wollongong City Council would like to thank the Beaton Park stakeholders and community members who contributed to this plan by providing feedback in engagement activities throughout 2017-2018.

In particular, Council would like to acknowledge the contributions of the Wollongong Tennis Club, Wollongong Tennis Association, Tennis NSW, Wollongong Swim Club, South Eastern Swimming Association, the Illawarra Basketball Association, Illawarra Hawks, PeopleCare, Neighbourhood Forum 5, the University of Wollongong, Destination Wollongong, the Illawarra Badminton Association, Illawarra Table Tennis Association, the University of Wollongong Junior Football Club, Football South Coast and the Department of Defence.







Beaton Park Regional Precinct Master Plan Engagement

Written Submissions

1. Tennis NSW
2. Peoplecare
3. University of Wollongong
4. Destination Wollongong
5. Illawarra Hawks
6. South Eastern Swimming Association
7. Swimming Australia
8. Illawarra District Table Tennis Association
9. Department of Defence
10. Illawarra Badminton Association
11. Wollongong Swim Club Inc.
12. City of Wollongong Tennis Club
13. Neighbourhood Forum 5
14. Junior Tennis Wollongong
15. UOWFCJ
16. Resident Submissions

ATTN: David Farmer
Wollongong City Council
Locked Bag 8821
WOLLONGONG NSW 2500



Tennis NSW
Rod Laver Drive
Sydney Olympic Park NSW
PO Box 6204
Silverwater NSW 1811
T +61 2 9024 7600
F +61 2 9763 7655
www.tennis.com.au/nsw

2 August 2018

Dear David

Beaton Park Master Plan – Tennis NSW

I write to you in my capacity as the Government and Places to Play Manager of Tennis NSW in support of the development of the 'Beaton Park Master Plan' project, further to our previous comment dated 6th December 2017. Tennis NSW and City of Wollongong Tennis Club is currently working with Government and the relevant stakeholders to ensure our sport meets future objectives for planning within the precinct and the greater South East region.

As you would be aware Beaton Park is our key regional venue within the greater Wollongong region, with 16 courts of varied surface types. The current venue boasts weekly usage in excess of 2,000 participants. However, the facility is tired and in prompt need of rejuvenation, remaining relatively untouched throughout the past 30 to 40 years.

This project has been identified through the State Government - Future Needs of Sport study as a top five priority project for tennis in NSW. Hence, redevelopment of this venue is critically important to the ongoing health of our sport in the Wollongong region. Tennis NSW would like to view this venue as a key regional development hub given the size and scope of facility.

It is important that tennis remains part of a strong sports community offering within the Beaton Park precinct and thus Tennis NSW in collaboration with Tennis Australia are keen to participate in any future planning activities.

In relation to the draft Beaton Park Master Plan the following should be considered for future design of the tennis facility:

1. The Multi-Purpose Stadium should have an overall parapet height of at least 8m (possibly higher) assuming tennis indoor courts.
2. Due to its location we suspect that overshadowing of the 6 hard courts closest to the clubhouse and the 4 courts immediately to the south of the building will be subject to some (and possibly significant) overshadowing.
3. We suggest that the Architects undertake a shadow diagram analysis to establish an appropriate building setback to these courts to minimise such impacts.

4. Consideration should also be given to the type and location of any proposed external building lighting to the Multi Purpose Facility so as not to conflict with any proposed specific tennis court lighting / creating lines of sight / glare issues for players.
5. Consideration should also be given to any points of access / egress to / from the Multi Purpose facility and how these pathways interconnect with the tennis court layout. This will be to ensure that adequate circulation is maintained around the courts and viewing setbacks for any future spectator temporary bump-in seating can be provided.
6. Consideration should also be given to the articulation and visual appearance of the larger building's facades facing the courts noting that reflective materials should be avoided and plain / muted colours recommended so as not to visually distract players when serving / ball toss from the southern end of the courts.
7. Consider additional 2 hard courts for major events/community use
8. Clarification on size, scope, location of clubhouse to meet tennis needs

Other opportunities within Beaton Park identified by Tennis NSW:

- A phenomenal regional sporting precinct which will incorporate a range of sports and engage community user groups of all ages throughout greater Wollongong
- A development capable of delivering world class major sporting events and tournaments in the heart of the Wollongong, delivering significant economic benefit to the city
- Facility design, strategy and management to reflect best practice both locally and nationally
- A social and recreational hub that promotes a healthy and active family lifestyle alternative
- Events and activations to engage the local community through sport and leisure
- Employment opportunities within the redeveloped precinct expected to provide jobs for local residents
- A structured high performance tennis program managed directly on site. The precinct to become a centralised hub for high performance for Tennis servicing the Wollongong and South East regions
- Opportunities for local community groups to engage through Tennis, active play space, community meeting spaces and amenities
- Interest in a Sports House concept, housing development staff within the precinct

Tennis would be more than happy to collaborate with other complementary community sporting partners to procure an optimal outcome for the broader Beaton Park precinct. Development of this site is essential for the future of tennis in NSW's South East region and will underpin the growth of the game for future generations.

I would be pleased to provide any further information that you or your office may require. We look forward to discussing our tennis master plan with you at your convenience in the near future.

Kind regards



Adam Renfrey

Government and Places to Play Manager - Tennis NSW



David Farmer
General Manager,
Wollongong City Council,
Locked Bag 8821,
South Coast Mail Centre, 2520
engagement@wollongong.nsw.gov.au

3 August 2018

Dear David

Peoplecare is pleased to provide feedback and comment on the Wollongong City Council's *Draft Beaton Park Regional Precinct Masterplan 2018-2038* currently on exhibition for community consultation. As a local business with strong conviction to supporting the health and wellbeing of our Illawarra community, we commend Wollongong City Council's vision for the precinct as a place to foster and promote healthy lifestyle choices for the whole community through a diverse and affordable range of quality recreational, sporting, health and leisure opportunities.

Beaton Park offers a unique and valuable community land asset to support this vision, and a tremendous opportunity for Wollongong City Council to provide the necessary leadership to foster collaboration across service disciplines to achieve positive population health outcomes.

To this end, the proposed *Beaton Park Regional Precinct Masterplan 2018-2038* provides a critical component to guiding the development of the site and successfully articulates the vision, plan and staging for the precinct.

We provide the following feedback for further consideration by Wollongong City Council to assist in realising the full potential of the Beaton Park Precinct and finalising the Master Plan as well as progressing to the detailed design stage:

- **Health and Wellbeing Integration-** future service models demand greater integration across the health care continuum from wellness, to risk management and chronic disease management. Achieving such integration will be core to realising a truly 'innovative' outcome. We recommend the design incorporates common use of reception spaces and entry areas to support the sense of integration across services rather than purely co-located leased arrangements.
- **Flexible space and design-** the optimum design of a site will be responsive to community demands over time, to this end, we recommend ensuring flexibility in the design to enable mixed use of space across purposes. There is enormous potential for flexible use spaces to support collaboration and integration of both 'resident' and external health and lifestyle service providers and community groups and to maximise the utilisation and community value realised from the capital investments in the site.



- **Natural light** – Given the site and scale of the proposed multi-purpose stadium, ensuring natural light is retained across the site will be critical in the design stage. To this end, we recommend minimising use of common walls to the multi-purpose stadium to allow external light wherever possible and relocating the large stadium structure further south, with the other smaller structures placed northwards of it to optimise sunlight to them
- **Leveraging synergies across the site-** Currently the health and wellbeing hub is located next to the multipurpose stadium, we recommend moving the hub closer to the leisure centre and aquatic services given the greater natural synergies to drive integrated health and physical activity programming including for example rehabilitation, heart health, asthma management, and weight management programs.
- **Space-** We note that the plan flags 500m² as a minimum size for the health and wellbeing hub. The space requirement for a minimum viable primary care service is an estimated 500m² so we would recommend a floor space of at least 800m² to more comfortably accommodate a range of medical and allied health services, as well as additional 800m² to enable greater opportunity to allow for growth and a broader range of services and programming in the health and wellbeing hub, including community-based services such as nutrition programs and intensive chronic disease management programs. It would appear from the masterplan that this scale of facility can easily be achieved over two levels.
- **Ambience-** Establishing the community precinct as a community gathering place will be important for its regular use. We recommend the development and inclusion of "family/waiting/public" areas so that people attending multiple services in the area have a comfortable cafe/reading area/crèche to wait in and enjoy themselves rather than leave the precinct for a short time.
- **Collaboration-** Realising the overall vision for the precinct will be enhanced through shared commitment to collaboration. To this end, we recommend defining specific principles for engaging providers in the precinct, such as a commitment to collaboration and community focused. The importance of collaboration would be further enhanced by avoiding competing providers being engaged on the site.
- **Staging-** Successfully staging the development will be critical to ensuring the operations of the site remain viable throughout the various stages. To this end and again, we recommend moving the current health and wellbeing hub/community space closer to the Leisure Centre, so that the proposed staging of the hub can occur independently to the multi-purpose stadium.



Peoplecare's purpose is to facilitate access to affordable health care that positively impacts people's lives and empowers and supports people to take better care of themselves, their own health, their family's health and the health of their community. We wholeheartedly support the *Draft Beaton Park Regional Precinct Masterplan 2018-2038* and the vision Wollongong City Council has for the precinct. There is no more important place than Wollongong for embracing this mission of promoting healthy lifestyles and preventative health. We again commend Wollongong City Council in its vision and acknowledging the need to take an integrated approach to encouraging health lifestyle choices.

Thank you for the opportunity to provide feedback on these plans. We look forward to their successful resolution and Wollongong City Council's continued leadership in striving to achieve Council's Community Strategic Plan (Wollongong 2022) Goal: *'We are a healthy community in a liveable city'*.

Yours sincerely



Dr Melinda Williams
CEO
Peoplecare



UNIVERSITY
OF WOLLONGONG
AUSTRALIA

Mr David Farmer
General Manager
Wollongong City Council
Locked Bag 8821
Wollongong DC NSW 2500
sent to: engagement@wollongong.nsw.gov.au

DRAFT BEATON PARK REGIONAL PRECINCT MASTERPLAN

I write to you in response to the Draft Beaton Park Regional Precinct Master Plan which is currently on exhibition for public consultation. The University of Wollongong (UOW) supports Wollongong City Council's plans to upgrade the sporting facilities at Beaton Park given many of the indoor sporting facilities are reaching the end of their operational life.

An upgrade and reconfiguration of the facilities will enable Beaton Park to better cater to the demands of the growing population and community needs. Improvements in regional sporting facilities and programs could help increase participation in sport, resulting in better health outcomes for the community.

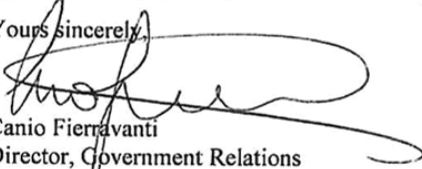
UOW is one of Australia's leading universities, with 27,000 students studying at the Wollongong Campus in Keiraville, including those residing at Weerona College student accommodation adjacent to Beaton Park. Improvements to the regional sporting facilities at Beaton Park will enhance the broader student lifestyle and experience of living and studying in Wollongong. UOW Wollongong Campus is situated in close proximity to Beaton Park and also offers a large range of sport and recreation facilities available for use by students and the general public. Recently renamed UniActive provides the Wollongong community with a range of quality fitness and sporting facilities,

As stated in the earlier Beaton Park Needs Analysis, an upgrade of Beaton Park could lead to additional opportunities to partner with UOW to attract and host regional sport related events, teams and athletes to Wollongong. The University has long collaborated with Council and other partners to promote and maximise sporting opportunities in Wollongong and would welcome extending and deepening this approach. For example, opportunities exist to link UOW sports science and high performance services with visiting teams and athletes.

The University notes and supports the provisions supporting health and wellness facilities and services at Beaton Park and appreciates that these are complementary to the initiatives we are separately pursuing for our Health and Wellbeing Precinct at the Innovation Campus.

Thank you for the opportunity to participate in community consultation on the Beaton Park Regional Precinct Master Plan. UOW will maintain continued interest in the planning and redevelopment process for Beaton Park as the master plan is progressively implemented. Please contact me on 4221 5931 to further discuss this submission if required.

Yours sincerely,



Canio Fieravanti
Director, Government Relations
University of Wollongong

3 August 2018

Destination WOLLONGONG

August 6, 2018

Mr David Farmer
General Manager
Wollongong City Council

Re: Public Exhibition feedback in relation to the Beaton Park Regional Precinct Masterplan

Firstly, congratulations to Council on the Masterplan – it's a thorough and informative body of work that can act as a platform for strategically progressing this crucial site.

Representing Destination Wollongong – and having had extensive experience across elite sports administration, marketing and major events – I offer the following observations and recommendations on behalf of the organisation:

ACTIVE RECREATION

The Masterplan must cater for industry trends. This means it should cater for 'active recreation' just as much as traditional sports. Fewer people are participating in organised sports and there is growing demand for active recreation pursuits such as skating, mountain biking, hiking, parkour, rock-climbing, surfing and gaming, given limited budgets, time constraints and evolving forms of entertainment. This is recognised by the Office of Sport's 2018 *Regional Sport and Active Recreation Plan*. The Illawarra/Shoalhaven version of this plan should be studied and added as a supporting document.

Facilities should therefore integrate and cater for informal leisure activities that provide both health and social benefits. That may take the form of a market-leading immersive and interactive play zone for children supported by alfresco dining (see this example of Margaret Mahy Playground in Christchurch <https://www.youtube.com/watch?v=Lpz9De-sts>) to align with *Play Wollongong 2014-2024* directives. Similarly, a world-class pump track (see following item) should be prioritised.

Recommendation #1: Incorporate infrastructure that caters for and encourages the growing 'active recreation' sector.

IMMEDIATE OPPORTUNITY

A pump track (a compact, continuous loop of banks and "rollers" used by cyclists and skaters) is an ideal piece of community infrastructure to promote participation and socialisation. Red Bull recently approached Destination Wollongong to see if the city is willing to build a Velosolutions pump track, which would be an Australian first. If acted upon immediately, it would invoke a three-year deal to host pump track qualifiers in the first two years, culminating in the World Championships in the third year. This is a wonderful opportunity to enjoy first-mover advantages in the marketplace and would further cement Wollongong's position as an adventure playground. See example video with incorporated skate bowl <https://www.youtube.com/watch?v=-YHYpHkG7c> (Wollongong proposal and specifications forwarded separately).

Destination WOLLONGONG

Of even greater significance is the community legacy piece. A pump track would complement the mountain biking initiatives the city is actively pursuing; act as a drawcard for the youth sector to the precinct (39% of the population within a 5km radius is under 25); and promote a healthy, social pursuit in the growing 'active recreation' market 365 days a year. Complementary product that could be explored include: repurposing of the Snakepit with aligned indoor offerings (MTB/skate/retail) for both elite and community use; creation of an adjoining skills park; potential linkages and development of training trails in Wiseman's Park.

This initiative aligns with guiding principles within the *City of Wollongong Bike Plan, Wollongong 2022 Community Strategic Plan* and *'A City for People' Wollongong Public Spaces Public Life*.

Recommendation #2: Give immediate consideration to a pump track being built to realise the existing market opportunity, and plan for complementary product/infrastructure.

SECTOR MIX

Ideally, the tenancy mix should cater for both elite and community needs. The elite-based 'Centre of Excellence' model is littered with examples that were unsustainable, while a community-only model would represent a missed opportunity.

Creation of industry-leading facilities, shared use of key infrastructure and identification of one or two elite anchor tenants can achieve this. For example, North Melbourne and Footscray AFL clubs share impressive community facilities in Melbourne.

The right mix requires a balance of community needs and industry trends/projections versus the wish list of existing tenants. Aspirational planning should be market-driven, not constrained or adversely influenced by tenants or clubs. To this point, *The Future of our Pools Strategy 2014-2024* seems to contradict itself. It says "no further 50m pools are required to service the current and projected Wollongong community" and, a few points later, says "a key action from this plan was to prepare a master plan for pool expansion/upgrading Beaton Park as the premier year round indoor pool".

Notwithstanding, the tenancy mix and how they physically interact is imperative, so an aspirational and integrated design that caters for growth and trends for the next 50 years, rather than the current shanty town of regional sports, must be the ultimate aim.

Recommendation #3: Integrate elite training facilities into a regional community hub (not the other way around) to ensure viable and vibrant usage.

COLLABORATIVE MODEL

A collaborative model should be explored, incorporating private and public sector stakeholders.

The best recent example of this is Cockburn Central West, a Regional Physical Activity and Education Centre in Perth. This collaboration between the City of Cockburn, Fremantle Football Club and Curtin University delivered an integrated sport, recreation and education precinct at a cost of \$114 million.

<https://thewest.com.au/news/wa/freos-cockburn-facility-may-be-best-in-world-ng-b88389946z> The development addressed the following project outcomes: sport, education, community, commercial,

Destination WOLLONGONG

environment, health and social.

Inclusion of sports medicine and health services should be considered to improve the value proposition for prospective tenants and direct consumer interface. This could help attract and service a cluster of minor sporting bodies or regional affiliates to take office space and contribute to the precinct's vibrancy and sustainability. AUT Millennium in Auckland is an excellent example of this, combining sports clubs with national organisations, medical services and commercial and community programs.

<https://www.autmillennium.org.nz/>

Links with UOW and TAFE Health Faculty, along with subsequent workplace transition programs could be explored. Furthermore, integrated budget accommodation, either within the precinct or as part of university land, should be explored to provide opportunity for elite training camps and school programs to utilise Beaton Park facilities.

Recommendation #4: Assess Cockburn Central West and AUT Millennium in regard to the investment and collaboration model for key learnings.

MARKET POSITIONING

If you're going to spend \$80+ million, it would be nice to be known for something. The current stated Aim and Vision is commendable, if a little generic. Can that be underpinned by one, two or three sector-specific goals? Be bold enough to aim for and own a space. This could also lead to additional funding opportunities.

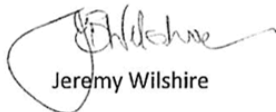
What blend of facilities, services, tenants and market opportunities provides a strong market proposition that addresses a need and delivers reputational value?

For instance, can Beaton Park become a preeminent site for women's sport (specialised health services, base for a W-League team, tailored retail/F&B mix, childcare)? This aligns an industry trend (women's sport being a growth market) with a regional trend (Illawarra boasts one of the highest rates of female soccer participation). Also, the narrowest demographic cluster referred to (18 to 24) makes up almost one quarter (23%) of the population within a 5km radius. That would suggest a precinct that addresses emerging and non-traditional recreational/social pursuits attracting the youth sector is worth exploring.

Recommendation #5: Marry industry trends and market needs with regional data and competitive advantages to identify a key specific goal or two that takes a market-leading position.

On behalf of Destination Wollongong, thank you for the opportunity to provide feedback.

Kind regards



Jeremy Wilshire

Major Events & Special Projects



ILLAWARRA HAWKS PTY LTD

Illawarra Basketball Stadium
Foleys Rd, Gwynneville, NSW 2500

PO Box 7083 Gwynneville, NSW 2500

Phone: (02) 4229 7722
Email: contact@hawks.com.au

Established in 1979.... Only Club to play every NBL Season.... 2001 NBL Champions....
4 NBL Grand Final Appearances (2001, 2005, 2010, 2017)

7th August 2018

Mr David Farmer
General Manager
Wollongong City Council
Locked Bag 8821
WOLLONGONG DC NSW 2500

RE: Draft Beaton Park Regional Precinct Masterplan

Dear Mr Farmer,

This letter is to confirm that Illawarra Hawks are supportive of Wollongong Council's Draft Beaton Park Regional Precinct Master Plan.

Illawarra Hawks have been involved in the consultation phase of the master plan and see merit in the overall aim and vision. It is great to see Council is taking steps to facilitate the rejuvenation of the Beaton Park site.

The multipurpose stadium is a positive addition to the site and one that could meet the needs of the Illawarra Hawks and requirements of the National Basketball League (NBL).

Concepts of the Draft Master Plan the Illawarra Hawks would support are:

- Main Entrance off Foleys Road widened to improve traffic flow and Bus access,
- Bus Drop Off at the Main Entrance to encourage additional public transport use and opportunities, particularly to enhance the use of the green bus by people travelling to the centre,
- "Sports Hub" concept accommodating multiple sporting organisations and their administration staff,
- High Performance Gym Space that can be closed off for group sessions/training,
- Hydrotherapy pool
- Increase car parking
- Permanent tiered seating for 2000 people,
- Temporary seating for 3000 people,
- Spring flooring suitable for High Performance Basketball,





ILLAWARRA HAWKS PTY LTD

Illawarra Basketball Stadium
Foleys Rd, Gwynneville, NSW 2500

PO Box 7083 Gwynneville, NSW 2500

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Established in 1979... Only Club to play every NBL Season... 2001 NBL Champions...
4 NBL Grand Final Appearances (2001, 2005, 2010, 2017)

- A dedicated Illawarra Hawks change room in addition to general Female and Male change room facilities.

Illawarra Hawks are appreciative of the consultation by Council and look forward to this continuing through the Detailed Design phase.

Kind Regards,

A handwritten signature in black ink, appearing to read "Andrew Barrett".

Andrew Barrett | Operations Manager

Illawarra Hawks

Foleys Rd, Gwynneville, NSW, 2500

P: 02 4229 7722 | M: 0403 476 880

E: andrew.barrett@hawks.com.au | W: www.hawks.com.au





SOUTH EASTERN SWIMMING ASSOCIATION

Tuesday, 14 August 2018

Cr Gordon Bradbury OAM
Lord Mayor
City of Wollongong
Locked Bag 8821
Wollongong NSW 2500

Dear Lord Mayor
Wollongong's Bi-Centenary Memorial Pools

I am writing on behalf of South Eastern Swimming Association to provide a statement of support for Wollongong Council's Beaton Park Redevelopment to include an indoor 50 metre swimming pool.

As an area we include over 25 swimming clubs from Helensburgh in the north to Eden on the far south coast, and extending up to Cooma and Jindabyne in the Snowy Mountains. We provide opportunities for swimmers with a range of abilities from beginners to International representatives throughout the year.

We endorse the support previously provided by Wollongong Swimming Club, Swimming NSW and Swimming Australia that a 50m indoor pool must be an integral part of the redevelopment of the Beaton Park Complex. The provision of an indoor 50m swimming pool would serve to provide an integral and highly needed community asset. This facility would cater for a wide range of sports activities, for both competition and leisure.

The inclusion of an indoor 50 metre pool must be of primary importance for the following reasons:

- An indoor 50 metre pool as part of the Beaton Park complex would provide a state of the art sports facility that would be the only venue of its type along the New South Wales south coast. There is no other indoor 50m Olympic standard competition pool between Sydney Olympic Park and the border of New South Wales.
- Swimming clubs within the Wollongong Council area are currently taking competition meets to the University of Wollongong pool due to limitations with suitable competition water space within the Wollongong Council area.
- Despite two heated 50 metre pools within the Wollongong Council area, there is no indoor 50m facility that can be used in all weather conditions. Furthermore, the blocks to enable competition at these pools are privately owned assets – not council owned assets. A fully equipped indoor 50 metre pool at Beaton Park would ensure access to a state of the art facility and equipment to all community stakeholders – not just swimming clubs.
- Swimmers intending to compete at National Championships must achieve qualifying times within a 50 metre pool. Provision of an indoor 50m pool would ensure that swimmers along the south coast of

New South Coast are provided unhindered access to opportunities for qualifying without the need to travel to Sydney or Canberra, as is currently the case.

- Providing an indoor 50 metre pool would enable swimmers to train year round. Swimmers within the Wollongong Council area would be able to continue to live and train within the Wollongong region without being forced to move interstate for elite training opportunities. Regional training opportunities, offered through the Illawarra Academy of Sport and Swimming NSW could be facilitated through access to such a facility.

We would like to reiterate our strong support for the Beaton Park complex to include an indoor 50 metre pool. If you would like any further information or have any questions about this statement please do not hesitate to contact me.

Sincerely

Sue Worthington

Sue Worthington
President.



Mr David Farmer
General Manager
Wollongong City Council
41 Burelli Street
Wollongong NSW 2500

Wollongong Swimming Club proposal - ANZAC War Memorial Olympic (50 metre) Pool at Beaton Park

Dear Mr Farmer,

I am writing on behalf of Swimming Australia in relation to the Wollongong Swimming Clubs proposal for the redevelopment of the ANZAC War Memorial facility into a 50metre Olympic Pool and Hydrotherapy/Wellness/ Learn –to –swim 25metre Pool.

Swimming Australia recognises that local government plays a vital role in encouraging local citizens to engage in healthy, active lifestyles and to facilitate connectivity between different community groups. Part of that endeavour is to provide opportunities for locals to participate in sporting pathways where they can foster both physical development and social interaction. To this end by way of this letter I am providing on behalf of Swimming Australia a statement of support for the Wollongong Swim Club proposal

The redevelopment of the centre with the variety of water space and dryland activity will greatly assist both the club in achieving their objectives whilst also providing the regional population with a state of the art facility which will service the needs of the broader swimming community and provide a great community hub for those that want to partake in physical activity to remain fit and healthy.

We sincerely hope that you can consider the proposal from the Wollongong Swim Club who are actively trying to provide sporting and aquatic safety opportunity for the people of Wollongong in a facility that with this development would provide a unique community asset that provides for sports activity, aquatic education, leisure and recreation as well as fitness and training.

We again reiterate our strong support for the centre to include a 50metre Olympic Pool and Hydrotherapy/Wellness/ Learn –to –swim 25metre Pool which will also support our vision of 'Across the nation, positively change lives through swimming'

Yours sincerely,

General Manager
Participation & Sport Development

Page 1 of 1

13 July 2018

ILLAWARRA DISTRICT TABLE TENNIS ASSOCIATION

2018

Next step

Put together our must haves and desirable for input into next discussion with Jessica and Jenny.

Our Must have:

a) An area the size of Ted Tobin hall with 600 lux lighting able to accommodate 12 tables available Monday and Thursday nights separate to "noisy sports"

A large storage area for our equipment (14 table tennis tables and 1 round table 90 barriers) and another area for control desk and cupboards for storage.

More flexibility with times.

Desirable:

As above, scenario a) but providing greater flexibility with times, to allow for competition of 4 hours, and expansion to another night and other forms of table tennis, eg championships., fast 3, recreational for others

In a bigger environment could share usage at times with badminton in an area of shared operation which provides greater flexibility for nights and hours with (2 badminton courts each). This would allow both sports to provide more recreational activities. Would need adjustable lighting to allow for the different sports.

Lower rates than current as the staff at Beaton Park are not involved with our operations as we set and put away ourselves.

Independent access of Beaton Park so that we can lock up ourselves after hours.

Accessible other times to cater for recreational use, with retirees, seniors and schools

WiFi access.

A couple of tables set up permanently for recreational use. Could be under stage or seating as lighting and height not an issue and we could assist with set-up costs.



Australian Government
Department of Defence
Estate and Infrastructure Group

Chris Birrer
First Assistant Secretary Infrastructure
Infrastructure Division
Brindabella Business Park (BP26-2-A001)
PO Box 7925
Department of Defence
CANBERRA BC ACT 2610
☎: (02) 6266 8004
✉: chris.birrer@defence.gov.au

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Mr David Farmer
General Manager
Wollongong City Council
41 Burelli Street
WOLLONGONG NSW 2500

Dear Mr Farmer

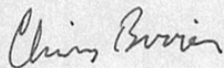
Beaton Park Regional Leisure Centre Draft Master Plan and Wollongong Multi User Depot (MUD)

On 15 January 2018, I met with Mr Peter Coyte and Ms Jessica Saunders to discuss the Draft Beaton Park Regional Leisure Centre Draft Master Plan and the possibility of relocating the Wollongong MUD. Mr Coyte and Ms Saunders' presentation also included an alternative option whereby a portion of the Wollongong MUD could be used by Council for car parking. This option would involve the disposal of approximately 1800m² of Defence land. I reiterated that Defence's preferred option was to retain the extant site in its entirety, as per correspondence from the Minister for Defence dated 21 September 2017, but stated I would undertake internal consultation to determine the feasibility of the alternative option.

Based on this consultation, I write to inform you that a partial disposal of land at the Wollongong MUD is not feasible. Defence is obligated to maintain separation between Australian Defence Force Reserves and Cadets facilities to adhere to Vulnerable Persons legislation. Any reduction in land area would compromise the MUD's functionality and restrict Defence's ability to conduct effective training activities for Reserves and Cadets. Further, proximity to the University of Wollongong is crucial for the MUD's ongoing viability. It is home to the University of Wollongong Company and university students are a key recruitment demographic for the ADF.

Unfortunately, a delay in internal correspondence has meant that the Draft Master Plan now on public display depicts potential car parking located on the 1800m² of land at the Wollongong MUD. Defence is generally supportive of the Draft Master Plan but requests that further refinement following the public consultation period should remove the car parking on the MUD site.

Yours sincerely,



Chris Birrer
First Assistant Secretary Infrastructure
13 July 2018

Jenny Towers

From: Jenny Towers
Sent: Wednesday, 25 July 2018 1:49 PM
To: Jenny Towers
Subject: Badminton Feedback Master Plan

Jenny: re our discussion on Saturday morning at your coffee-less kiosk: IBA options/ comments in the final draft report re Beaton Park (Nov 2015) included: "*Continue to investigate options to develop minor sports facilities as part of the planning and development of Dalton Park Indoor sports Centre project*"; "*Staff to set up the hall for hirers given the hourly rates charged to hire the hall*"; "*Illawarra (Badminton) has not investigated the potential to use the Illawarra Basketball Stadium*". None of those statements bear any relationship to things which were actually discussed with the SGL consultant. The Dalton Park proposal dies some 20 years ago; Basketball wouldn't entertain any regular badminton gig at the Snakepit, and we have never complained about setting up our own nets in TTH!! When I mentioned the proposed 4-(basketball) court new stadium, that is what is shown/ discussed throughout that draft report. Presumably the more recent WCC draft proposal (6 courts) represents a much larger facility than that of the previous draft. But the development of any new stadium is sufficiently into the future to give yet another group of Councillors a new opportunity to hire more consultants to advise on development of a brand new Beaton Park precinct plan (or have I just been around too long!).

Kind regards,

Eric Bradley (*Secretary, Illawarra Badminton Assoc*)



Jenny Towers
Commercial Business Manager
Post Locked Bag 8821 Wollongong DC NSW 2500
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Submission 1 of 2



Wollongong Swimming Club Inc
P O Box 52
KEIRAVILLE NSW 2500

27 July 2018

Mr David Farmer
General Manager
Wollongong City Council
41 Burelli Street
WOLLONGONG NSW 2500

Dear Sir:-

RE: DRAFT BEATON PARK REGIONAL MASTER PLAN 2018 – 2038

Thank you for your invitation allowing our Club to comment on the Master Plan. Our comments and advice to you are as follows:-

1. Page 96- at Background, second paragraph; *"It has facilities and services to cater for the amateur to elite athlete...."* We agree, a great aim. However the draft plan does not cater for the "Elite Swimmers" as a 25metre Pool is not for Elite Competition. Nor is a 6 lane Pool, nor is the sub-standard depth. Providing of course, Council build the Anzac War Memorial 50metre Olympic Pool, as a priority 1, which will then fit the criterion unerringly.
2. Page 96, at Background, 3rd Paragraph, third paragraph, *"in 2015 SGL Consultants...."* We find these Consultants are now very much discredited. There are far too many errors, non-sequiturs and False Dichotomies included in the report. As such the report is grossly and utterly tainted.
3. Page 97 at Proposal, second paragraph; *"The Master Plans.....to develop Beaton Park as a Regional centre of excellence with high performance and event facilities"*. We agree absolutely with the statement. May we enlighten you the Draft plan does not allow for a "Centre of Excellence" event facility etc? Due to the existing Pool length, Pool depth and Pool width. Our concern is, where are you going to locate the two 50metre Pools that will be needed by 2030? That is the ANZAC War Memorial 50metre Olympic Pool at Priority No.1 and the 50 50metre Water Polo and Diving Pool at Priority No. 4?
4. Page 98, Staging outline- stage 1. How can Council not include the ANZAC War Memorial 50metre Olympic Pool in Stage 1, when the Pool should be the first facility to be built? Allowances then need to be made for a second Water Polo and Diving 50metre Pool by 2030.
5. Page 98, Staging outline, third paragraph. We have forwarded to Council the idea of the Wellness Centre and the Wellness building, first suggested by our Club. All that is needed is a good resolution from the Council to include Wollongong Swim Club's ideas, which will



- include the Wellness Centre, The ANZAC War Memorial 50metre Olympic Pool by 2020 and the future Water Polo/Diving 50metre pool which will be require by 2030.
6. Page 98, stage 4- future works, first paragraph. The round-about intersection with Foley Street should be moved to stage 1. Then constructed at the same time as the ANZAC War Memorial 50metre Olympic Pool. Stage 4 can include the future 50metre Pool.
 7. Aquatic Space provision- Dispute the statement outright which states, "... *Rather than Lap or Competitive Swimming....*" Where are your figures to prove your point? Definitely a non-sequitur and false dichotomy associated with emotional rhetoric. If this were an essay to any University, the author would be severely punished until facts, statistics and references are submitted. As it now stands, the Pool Capacity Ratios, show that Beaton Park is hopelessly overcrowded at Peak times. The same figures (with numbers supplied by Council), show that Beaton Park is 650% more in need of a 50metre Pool than Corrimal. When you combine Corrimal, Dapto, Unanderra and Berkeley Pools, Beaton Park is still 150% more in need than the combined 4 Pools. Current practice shows that 50metre Laps pools are being built/renovated first before any other Pools. Nowra is a good example
 8. Page 99, Aquatic Space Provision, second paragraph. Again athletically mismatch! Wollongong does not have "*an abundance of water facilities....*". Where are your facts and references based upon a sound criterion? Rather, according to Willi Daume's empirical formula, adopted by the Australian (Whitlam) Government on Saturday 23rd April 1974, which in turn became the Australian Standard. Wollongong LGA is short by 8,000 to 12,000 square metres of outdoor pool space and short by about 3,000m² to 3,500m² of indoor heated Pool space. Wollongong Council have about 10 copies of the Willi Daume papers. Suggest Council study them. Then correct the offending statement, which incidentally is yet another Non-Sequitur, False Dichotomy and Emotional Rhetoric.
 9. Page 99, West Dapto we agree. We also agree that Beaton Park be the Regional Facility and by 2030 contain both 50metre Pools which could also include the Diving and Water Polo pool.
 10. Page 100, second dot point. Provision should be made for the free bus to be allowed into Beaton Park for undercover drop-off and pick-up.
 11. Page 100, dot point 7. We disagree. Our Club may run a Swimming Carnival, which may clash with a Tennis tournament and an Athletics Carnival. Should also keep in mind the potential for a lower School age (already 3 in France), and the probable compulsory/mandatory (By 2025), swimming to be added to the school sport's curriculum.
 12. Page 100, at dot point 8 – same comment as at point No. 10.
 13. Pages 101 -102, The cost of health. Many people over 70 and even 80 like to do lap swimming in 50 metre Pools. The recently held "Winter Swimming Championships" holds testament to that. The "Cost to health" is all the more reason to immediately, build the ANZAC War Memorial 50metre Olympic Pool and the follow up Water Polo and Diving 50metre Pool by the year 2030.
 14. Page 102, at Beaton Park Leisure Centre, Emphasis on the same comment at Point 13.
 15. Page 103, "*Wollongong has a large number of 50metre Pools*". However, despite "*The large number*", which is relative to what?
 16. Is still short by between 8,000 to 12,000m² of outdoor pool space and around 3,000 to 3,500m² of Indoor Heated Pool space. Suggest the sentence be rewritten to include the facts surrounding Council's Pools and delete the pathetic grandiloquence.



17. Page 103 which starts at *"The community is seeking more contemporary...."* May we well ask, What community? And by what Percentage? Again Council fails to back up statements with facts, figures statistics and references. Being a Club, with a membership that travels extensively to swimming carnivals, at such places as, Ulladulla, Narooma, Orange, Goulburn, ACT, Mudgee, Port Stephens, Mingara, Newcastle, Peninsula, Manly, Holroyd, Auburn, Ryde, Blacktown, Bexley, Aquadot and Campbell town, there is no clear evidence of excluding Lap Swimming from the agenda. Council's statement is out of step with reality. Even where there are new Pools and the renovation of existing Pools, the emphasis everywhere, is on new Pools with Lap Swimming first priority. The most recent Pool built in Illawarra is the Nowra 50 metre lap Pool with an underground treatment and filtration plant that is gravity fed. May we suggest Council visit the Pools we have attended over the past year?
18. Page 103 which states *"The available water space at Beaton Park...."* Should be rewritten to include *"Water space at Beaton Park during peak periods is at over capacity and has been since 1993".* When alerted to the overcrowding at Beaton Park, the Wollongong Swim Club presented the proposal to build the promised ANZAC War Memorial 50metre Olympic Pool to avoid such overcrowding. The plans of the pool were presented to Council, with a follow up plan including the Programme Pool.
19. Page 106, at Stage and Stage 1 description, should it not be rewritten to include, *"Aquatics and Greening \$44,000,000?"*
20. Page 107, Expenses. Council should consider the green alternatives for cladding Buildings within Beaton Park, where the cladding and roofing become Electricity Generators. Appendiculately, why can't Council apply "wind farming" to the buildings, thereby placing Beaton Park, into an area where Beaton Park becomes a generator of power? Thereby earning income from power generation and not a being a consumer. This concept would set Beaton Park as a role model for future aquatic developments Nationally. Wollongong is touted as a "City of Innovation". Herein becomes an ideal location to do just that.
21. Page 112, History of Beaton Park, in here there is a great need to explain, for which purpose was the land acquired? Was not the land acquisition partly to build the ANZAC War Memorial 50metre Olympic Pool? An explanation is sadly missing throughout the plan.
22. Page at 113. Is impossible to read. Please enlarge to readable print. Looks as though 3 by A4 pieces of paper were reduced to fit on one page.
23. Page 114. Same comment as at Point 21, page 113.
24. Page 115. Same comment again. Although with an extra strong magnifying glass, we could detect items with which we strongly disagree. Such as, *"Wollongong has a large number of Pools....."*, which in itself may be factual. However, such statements should be made with the population in mind, then compared to the Australian Standard. As it now stands, the statement fits neatly within the description of being both a Non-sequitur and a false Dichotomy.
25. Page 115 at place, *"...availability of water space it at capacity"*, should it not read, *"Water space is far beyond capacity?"*
26. Page 115, comment at the bottom of column 2, *".....Beaton Park as the Premier year round Indoor facility and Programme Pool in the Wollongong LGA"*. Is this a better than



- excellent case to build the ANZAC War Memorial 50metre Olympic Pool as priority No. 1? and by 2030 build the 50metre Water Polo and Diving Pool?
27. Page 117, needs to be enlarged, so one does not need a strong magnifying glass to read the contents.
 28. Page 120, Aim: - We agree most emphatically. The aim overpoweringly supports our claim for the proposed ANZAC War Memorial 50metre Olympic Pool by 2020, coupled with the 50metre Water Polo and Diving Pool by 2030.
 29. Page 121, Needs to have more details of the Aquatic Centre. The picture is quite disgusting in that we give Council full details of our proposals, while Council in return, gives us only a very small, not even general, outline with no detail what-so-ever. The page is quite appalling and it is downright abhorrent to publish such pages. What Councillor has time to try to read the pages 121 to 124?

CONTINUING ON WITH REPORT OF PUBLIC HEARING CHAIRED BY MARTIN BASS

30. Page 129, Fourth Paragraph, Council's comment, *"...Develop Beaton Park as a Regional centre of Excellence with high performance and event facilities...."*. No qualms with the statement what-so-ever, in fact strongly agree. We put it to Council yet again, our Proposed ANZAC War Memorial 50metre Olympic Pool, fits all facets within the comment. Coupled with the 50metre Water Polo and Diving Pool, Beaton Park would fluently and authentically match any criterion for being the "Regional Centre of Excellence"
31. Pages 130 to 131, Submission 6. Wollongong Swim Club also pointed out to Martin Bass, that the total number of swimmers in all Council pools, are 34 more times greater than the number of people attending Race meeting at Kembla Grange, 112 times greater than people who attend Dapto Dogs, and 96 times greater than those people attending the Trots and Dogs at Bulli. The figures will vary from year to year, staying in roughly the same order.
32. Page 131. Coupled with submission 6 and presented to Martin Bass in writing, was, there are 25 Primary Schools, 10 High Schools, 3 Special Schools, 2 TAFE Colleges, 1 University and 3 University Colleges all within a 5 Km. radius of Beaton Park. There is something like at least, 10 times the Population of Wollongong, using Council's Pools.
33. Page 131. Submission Number 8, we also pointed out to Martin Bass, it is the "Pool Capacity Ratio", (PCR) which is the test of a Pool's use and when it is overcrowded. In this regard we pointed out Beaton Park's Pool has a PCR of 6 times more than Corrimal and Dapto not the attendances. Although attendances do determine the PCR. What we also pointed out was that Beaton Park's PCR is 650% greater than that of Corrimal or Dapto.
34. Page 132, submission11. Our representatives at the Public Hearing added, because of the high attendance of foot traffic, mainly School Children, expected after the Beaton Park upgrade, there will be a need to restrict traffic speed from Gipps Street to Throsby Drive to a limit of 40Kmph. For 7 by 24 by 365. There is already a 40 Kmph. through Gwynneville.
35. Martin Bass indicated (From our notes written at the time), there would be a follow-up Public Meeting around mid-October, basically to discuss the contents of the Beaton Park Draft Plan of Management. No doubt, the other 20 people would agree, as it was mentioned and emphasised several times towards the end of the meeting



36. Page 141, Aim – we agree with the statement. Does it not imply the ANZAC War Memorial 50metre Olympic Pool will be included as a priority 1, (First to be built), in the Beaton Park Draft plan of Management?

Mr. General Manager, may we thank you for your invitation for our Club to comment on the Draft Plan of Management for Beaton Park. May we invite you to a meeting at Beaton Park to discuss and determine many of our comments? We will read through more thoroughly and let you know of any more glaring errors that we may uncover in our second reading.

Yours faithfully

Col Bruton
President
Wollongong Swim Club Committee Inc



Wollongong Swim Club (1894) inc.
Hon. Secretary, Louise Willows
P.O. Box 52 . Keiraville NSW 2500
E-mail
wollongongswimclubinc@gmail.com

Mr. David Farmer
General Manager
Wollongong City Council
Locked Bag 8821
Wollongong NSW 2500

15th August 2018

Dear Sir:-

Subject Matter; Draft Beaton Park Regional Master Plan 2018-2038 and the case for THE ANZAC WAR MEMORIAL 50metre OLYMPIC SWIMMING POOL

Firstly, please allow us to comment upon the Draft Beaton Park Regional Master Plan, in that, the Conceptual Framework of the Plan is most noteworthy. However it is the Underlying Themes within the Plan, which brings about its perdition. Hence, there are some comments in the Plan which contradicts the framework, thereby tainting the Plan, which makes the contents unreliable and in places, being not quite true and even objectionable.

Secondly, we are greatly delighted by the comment on page 5, 2nd column, first line, reading "3.1.1.5 Encourage Sports Associations to conduct Regional, State and National events in the City". The writing is indeed a breath of fresh air. As pointed out to Mark Upson of SGL Consulting Group, when the ANZAC War Memorial 50metre Olympic Swimming Pool is built, we as a Club, affiliated with South Eastern Swimming Association (SESA), Swimming NSW (SNSW) and Swimming Australia Ltd (SAL), could apply for District Interclub Carnivals, Local Interclub Carnivals, Open Carnivals (from anywhere in Australia), District Championships, Regional Championships, NSW Country Championships, NSW School Age Championships, School Carnivals, School Regionals, NSW State Squad Training, "Speedo" Sprints, Australian Olympic Trials, Commonwealth Games Elimination Heats, Australian School Age, Australian School Sports, Pan Pacific Games, Pacific School Games, NSW Multi Class series, Australian Multi Class Series, National University Games and International University Games. As can be seen from the list, The ANZAC War Memorial 50metre Olympic Pool not only attracts Intraclub, Interclub, Regional, State and Australian interests, but also extends to International Areas. Maybe in future years, Wollongong could host the Commonwealth Games, or even the Invictor Games, particularly when the Water Polo and Diving Pools are built before 2030. As you can see, we are in total accord with the statement

Thirdly, We agree completely to "Investigate the future provision of Aquatic Services across the local government area", as this is an essential part of the Plan. An absolutely key element in the provision of, "To develop Beaton Park as a Regional Centre of Excellence with high performance and event facilities.....". No doubt. Both the ANZAC War Memorial 50metre Olympic Pool, coupled with the Water Polo and Diving Pool would not only make Beaton Park a Regional Centre, but would place the Park as a State and even a National Centre. Which fits neatly within the statement at 3.1.1.5.

What Council fails to acknowledge is that the whole revamp of the Beaton Park Aquatic Facilities, is brought about by the distinct lack of LAP SWIMMING SPACE in peak periods at Beaton Park. There are no other reasons to justify the expansion of the Pool area. However we take strong objection to the fact, that at Staff Meetings (in 2015), after the SGL Consultants Report, the Beaton Park Staff were told that there will never be a 50metre Pool built for Lap, Elite nor Competition Swimming at Beaton Park. True? Or not true? We find this statement from Council most alarming. Was there ever a motion passed by full Council? If so, may we please have a copy of the Council Minute? For to say "Council have decided" does not this imply the "Full Council". Also, what was the voting on the issue? Could you clarify this point for our Club?

So someone and an unelected person at that, (we wonder Who?), has decided that the ANZAC War Memorial 50metre Olympic Swimming Pool will never be built. One would well imagine the decision was made on little more than a severe bout of Emotional rhetoric, with no references to any scientific analysis. Making all of this current kerfuffle nothing but a great big "sherdie". The decision about the future of Beaton Park Pools has already made. Is it not in fact a false dichotomy? Unfortunately at this stage the decision has been made by a person, who can hide within the framework of Local Government and remain completely anonymous, while producing a "Faite Accompli"? May we suggest that our elected Councillors reject the "No 50metre Pools for Beaton Park" and pass a resolution favouring the ANZAC War Memorial 50metre Olympic Swimming Pool? To this, we are in implicit amity, yet at the same time, are held in utter disbelief.

Fourthly, At page 6, First column under "Needs Assessment 2015,Identify gaps and duplications of facilities within the community and provide a range of development options". Herein lies the "Golden Opportunity" to install as one of Council's N^o. 1 priorities, the building of the ANZAC War Memorial 50metre Olympic Pool. Such a Pool has no duplications along the coast, between Sydney and Melbourne. The Pool will become the "Standout" facility, complying very much with Page 5, 2nd Column at 3.1.1.5.

Fifthly, At page 6, top of 2nd column, under "Beaton Park Leisure Centre", 2nd line down, which reads, "Expanded / new improved wellness facility". Well where? In our last submission to Council, we went to great lengths, to point out the importance of a Wellness Centre, with all the essential comforts within the Centre. The Wellness Centre, should have a good air gap from the Pool, being built close to, but not attached to the Pool. Our plan WSP/08 shows what should be done.

Submission 2018

Wollongong Swim Club (1894) inc. Presents:- The case for a Proposal to build The ANZAC War Memorial 50metre Olympic Swimming Pool at Beaton Park

Continuation of Plan since 1956

Option "A"

Compilation:- Col Bruton	Designed :- Col Bruton	Drawing N ^o WSP 13	WOLLONGONG SWIM CLUB (1894) inc. Proposed ANZAC WAR MEMORIAL 50metre OLYMPIC SWIMMING POOL Showing POOL's Location with other Facilities at Beaton Park Gwynneville
Checked:- <i>[Signature]</i> Referee	Examined:- <i>[Signature]</i> Club Captain	Date :- 06-08-2018	
Supported:- <i>[Signature]</i> Treasurer	Recommended:- <i>[Signature]</i> Hon. Secretary	Scale:- Perspective	
Approved :- Vice President	Passed by Club Committee	Issue N ^o . 1	

Sixthly, At page 6 again, 2nd Column, 6th dot point reading "New warm water pool area for older adults and warm water programs", should also include, "plus proposed ANZAC War Memorial 50metre Olympic Swimming Pool by 2020, coupled with a Water Polo Pool and a Diving Pool to be built by 2030". Council should determine, as Wollongong Swim Club has, what percentage of the population represents the Family and children's use, as against the Lap swimmers, Competition swimmers and Elite swimmers. Analogically Council should compare; how often the Lap, Competitive swimmer uses the pool as against the family use. Let our Club enlighten Council on some interesting figures. Most families go swimming as an entity once a week. Particularly in summer. In winter rarely, depending upon the weather. Lap swimmers, Competitive and Elite swimmers, swim year round, swimming anything from 5 sessions a week, up to 10 sessions a week. Council should have these figures on hand. There are around 40 individual swimmers compared to every family. Without going into too much technical detail, for every 157 daily lap swimmers, is there not one family as a complete family group? Council should have these figured on hand. If not, Council should do a "daily lap swimmer" versus "family count"

. We agree with the concept of the warm water and children's aquatic activities as our plans to Council have shown. But not to the detriment of discarding 39,816 potential lap swimmers

Seventhly, Our Club finds comments about the SGL Group at the top of page 6 to be most inappropriate. They have proven to be unreliable, having tainted their report with dubious statements, of which we are aware, or mis-reported comments. Reference to them must be removed from any report in the future.

Eighthly, Page 7, first column, 2nd paragraph. Greatly amused by the term, "Industry trends..." What industry? The water slide industry? Nether the less, we do notice further down in the same paragraph, "...a range of activities including LAP SWIMMING aquatic programs learn to swim..." exactly what we have in our plans! May we also point out to Council, lap swimming and learn to swim are not "Industries", they are "Services" that Council provides for residents. Obviously the "...lap swimming..." means that Council will accommodate extra space for lap swimming. This is indeed great news. May we offer Council our Plans for the ANZAC War Memorial 50metre Olympic Swimming Pool as the best specimen for lap swimming by 2020. Then of course, we need the follow up Water Polo and Diving Pool by 2030.

Ninthly, Page 7, first column, 3rd Paragraph, 1st dot point, which says "... No further 50m pools are required to service the current and projected Wollongong community". Absolutely preposterous, on what grounds was such an assumption made? Above all, who made the decision? It is completely out of touch with reality. For many years, our Club has been telling Council, with all the technical back-up, that Wollongong LGA needs about 8,000 square metres of outdoor Pool space. The Wollongong LGA is short by at Least 3,000 square metres of Indoor Heated Pool Space. At this very moment (TODAY), Wollongong needs an Indoor Heated Pool of at least 1,250m² in area and by next week, will need another 1,250m² of Indoor Heated Pool Space. Wollongong Swim Club is being quite

kind to Council by releasing these figures, which date back to 1974. Figures have been given to Council's Mr. Coyte 15-02-2010, which included a copy of Willi Daume's papers. More recent analysis shows Wollongong LGA needs between 3,000 to 3,500m² of Indoor Heated Pool Space. All that to one side, what we are offering to Wollongong Council, to help overcome the current (lack of lap swimming space) crisis, is our plans for the ANZAC War Memorial 50metre Olympic Swimming Pool. Such a Pool will help solve Council's Pool shortage only temporarily, as the Water Polo and Diving Pool will be needed by 2030.

May we strongly suggest that the sentence "No further 50m pools are required to service" be removed; on the grounds of being deceitful, dishonest and of duplicity?

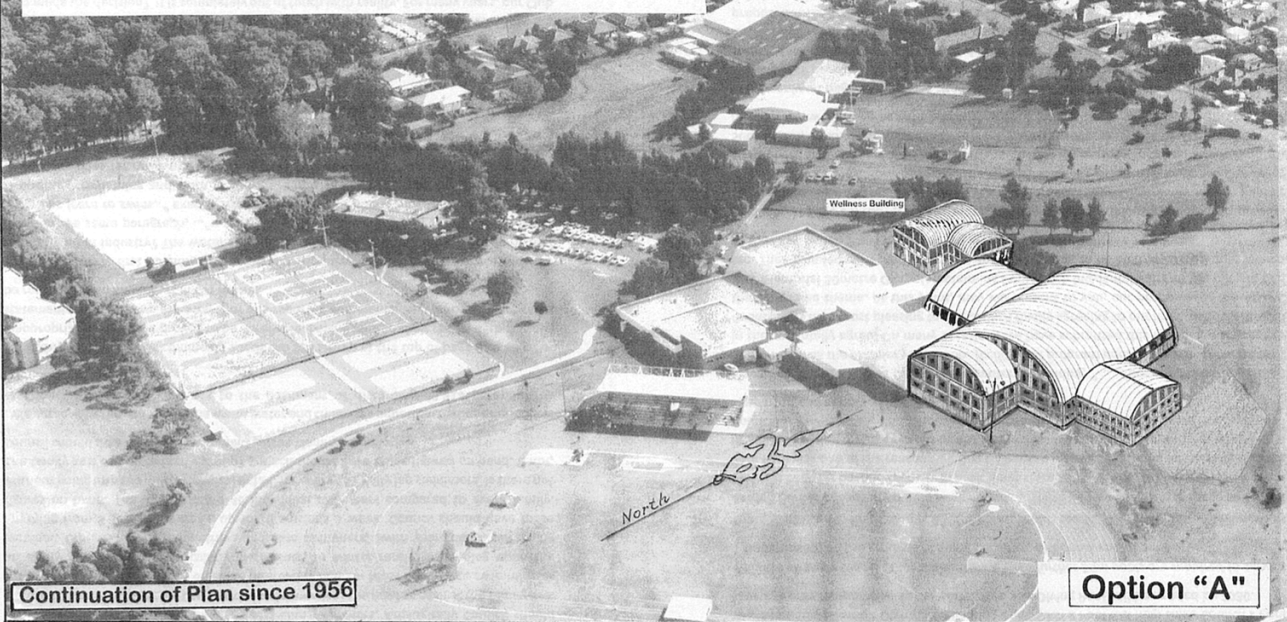
Tenthly, at Page 7, first Column, 4th dot Point. Which reads, "The available water space at Beaton Park is at capacity during peak periods", RUBBISH we say. Water space at Beaton Park has been far beyond capacity in peak times since 1993. The over capacity at the Beaton Park Pool was one of the reasons we first submitted plans for a 10 lane 50metre Pool, back in 1993. The plan was supported by the Beaton Park Community Committee, who with a Councillor Chairperson, unanimously supported the concept. The 50metre Pool was also supported and approved in principle, by full Council.

Eleventhly, at Page 7, first Column, last sentence, reading ".....Pool expansion/upgrading Beaton Park as the premier year indoor facility and program pool in the Wollongong LGA". In this we totally agree. On many occasions we have submitted this very same concept to Council. It is now most pleasing to see Council finally agreeing to our many proposals, with the very same theme. At this point, may we present to you, our proposal for the ANZAC War Memorial 50metre Olympic Swimming Pool which incidentally fits all the criteria to a tee. Then coupled with the Water Polo and Diving Pool, to be built in 2030, would indeed fit the "Key Action Plan" precisely. We agree completely with the sentence.

Twelfthly, at page 12, top left hand, under "AIM:" We agree, copiously and with amplitude. All the more reason to build the ANZAC War Memorial 50metre Olympic Swimming Pool by 2020. The proposed Pool not only fits the criterion of being the Regional Centre of Excellence, but also conforms very much to "with high performance and event facility". Such a Pool, although promised in 1956, finally brings Wollongong into the 21st Century. Coincidentally, we also agree with "Vision:"

Thirteenthly, at page 13, showing the "Draft Master Plan". We find that the plan is greatly at odds with page 15, 3rd Column third dot point. Although the aerial view does not give a scale (which it should), it is plainly obviously the proposed aquatic play space, exceeds by far, the Aquatic Centre space proposed on the plan. Clarification is needed. We do note the proposed ANZAC War Memorial 50metre Olympic Swimming Pool is not shown. Why is this so? How can any reasonable person, not place a Memorial Pool to the ANZACS below any other facility? The plan as shown on page 13 is a disgrace to our War Fallen. Suggest a massive urgent overhaul of priorities. Was not the land at Beaton Park, acquired initially, to build a War Memorial Pool?

Wollongong Swim Club (1894) inc. Presents:- The case for a Proposal to build The ANZAC War Memorial 50metre Olympic Swimming Pool at Beaton Park
Option "A" has a North – South Alignment;



Compilation:- Col Bruton	Designed :- Col Bruton	Drawing N° WSP 15	WOLLONGONG SWIM CLUB (1894) inc. Proposed ANZAC WAR MEMORIAL 50metre OLYMPIC SWIMMING POOL Showing POOL's (Option "A"), North - South Alignment at Beaton Park Gwynneville
Checked:- <i>[Signature]</i> Referee	Examined:- <i>[Signature]</i> Club Captain	Date :- 06-08-2018	
Supported:- <i>[Signature]</i> Treasurer	Recommended:- <i>[Signature]</i> Hon Secretary	Scale:- Perspective	
Approved :- <i>[Signature]</i> Vice President	Passed by Club Committee	Issue N°. 1	

Fourteenthly, at page 14, first Column. Same comments as at 13. We are alarmed at remarks made about the existing 25metre pool. We feel completely out of odds with what should happen to the 25metre pool. All Pools in the Master Plan should be raised at least 1.00 metres higher than the existing pool. The replacement 25metre Pool, raised to the newer level, should also have ramp and beach entrance.

Fifteenthly, at page 15 (how appropriate), at third column, under "Proposed Future Facilities", 3rd dot point. We are in a quandary as to what is meant by "up to 1,500m² in aquatic play space". You have got to be kidding! On what grounds? Could you please supply facts, figures and statistics relating to such an outlandish proposal? Does this mean the Council intend to build a Pool 50 metres long by 30 metres wide just for "Play Space"? Coupled with the Hydro-Therapy and Program Pool, to which we are in complete agreement. Where in Beaton Park will 1,500m² of "Play Space" go? The 1,500m² of "Play Space" certainly cannot be located with the area marked "Aquatic Centre", because that site is where the ANZAC War Memorial 50metre Olympic Swimming Pool will be located. The existing fence is part of the unencumbered land that has been held in reserve for such a Pool. May we strongly suggest a bigger dry land playground be built as it would be more accessible and much more used than Council's proposal of "Water Play Space"? The real decision here for Councillors is, Do you want to honour the War fallen with a Memorial Pool, or do you want to support a "Donald Duck Development"? Keeping in mind the original purpose of acquiring the land at Beaton Park was to build the War Memorial Pool.

Sixteenthly, Our Club wishes to emphasise the Concept of "Pool Capacity Ratios" (PCR), which in part, leads us to where we are now in discussing the lack of Lap swimming space at Beaton Park 25metre Pool. Despite the fact that no additional lap swimming can be done at Beaton Park for 3 hours every day, and that the 50metre Pools of Dapto, Berkeley, Unanderra and Corrimal has no restrictions on Lap swimmers, Beaton Park's Pool Capacity Ratio is still far in excess of the 4 Pools. One would wonder if Beaton Park's, P C R, (keeping in mind it is a 25metre pool), even came close to any of the 50metre plus Pools. But it is exactly the opposite. Beaton Park's PCR outstrips the 4 other Pools by 155.2%. The Beaton Park Pool's PCR is greater than that of Corrimal by 605.44%. Just a quick perusal of the graphs, shows where the upgrade for more Lap swimming space really lies.

Even for the most casual observer, so plainly to see, is that Beaton Park need far more lanes to accommodate the lap swimmer. Then again, we must also consider the needs of the Casual and Competitive swimmer, coupled with the Elite swimmer. The Casual, Competitive and Elite swimmers all need 50 metre Pools. Simple graphs, without applying Chi Squared, Median Sweep Polishes and Anova Tables showing startling results as would "Seasonally Adjusted", all point to the one result. Beaton Park is where the problem lies! Therefore if Beaton Park has the problem, it so holds, is not this where the answer also lies?

Seventeenthly, Wollongong LGA is the tenth largest City in Australia, with a population of 213,017 growing daily. Why does it not have a Standard Olympic Pool? The 9th largest City has more Pools, Pool enclosures and beaches than Wollongong. They have 2 Indoor heated 50metre Pools. One privately owned (at Tumbi Tumbi), that runs at a good profit. May we suggest the Councillors and Council Staff, take 3 or 4 vehicles for a day's excursion to the Mingara Centre? The centre built their 50metre Pool first, then allocated space about the Pool for other activities. Also on the way home, drop into the Peninsula development at Woy Woy. Also while our National Capital, Canberra, with not quite double our population, have Eight 50metre Pools, plus numerous 25metre Pools, with another 50metre Pool proposed for Lanyon (Pop. around 31,000). No doubt, Wollongong is by far the poor Pool cousin of all Australian Cities. Blessed with beautiful beaches, a marvellous escarpment, world's best climate, but greatly in need of a ANZAC War Memorial 50metre Olympic Swimming Pool. Tomorrow Councillors must change the dogmatic approach by Council Staff or the one person exerting the Influence.

Eighteenthly, Despite the fact that Council have engaged 2 sets of Consultants to sort out the Lap Swimming needs of Wollongong LGA, there has been no changes to Lap swimmer's needs at Beaton Park. Is not some of writing just not true? Despite all the writing, rhetoric, hysterics and verbosity, nothing has been done to improve the Lap swimmers' dilemma at Beaton Park? Rather is it not a fact that it appears as though Council have gone their own way and produced a "Poor Man's Backward Copy" of what is called the "Draft Beaton Park Regional Precinct Masterplan"? Plans of Management are supposed to resolve issues relating to users. Does not this plan fail miserably? Basically does it deliberately promote conflict, because of one person's dogmatic approach?

Nineteenthly, When we original heard of the proposal to hire the Strategic Leisure Group, from Toowoomba, in 2014 to act as Consultants for the purpose of determining the need for extra Pool Space (for lap swimmers), at Beaton Park, we thought what a great Idea. Unfortunately the report from the SLG Consultants carried a lot of picturesque and silver-tongued language, leading to virtually nowhere. Wollongong Council received 229 pages from both consultants of absolute rubbish. Or to put this in another perspective, paid about \$1,000 per page of useless information! As ratepayers, who are the ones who really paid for the consultants absurdity, we strongly object to such a waste of money. Except to say, their conclusion was that Beaton Park needed another 25metre Pool! No doubt, such a Pool would have been full to the brim within 2 years. Something not needed, as we would be in exactly the same situation, with no space for Lap, Competition nor Elite swimmers, all who need a 50metre Pool.

Next thing we here, is that the SGL Group of Consultants are hired to do a similar analysis of Pools, including the need for extra Pool Space for lap swimmers. After many quite challenging, circumlocutory and sermonic statements, their conclusions on Pool need for Wollongong, was Wollongong LGA needed 6 more small shallow Pools. Were not SGL Group determined to make Wollongong the cryptosporidium capital of Australia?

Wollongong Swim Club (1894) inc. Presents:- The case for a Proposal to build
The ANZAC War Memorial 50metre Olympic Swimming Pool at Beaton Park

Continuation of Plan since 1956 **Option "B"**

Compilation:- Col Bruton	Designed :- Col Bruton	Drawing N° WSP 14	WOLLONGONG SWIM CLUB (1894) inc. Proposed ANZAC WAR MEMORIAL 50metre OLYMPIC SWIMMING POOL Showing POOL's Location with other Facilities at Beaton Park Gwnneville
Checked:- <i>[Signature]</i> Referee	Examined:- <i>[Signature]</i> Club Captain	Date :- 06-08-2018	
Supported:- <i>[Signature]</i> Treasurer	Recommended:- <i>[Signature]</i> Hon. Secretary	Scale:- Perspective	
Approved :- <i>[Signature]</i> Vice President	Passed by Club Committee	Issue N° 1	

Twentyishly, However what disappointed us most of all, was that not one of the Consulting Groups carried out a survey to determine, **WHERE IN WOLLONGONG LGA IS THE BEST LOCATION FOR A 50metre OLYMPIC POOL**. Here was a golden opportunity to determine, once and for all, a sample survey from the Community, to tell Council what was wanted. Such an Item would have been compulsory, If any reasonable person was writing such a brief for pool Consultants.

But a survey was carried out by the Scholars of "TIGS". Who in 1996, carried out a survey on "Where was the best location for a 50metre Olympic Pool?" The Scholar's homes ranged from Stanwell Park to Albion Park. In the interest of the Olympic Games and showing support for the Games, they carried out their survey from "Park to Park". The results were quite surprising, showing very little variation in the best location for the Pool, except for Corrimal and Kelraville. Although Beaton Park topped the list in all suburbs, Corrimal people tended to put Corrimal either first or second, while Kelraville residents placed University first or second.

Once Wollongong Council heard of the results, they cancelled a brief for Consultants to do a similar survey. Often in cases similar to the "TIGS" survey, a secondary survey, even done by professional Consultants, will result in differences of around 5% more or less of the original survey. Wollongong Council would not risk Beaton Park being favoured by 83% of a "Gallop Poll" result.

Twenty Firstly, May we refer Councillors to the Business Papers of 25 June 2018 page 96 which starts the Draft Beaton Park Regional Precinct Master Plans 2018-2038. What we want to show is how the Conceptual Framework of the Draft Plan, differs greatly to the Underlying Themes within the Plan. Wollongong Swim Club made this statement in our opening address to the Draft Plan. Itemising each conflicting statement, with what Council want to do with the Proposed pools at Beaton Park is probably the best way to high light the diametrically opposing Underlying Themes, which we do as follows

- (a) Statement:- page 96 at Background; ".....it has facilities and services to cater for the amateur to elite", would apply to the Proposed Swimming Pools, but not to Proposed Future Facilities – Aquatics; particularly to the 1,500m² of aquatic play space.
- (b) Page 97 at Proposal, second Paragraph; "The Master Plans.....to develop Beaton Park as a Regional Centre of excellence with high performance and event facilities" Agrees to the Proposed ANZCA War Memorial 50metre Swimming Pool, but not to Proposed Future Facilities – Aquatics; particularly to the 1,500m² of aquatic play space.
- (c) Page 99 at Aquatic space provision, second paragraph; Wollongong LGA does not have "an abundance of water facilities", quite the opposite. We need at least another 3,000m² of Indoor Pool space in the form of the Proposed ANZAC War Memorial 50metre Olympic Swimming Pool. Statement does not support the 1,500m² of aquatic play space.

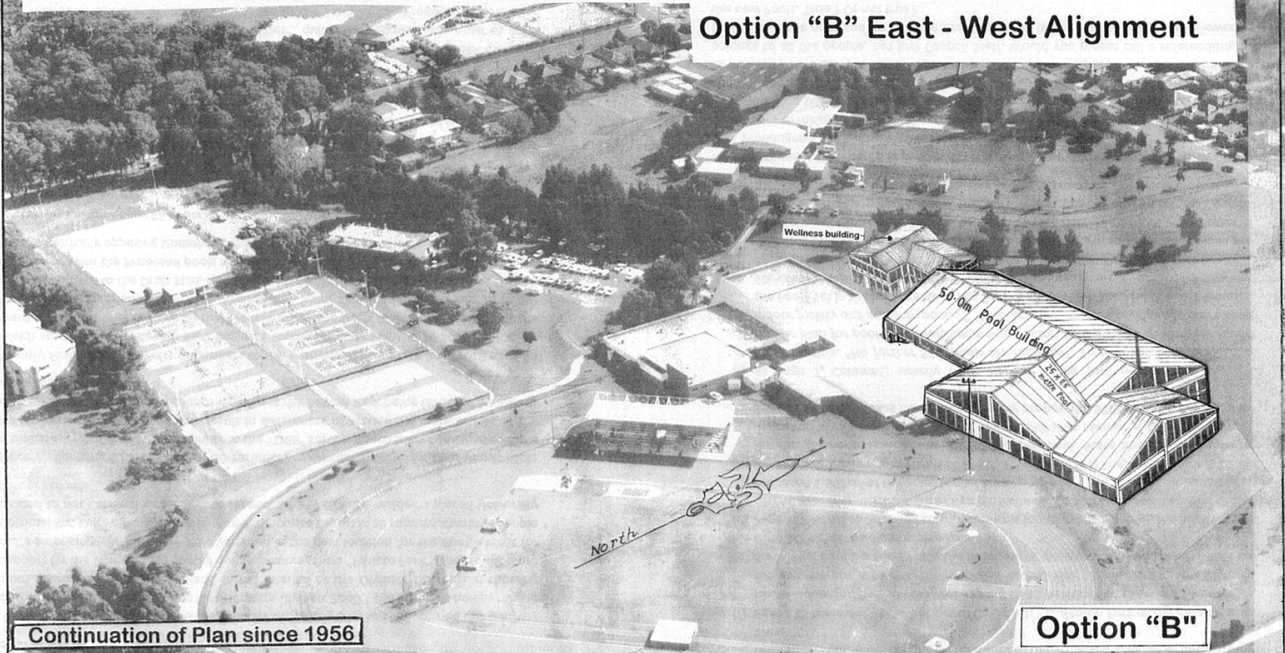
- (d) Page 103, "Wollongong has large number of 50m. Pools". Definitely a Non-sequitur and a False dichotomy. See comment included in page 99 immediately above. Statement does not support the 1.500m² of aquatic play area
- (e) Page 103, at 5.1.6. which includes"Heated water spaces... Including lap swimming....." Agrees to the Proposed ANZAC War Memorial 50metre Olympic Swimming Pool, while making no reference to the proposed 1,500m² of aquatic play area.
- (f) Page 115 comment at the bottom of Column 2; "....Beaton Park as the Premier year round Indoor facility.....in the Wollongong LGA". At this point the word "Premier" is the key, we put it to you, the proposed ANZAC War Memorial 50metre Olympic Swimming Pool fits snugly into the description, the word "Premier" casts doubt on the 1,500m² of the aquatic play area.
- (g) Page 120 AIM, top left hand corner; confirms (quite overpowering), the need for the ANZAC War Memorial 50metre Olympic Swimming Pool. Makes no mention of the proposed 1,500m² of the aquatic play area.
- (h) At page 5 of the handout "Draft BPRPM", 2nd column, first line, which reads 3.1.1.5" Encourage sports associations to Conduct Regional, State and National events, insinuates and supports our call for the ANZAC War Memorial 50metre Olympic Swimming Pool. Makes no reference to the proposed 1.500m² of the aquatic play area.
- (i) At page 7, Column1, exactly what we are telling you, on the one page. A Contradiction. "No further 50m pools are required". Then in last sentence, ".....a master plan for pool expansion/upgrading Beaton Park as the Premier year round Indoor facility and program pool...." What on earth are you saying? We don't need the Pool? Yet in the next breath, is not Council supporting The ANZAC War Memorial 50metre Olympic Swimming Pool? Which is correct?
- (j) At page 12, Under "Vision" ..".... lifestyle choices for the whole community.... Certainly puts the kybosh on the proposed 1,500m² of the aquatic play area. Is not there a suggestion under "Whole Community", we need the ANZAC War Memorial 50metre Swimming Pool? Now, just for starters, there is a good ten for Council. May our Club look forward to receiving Council's answers? We have another 10

Twenty secondly, and Finally. In conclusion. It is plainly clear, to any reasonable adult citizen that Wollongong, Council's mind is already set in stone. Therefore It is now up to the Councillors to make up their mind and to be strong in their commitment to the Swimmers of Wollongong LGA. May we suggest all Councillors put on a number 9 pair of boots and start kicking a few backsides of people who are entrenched in that building of "Idiocy borne of insularity", we call the Town Hall? And after that, Let the people decide! Beaton Park belongs to all the people, not just Council Staff. Would you please call a referendum, to decide the issue once and for all? We have been told, lap swimming will not be allowed in the new Pools. True? Or not true?

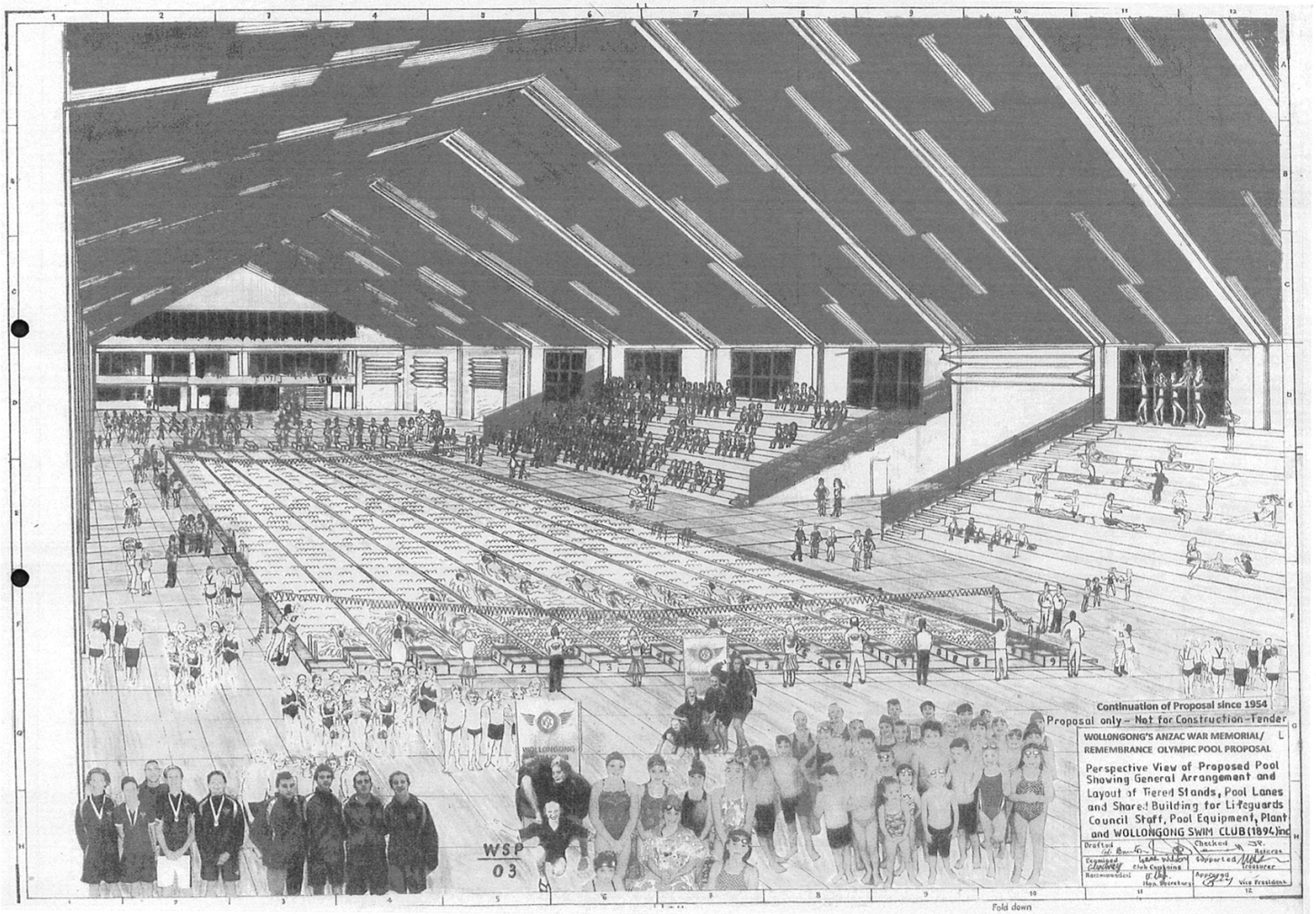
Yours Faithfully *Col Bruton* President tel. 4284 9929 or at colbruton@hotmail.com

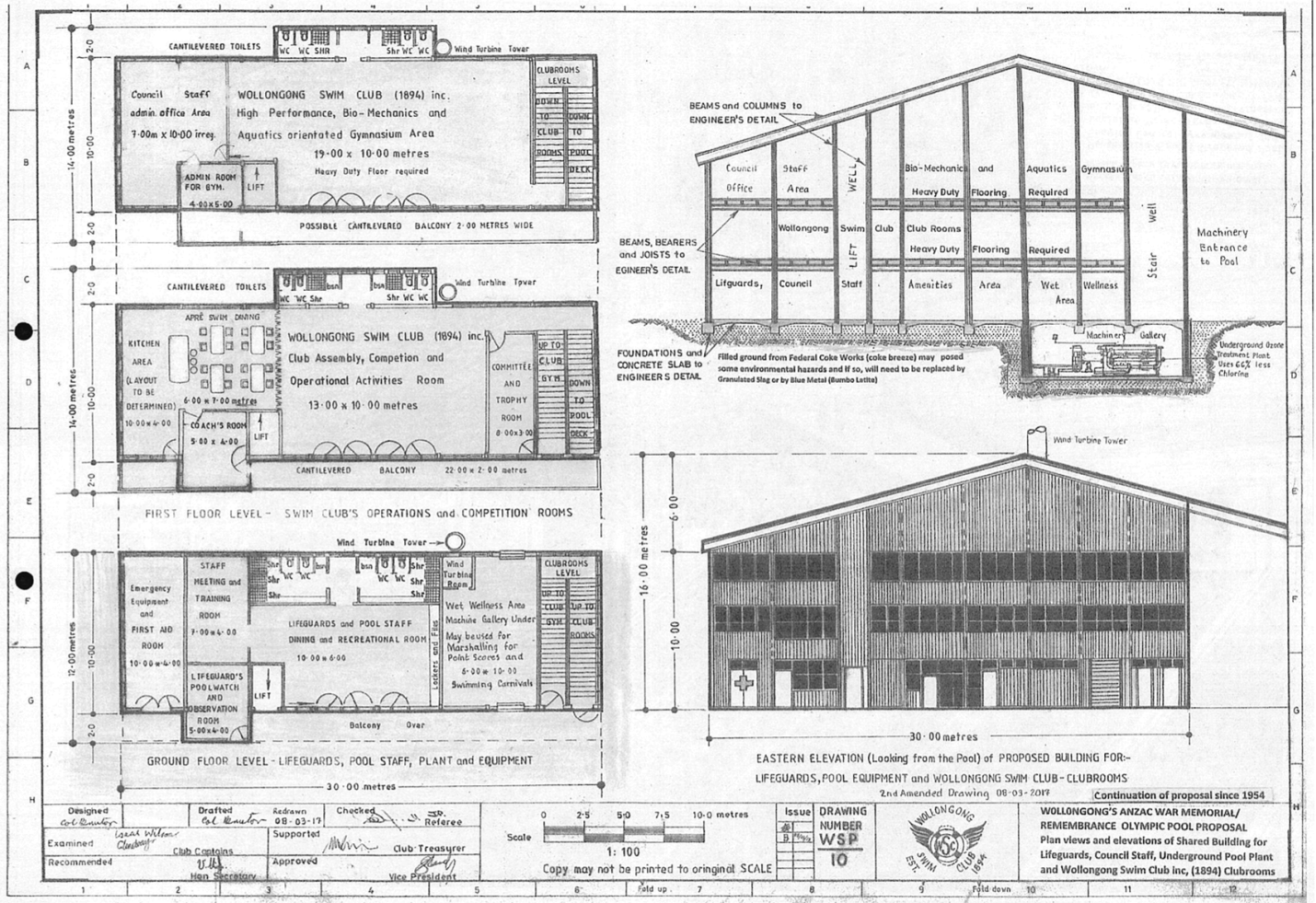
8 pages, 4,131 words, 26,176 characters, 322 lines and 45 paragraphs

Wollongong Swim Club (1894) inc. Presents:- The case for a Proposal to build The ANZAC War Memorial 50metre Olympic Swimming Pool at Beaton Park Option "B" East - West Alignment

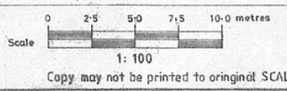


Continuation of Plan since 1956		Option "B"	
Compilation:- Col Bruton	Designed :- Col Bruton	Drawing N° WSP 16	WOLLONGONG SWIM CLUB (1894) inc. Proposed ANZAC WAR MEMORIAL 50metre OLYMPIC SWIMMING POOL Showing POOL's (Option "B"), East - West Alignment at Beaton Park Gwynneville
Checked:- <i>Referee</i>	Examined:- <i>Woad Wil Club Captain</i>	Date :- 06-08-2018	
Supported:- <i>Thouls Ref Treasurer</i>	Recommended:- <i>Hon. Secretary</i>	Scale:- Perspective	
Approved :- Vice President	Passed by Club Committee 06-08-18	Issue N°. 1	





Designed <i>Col Bunting</i>	Drafted <i>Col Bunting</i>	Redrawn 08-03-17	Checked <i>[Signature]</i>	Referee <i>[Signature]</i>
Examined <i>Local Wollongong Council</i>	Club Captain <i>[Signature]</i>	Supported <i>[Signature]</i>	Club Treasurer <i>[Signature]</i>	
Recommended <i>[Signature]</i>	Men Secretary <i>[Signature]</i>	Approved <i>[Signature]</i>	Vice President <i>[Signature]</i>	



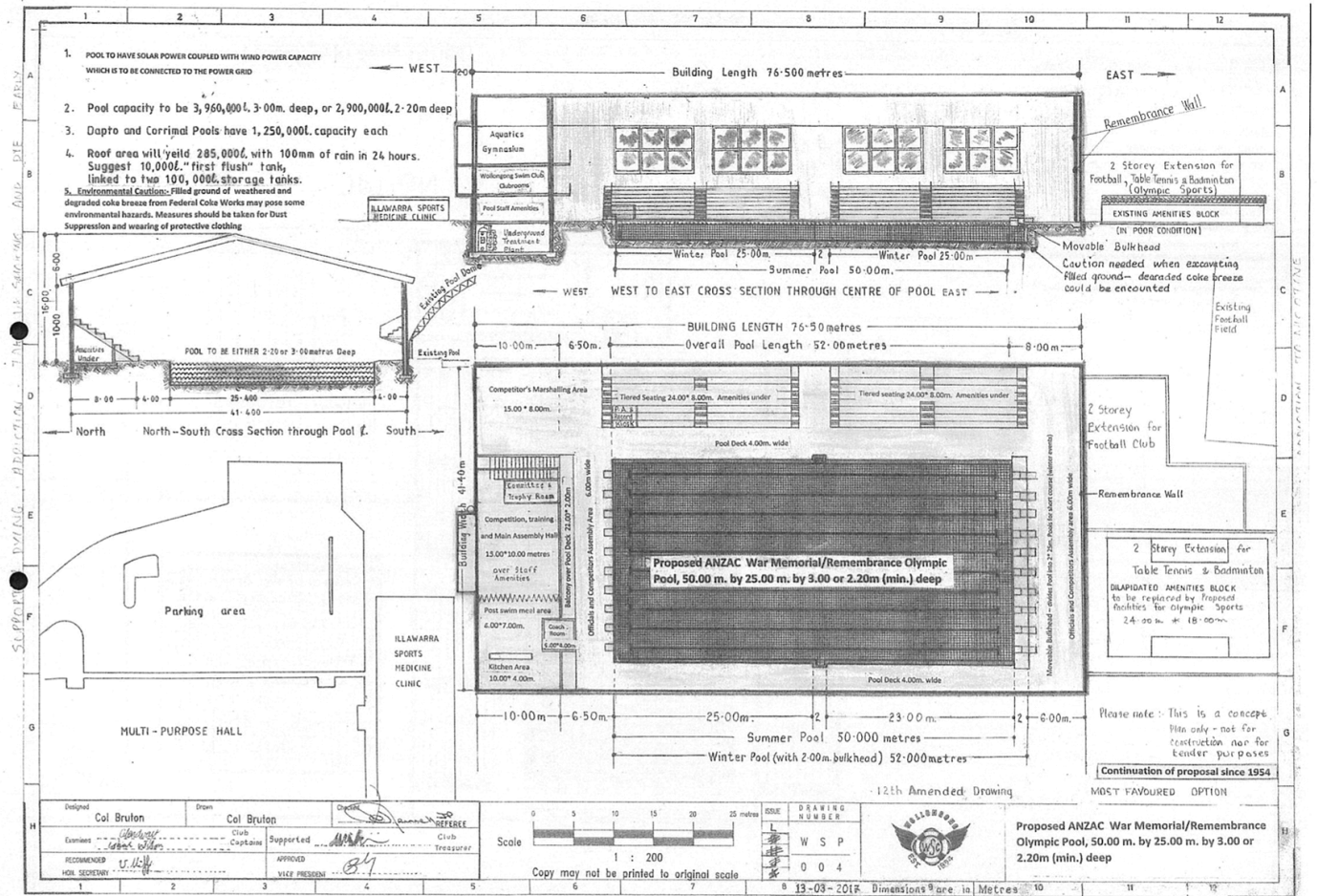
Issue B C D E F G H I J

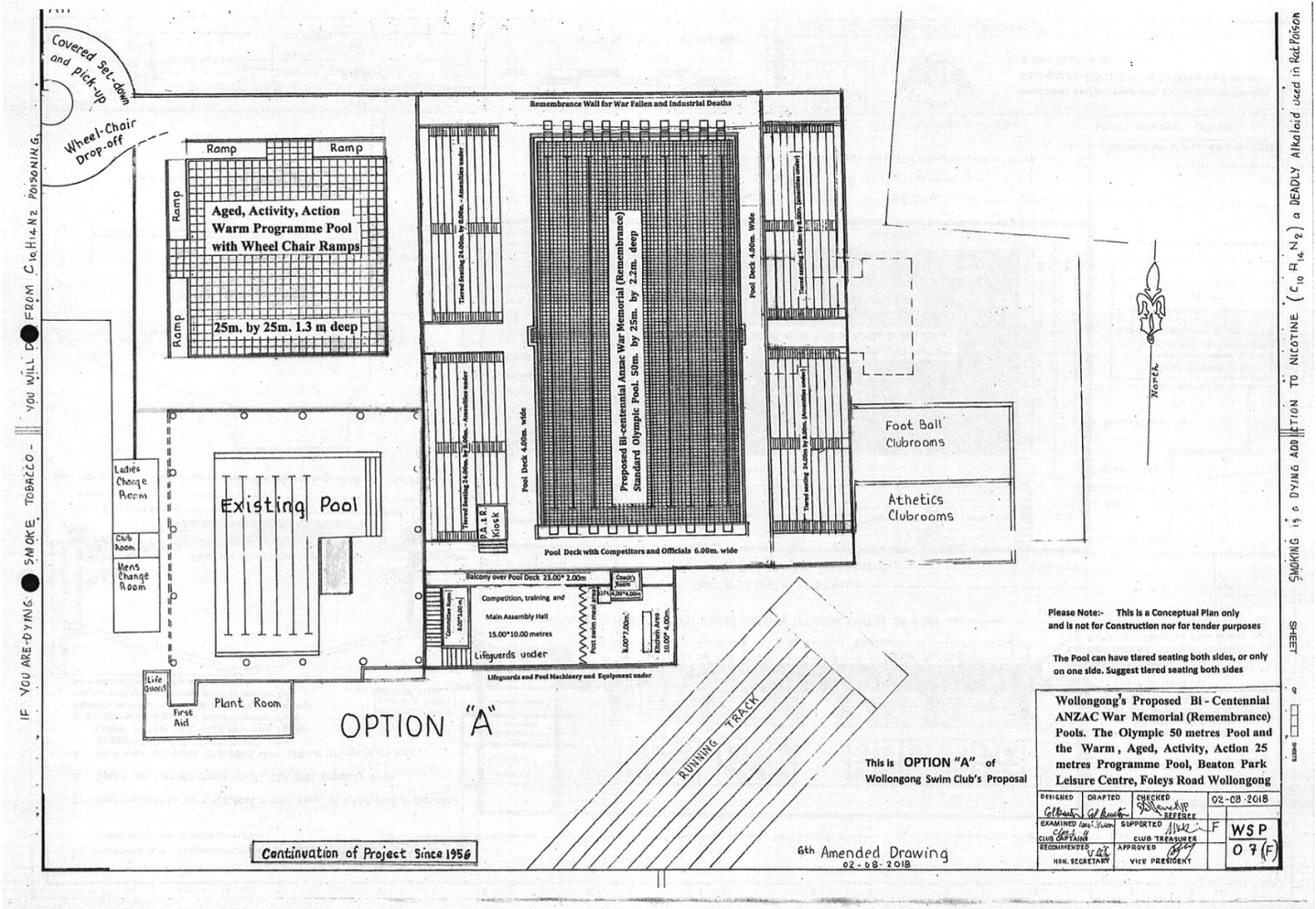
DRAWING NUMBER
WSP
10

WOLLONGONG'S ANZAC WAR MEMORIAL / REMEMBRANCE OLYMPIC POOL PROPOSAL
Plan views and elevations of Shared Building for Lifeguards, Council Staff, Underground Pool Plant and Wollongong Swim Club Inc, (1894) Clubrooms

2nd Amended Drawing 08-03-2018 **Continuation of proposal since 1954**

1 2 3 4 5 6 7 8 9 10 11 12





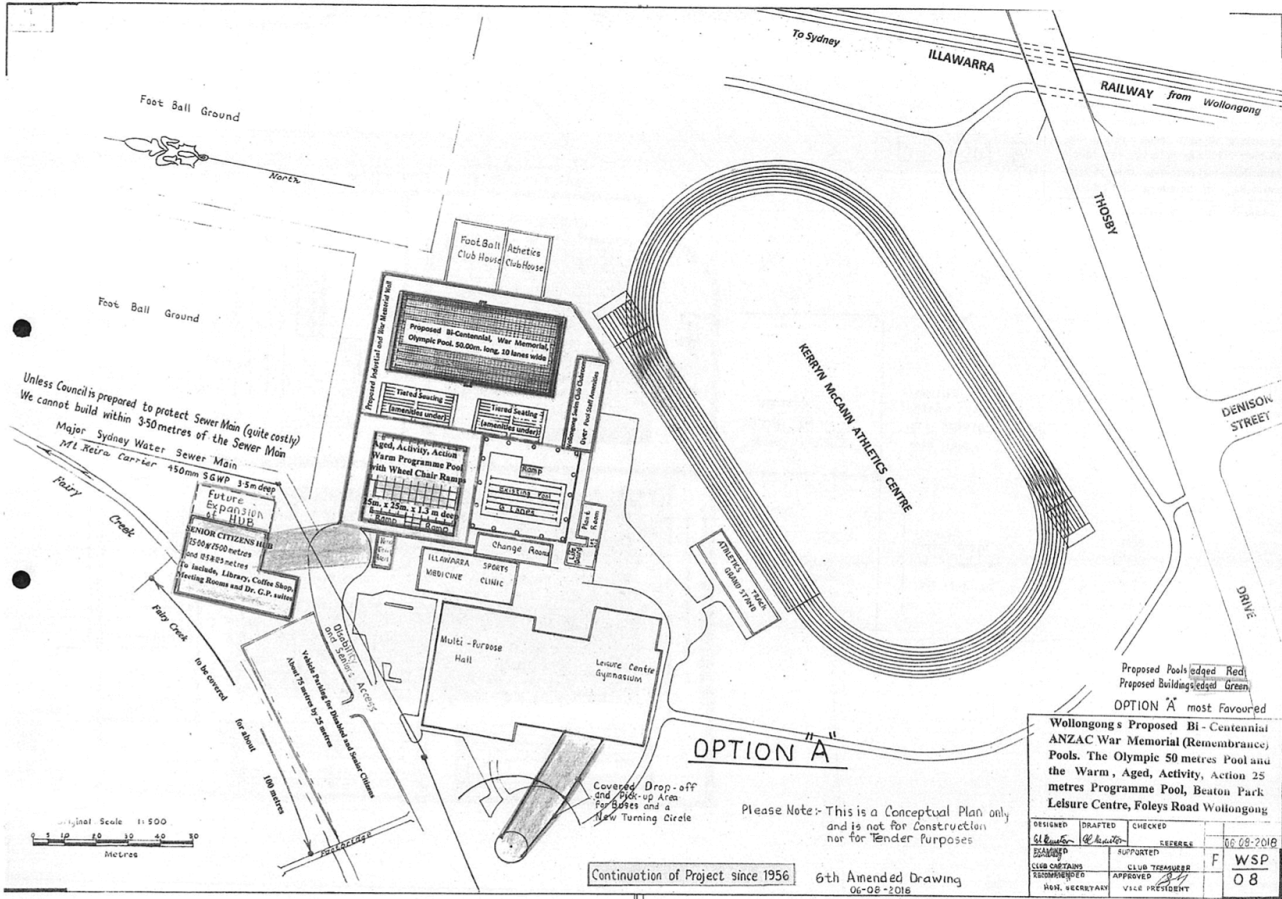
Please Note:- This is a Conceptual Plan only and is not for Construction nor for tender purposes

The Pool can have tiered seating both sides, or only on one side. Suggest tiered seating both sides

Wollongong's Proposed Bi - Centennial ANZAC War Memorial (Remembrance) Pools. The Olympic 50 metres Pool and the Warm , Aged, Activity, Action 25 metres Programme Pool, Beaton Park Leisure Centre, Foleys Road Wollongong

DESIGNED	DRAFTED	CHECKED	DATE
<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	02-08-2018
EXAMINED	SUPPORTED	APPROVED	
<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	
CLUB OFFICERS	CLUB TREASURER		
REGISTRARS	APPROVED		
HW. SECRETARY	VICE PRESIDENT		

SMOKING IS A DYING ADDICTION TO NICOTINE (C₁₀H₁₄N₂) a HEAVY ALKALOID used in RAT POISON



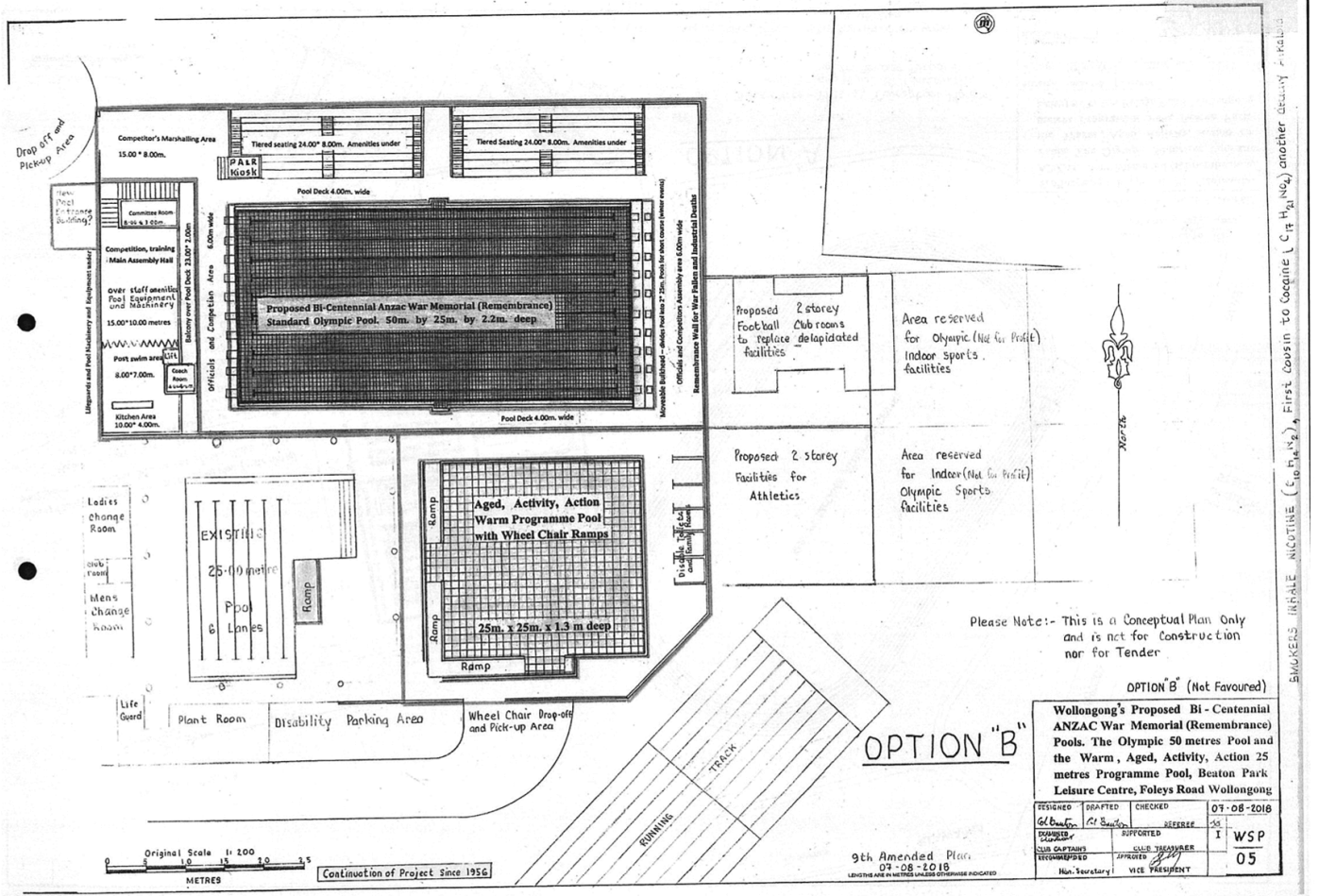
Proposed Pool edged Red
Proposed Building edged Green
OPTION A most Favoured

Wollongong's Proposed Bi-Centennial ANZAC War Memorial (Remembrance) Pools. The Olympic 50 metres Pool and the Warm, Aged, Activity, Action 25 metres Programme Pool, Beaton Park Leisure Centre, Foleys Road Wollongong

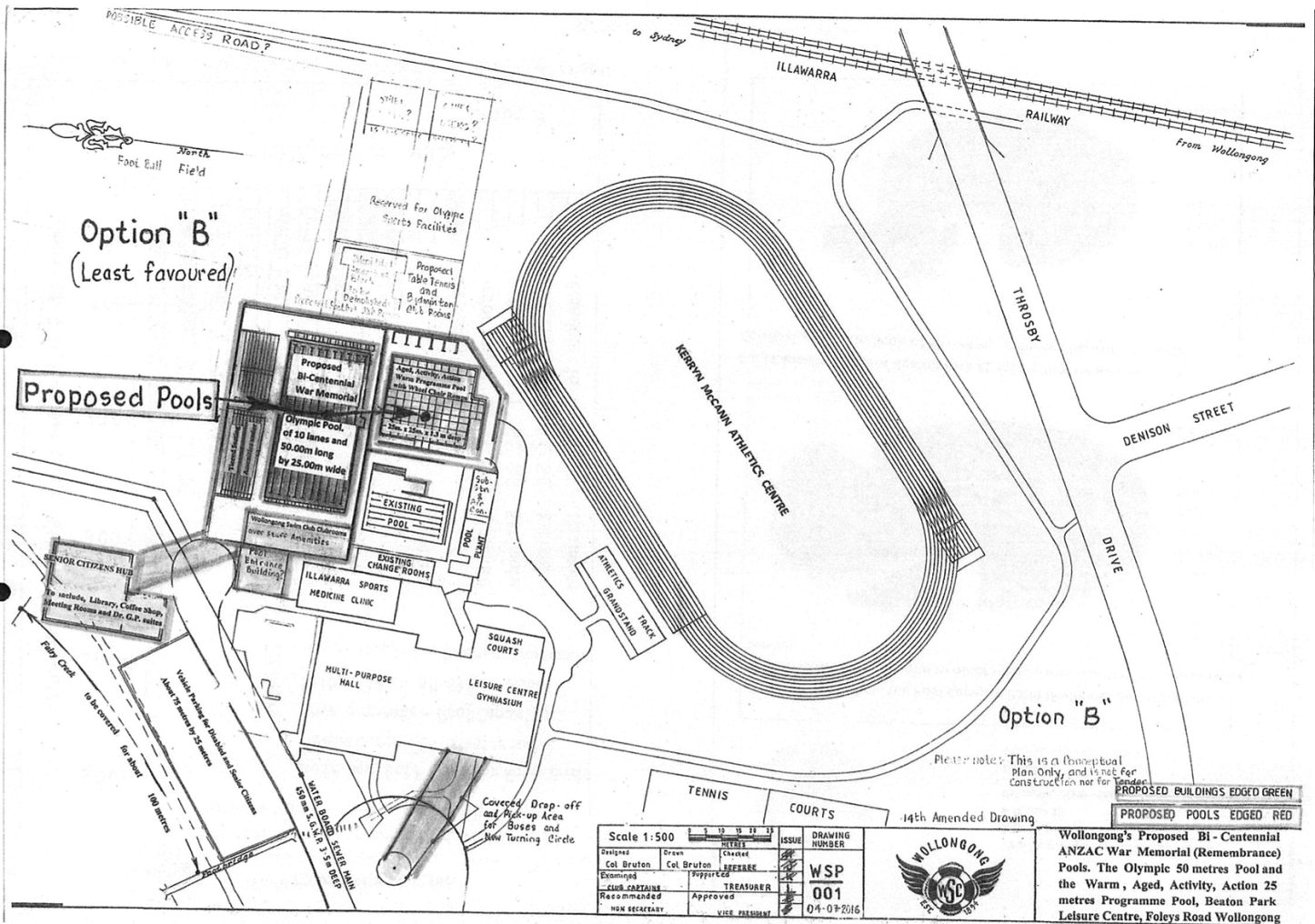
DESIGNED	DRAFTED	CHECKED	DATE
BY	BY	BY	06-08-2018
APPROVED	SUPPORTED	SEEN	
BY	BY	BY	F
WSP			08

Continuation of Project since 1956 6th Amended Drawing 06-08-2018

Please Note:- This is a Conceptual Plan only and is not for Construction nor for Tender purposes



BUNNERS (MABLE, NICOTINE (S, F, N, S), First Cousin to Cocaine (C, H, O, N, O), another cousin - Alcohol





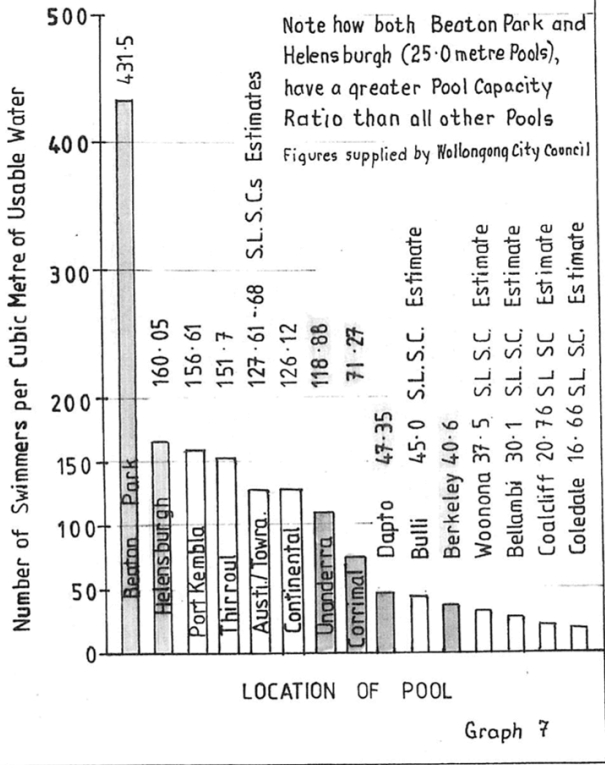
Wollongong Swim Club inc.

DESIGN CALCULATIONS

Sheet No. 7

Job Description

Ratio of Swimmers per M³ of Water at various Pools - Helensburgh to Dapto



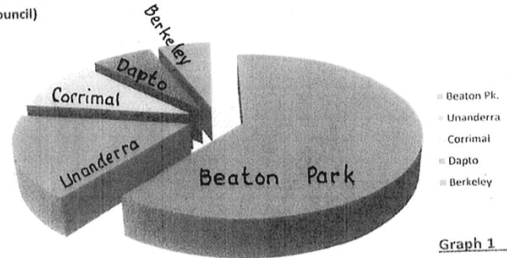
Graph 7

Prepared by C.E.B. Date 16 05 2013 Checked by J.W. Date 18 05 2013 Passed by R.H. Date 19 05 2013



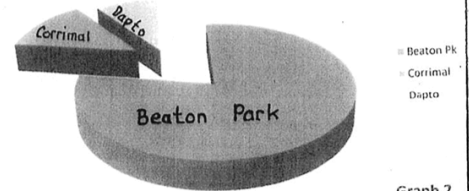
Wollongong Swim Club (1894) Inc.
Hon. Secretary, Louise Willows
P.O. Box 52
Kelraville NSW 2500
E-Mail :-
wollongongswimclubinc@gmail.com

Graphs 1 and 2 show the Pool Capacity Ratio (Swimmer per M³), of the Beaton Park Pool compared to other Pools. (Figures courtesy of Wollongong City Council)

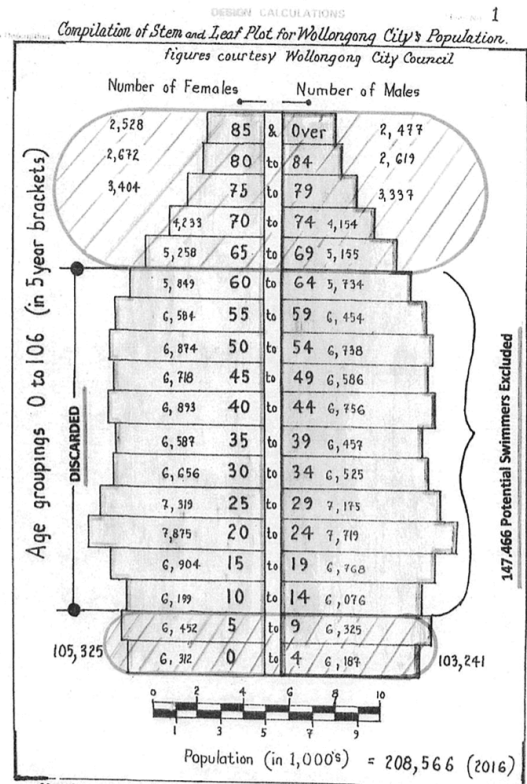
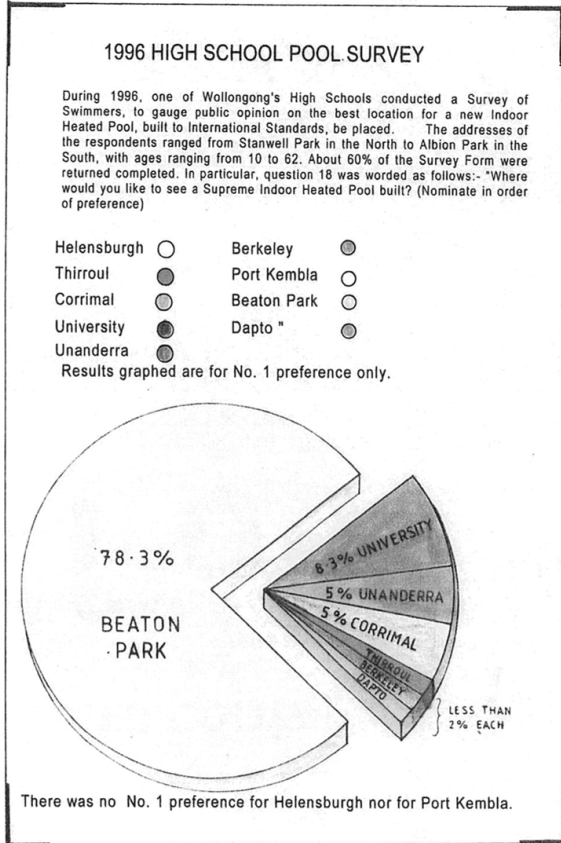


Graph 1

Pool Capacity Ratios of Beaton Park 25 metre Pool compared to both Corrimal and Dapto Pools of 50 metres, showing disparities of usage.



Graph 2



Due to contamination

Pool
is
Closed

Sign appears far too often

Proving we need at least
An ANZAC War Memorial 50metre Olympic
swimming Pool by 2020

Swim School Patrons
Welcome Back 2017

Swimming Pool Etiquette for
Beaton Park Pool

Parents/children are discouraged
from entering the pool prior to
their lesson.

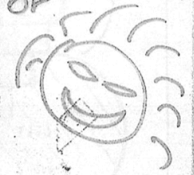
Children are to meet their instructor
at the designated 'meeting point'!

Keep siblings away from the
edge of the pool and/or
equipment.

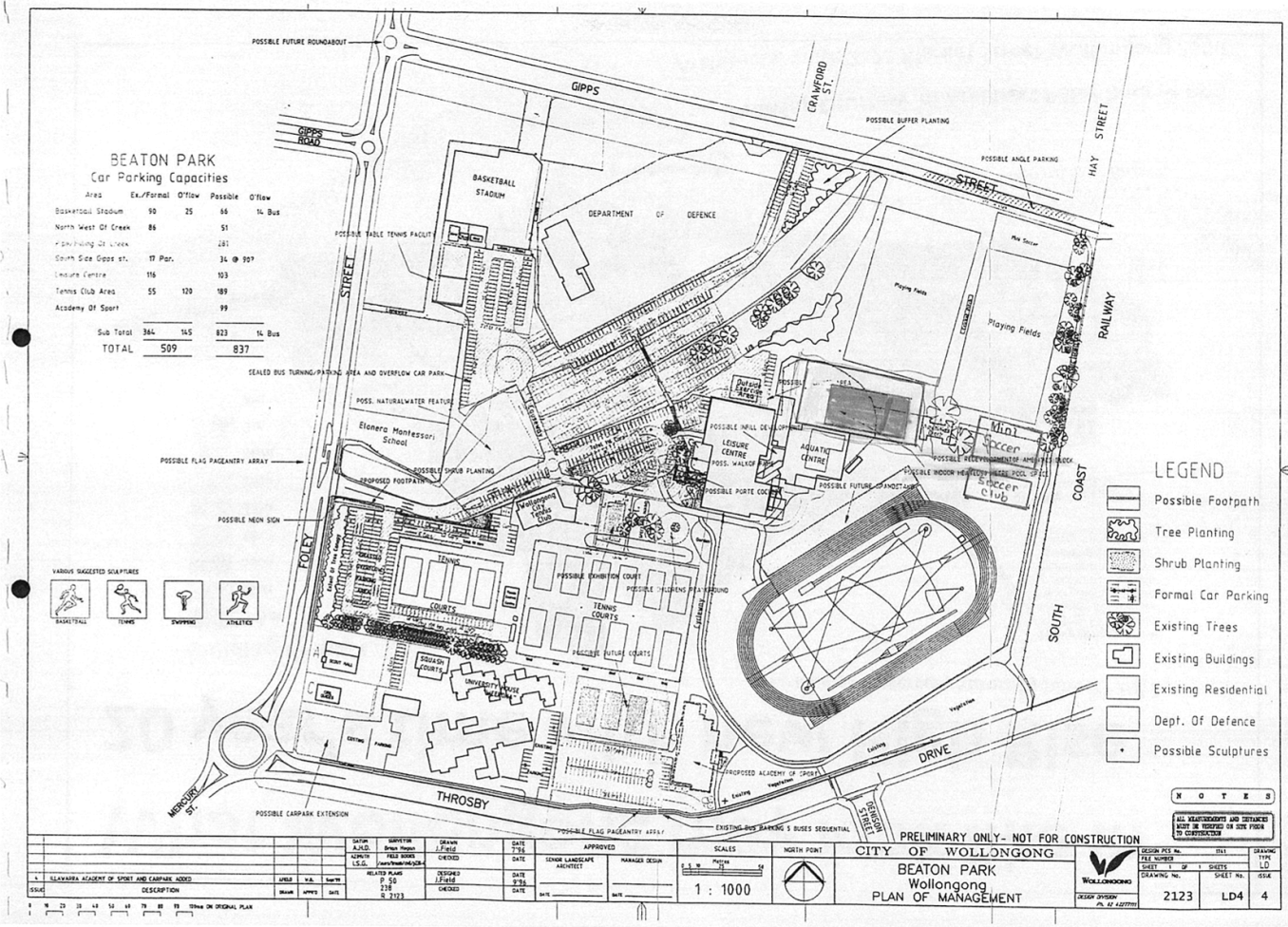
Thank you

Yours Swimmingly
Please Note.

NO PUBLIC SWIMMING
WHILST LESSONS ARE ON! *

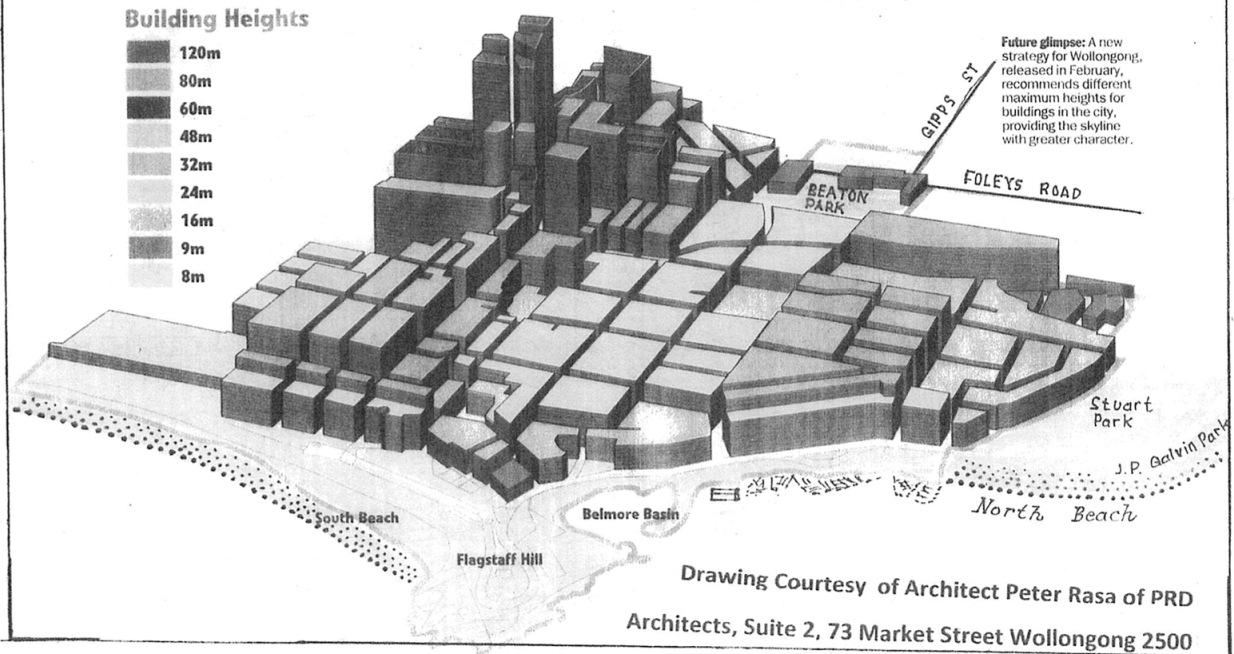


On notice board at entrance to Leisure Centre



What Wollongong may look like in 20 year's time with new High Rise

Illawarra Mercury Saturday June 9th 2007.





City of Wollongong Tennis Club

37 Foley Street, Gwynneville, NSW, 2500.

P: 4229 3766 E: admin@wollongongtennisclub.com.au

July 31st 2018,

Good afternoon Jessica,

Thank you to yourself and Jenny for meeting the board members and I today.

As discussed, please see the below notes on our discussion for the Master Plan.

- Overall the Tennis Club supports the Beaton Park Master Plan and sees merit in the overall aim and vision of the plan.
- It is appreciated that Council is taking steps to facilitate the rejuvenation of the site.
- The footprint of the tennis club reflecting the future desired built form is appreciated
- The multipurpose stadium is a positive addition to the site. Its location in close proximity to other services is supported
- The improvements to car parking, providing vehicular bridges over the creek and review of the access arrangements from Throsby Drive and Gipps Street are supported. The car park proposed off Throsby drive is supported.
- Seating opportunities and footpath connections between the courts is important.
- Concerns are raised with regard to the four courts proposed behind the multipurpose stadium, as there would be a visual disconnect between the rest of the court and tennis facilities and these areas.
- An alternative court arrangement could be explored, in consultation with Tennis NSW, to allow for the reconfiguration of the courts. Courts could be laid out in a way, which allowed for temporary event seating to be installed on hotshot courts for larger events.
- The existing courts, despite some being recently resurfaced are required to have their bases reconstructed.
- Access between the UOW Weerona College and the adjoining Beaton Park area should be explored.
- It is the long-term goal of the Tennis Club to undertake works to the existing building to improve the functionality and connection between both Beaton Park centre proper, and the adjoining tennis courts.
- It would be appreciated if, as part of the works, the financial and maintenance responsibilities between Council and the Tennis Club could be reviewed to allow for more of the Tennis Club capital to be invested into the Club building, rather than for ongoing maintenance of the courts and surrounding area.
- The Tennis Club would support Tennis NSW and Tennis Australia's contribution to investment into the site to assist in the facilitation of the court works in the future.

Kind Regards



Grant Hughes'

General Manager

On Behalf of Board of Directors

Jenny Towers

From: Jenny Towers
Sent: Thursday, 5 July 2018 11:50 AM
To: Records
Subject: Beaton Park Master Plan

Neighbourhood Forum 5 Wollongong's Heartland		Coniston, Figtree, Gwynneville, Keiraville, Mangerton, Mount Keira, Mount St Thomas, North Wollongong, West Wollongong, Wollongong City.
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Thursday 5th July 2018

The General Manager

Wollongong City Council

Dear Sir

Beaton Park Master Plan

At its meeting on 4th July the Forum resolved to advise Council that it:

1 wholeheartedly supports most of the provisions in the Plan;

2 requests Council investigate the moving some or all of the field events within the running track to part of the open space adjacent to Werona, provided some informal space remains, to enable a synthetic surface to be introduced;

3 objects to the alienation of well used community open space adjacent to Throsby Drive for car parking should this option be pursued.

Yours Faithfully

David Winterbottom

Secretary



Jenny Towers

From: Jenny Towers
Sent: Thursday, 9 August 2018 8:18 AM
To: Jessica Saunders
Subject: Re: BEATON PARK DRAFT REGIONAL PRECINCT MASTER PLAN

Jessica,

Thank you for the presentation of the Beaton Park Plan at the Wollongong Tennis Control Centre. I think the plan is very positive in all aspects. The moving of the Tennis Control Centre southwards and its rebuild is great as long as we can still see the courts. Other aspects that you are probably aware of is drainage and access to courts. Very positive aspects of plan, please keep us informed.

Thanks

Mark O'Neill
Chairman Junior Tennis Wollongong

Sent from my iPad

On 2 Jul 2018, at 3:18 pm, Jessica Saunders <JSaunders@wollongong.nsw.gov.au> wrote:

Dear Mark,

BEATON PARK DRAFT REGIONAL PRECINCT MASTER PLAN

On Monday 25 June, Council endorsed the exhibition of the draft Beaton Park Regional Precinct Master Plan. As a valuable contributor in the past to this project, Council wishes to extend an invitation to you to share your thoughts and provide comment on the draft master plan which is currently on exhibition.

The draft plans, including supporting documents are now available on Council's engagement website at www.haveyoursaywollongong.com.au. They can also be viewed at:

- Beaton Park Reception Desk
- All Council Libraries
- Council Customer Service Centre in the Wollongong Administration Centre

The FAQ sheet for the project is attached for your information.

Information kiosks are also being held across the precinct to provide the general public with an opportunity to view the plans ask questions and provide feedback. These will be held on:

- Monday 23 July, Beaton Park Leisure Centre 10-11am
- Tuesday 24 July, Illawarra Basketball Stadium (The Snakepit) 5-6pm
- Wednesday 25 July, Wollongong Tennis Club 5.30-6.30pm
- Saturday 28 July, Beaton Park Leisure Centre 9-10am

Submissions can be made up to 5 pm 6 August 2018 via email to engagement@wollongong.nsw.gov.au, by letter posted to General Manager, Wollongong City Council, Locked Bag 8821, Wollongong, 2500 or by completing a feedback/submission form.

At the conclusion of the exhibition period, all feedback received will be reviewed with a report prepared for Council on the results of the community consultation and final Master Plan.

We thank you for your contributions to date and for working with us to provide for the local community well into the future.

Please contact me should you require further information.

Best regards,



Jessica Saunders
Post Locked Bag 8821 Wollongong DC NSW 2500
Phone +61 2 4227 7111
Email jsaunders@wollongong.nsw.gov.au • www.wollongong.nsw.gov.au
<image008.jpg> <image009.jpg> <image010.jpg>

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Wollongong City Council respects your privacy and our Privacy Management Plan is located at: www.wollongong.nsw.gov.au

Jenny Towers

Subject: FW: Beaton Plan Master Plan Feedback

From: [REDACTED]
Sent: Tuesday, 17 July 2018 11:33 AM
To: Engagement
Subject: Beaton Plan Master Plan Feedback

The proposed Masterplan for Beaton Park Football Fields will have great benefit to the Community. I am the President of the University OF Wollongong Football Club Juniors and represent the largest sporting organisation in the Gwynneville community with over 450 Junior players. The football club is an active member of the Gwynneville Community and provides a great social and sporting activity for children and the youth of the Gwynneville area including children and youth who visit Gwynneville to play football from throughout the Greater Illawarra region.

Football/Soccer is the fastest growing sport in the region with over 9000 junior players(5yo – 18yo) registered with Football South Coast and 12000 players in total and based on current population figures for the Greater Illawarra (Wollongong, Shellharbour, Kiama) represents over 3% of the population.

Priority one is upgrades to Football Field Lighting to allow both fields to be used for training and night games. Priority two is the new amenities block . These upgrades will provide a positive and healthy benefit to all Junior football players lives and give access to extra capacity to expand our club and introduce more children to the sport of football.

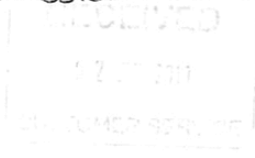
There is also an opportunity to create another small sided Football field space where the existing amenities block is currently located. On Page 13 of the Master Plan there is area directly South of the Eastern goal mouth that would be ideal to fit another small sided field.

On Behalf of the UOW Junior Football thankyou for the opportunity to comment on the Master Plan
Yours Sincerely

Marcello Chiodo | President UOWFCJ

1111 U Turner
General Manager
Wollongong City Council
Attention Mr M Bond
Manager Property and Recreation
(Acting)

Submission 1 of 2



2 July 2018
In Reply Please Quote
RK 218/07/14

Dear Mr Bond,

Re: Beaton Park Regional Precinct Master Plan
I have read the agenda for Councils meeting of 25 June especially item 2 Beaton Park

I will specifically ask

1) Why was my submission and that of N/5 that the land immediately east of Werrona College and south of the Tennis Courts be public park green open space not accepted but replaced by alternative car park
+ comment

a) NC Area 5 opposed the proposed F/lowarre Sports Academy proposed building for the site

b) There is NO public parking

i) Smiths Hill area bounded by Flinders Boulevarde Corridor and Smith Street

ii) Garden Hill area (now often referred to as Hospital Hill) bounded by Crown Mercury Thruway Drive and South Coast Railway Line.

iii) North West section of CBD bounded by Smith Road and Crown Streets and South Coast Railway line. Additionally I note that public green grass area was concreted/bitumen for parking in Victoria Street and City Centre L&P had 30 metre height limit with considerable redevelopment already occurring

I will raise issue at N/5 meeting
Your written advice will be appreciated
I will be making a submission.

Yours faithfully
R. U. Turner

6 August 2018

David Farmer
General Manager
Wollongong City Council
Wollongong NSW 2500

Dear David,

RE: Beaton Park Precinct Masterplan 2018-2038

Congratulations on the creation of a masterplan of the Beaton Park Precinct and the aspiration to create a regional hub of excellence.

While having the ambition to create something of regional significance or special for the 3rd largest city in NSW, the plan does not go far enough to make the aspiration become a realisation and provide a future legacy for Wollongong as a regional centre.

Whilst there are existing Beaton Park tenants to consider, the opportunity to look broader at market trends in sport, the health and well-being of the city residents and emerging athletes needs to be considered. The report should consider the future needs rather than looking towards the existing.

The one item that I believe needs addressing is the report's desire to keep the 25m pool until it outgrows itself?

The opportunity to use taxpayer money on building something that will be out of date before the end of the current plan in 2038, build a legacy for the next generation and city residents, not today's!

Aim: To develop Beaton Park as a **Regional Centre of excellence** with high performance and event facilities, that are complemented with improved local open space and parkland areas.

I note in the report comments that are contrary to the aspirational desire of the precinct with the pool to 'out-grow' its self into the future.

As stated in the report: The Future of Pools 2014-2024 (Note that the Beaton Park Precinct plan extends by another 14 years much greater than the current 10 year plan for pools so is the information from this report considered relevant?)

- Wollongong has a large number of 50m pools which cater well for lap/fitness swimming. No further 50m pools are required to service the current and projected Wollongong community.

As per the website: Wollongong City Council operates five 50m supervised fresh water chlorinated pools with only two heated all year round (Dapto and Corrimal). Other pools are saltwater or not heated. How will the current 25m Beaton Park cater for a CBD population growth of 14%? The CBD residents will be left out or will need to travel to Dapto or Corrimal.

- **Innovative and best practice aquatic centres** are seeing aquatic facilities being co-located with other health and well-being facilities.

Great opportunity to utilise the water based activities for an ageing demographic and hydrotherapy needs of a medical precinct.

- The community is seeking more contemporary facilities including **interactive water play space for children**

Opportunity to attract a different market place out of the harmful rays of the sun in summer and warm internal environment for winter.

- The available water space at Beaton Park is at **capacity during peak periods**

As stated the water precinct is at capacity now, so why wait?

- **A Key Action** from this Plan was to prepare a master plan for pool expansion/upgrading Beaton Park as the **premier year-round indoor facility and program pool in the Wollongong LGA.**

It will be difficult to achieve the heights of a premier year round facility if you are at capacity now during peak periods, not being able to deliver on consumer needs.

One question that is not clearly answered: is the current size (25m) of Beaton Park pool an inhibitor to potential clients, eg: therefore not attracting the lap swimming public and delivering on its potential revenues? From my personal experiences when swim squads are active in year round heated 50 metres pool you are unable to use those facilities in particular at Corrimal or the privately operated University pool.

Vision: Beaton Park is a place to foster and promote healthy lifestyle choices for the whole community through a diverse and affordable range of quality recreational, sporting, health and leisure opportunities.

Illawarra Regional Plan recognises that the redevelopment and expansion of sporting and active recreation infrastructure will be necessary as the region grows so that it retains its appeal as an attractive place to live, work and visit.

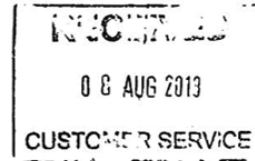
As the City is expected to experience a significant population growth, especially with significant urban infill development surrounding the CBD area, and also in close proximity to the hospital and university precincts, with as estimated number of residents to increase by a further 14% to 86151 people.

The Beaton Park Precinct has the opportunity to be a 'game changer', not only for residents, it would become an enabling piece of infrastructure acting as an attractor for events, training and an elite sporting centre that provides job creation, business opportunities and delivers the social and economic benefits to the City of Wollongong.

Don't miss the opportunity to be the 'Best' as 'Second Best' will always be second and Wollongong needs to be more than that.

Best Regards

Dear Sir/ Madam



PETITION OBJECTING TO ADF LAND BEING INCORPORATED INTO BEATON PARK MASTER PLAN

We object to 41 Gipps St, Bravo Company, 4/3 RNSWR Wollongong Multi Use Depot being used for carparking for the Beaton Park Master Plan which has recently being on exhibition for the following reasons:

- There are alternative options where parking could be developed closer to proposed building works;
- The land shown for car parking is where much of the training of the unit is conducted, away from nearby residential properties;
- Critical infrastructure is located in the area shown and would have to be relocated;
- Loss of land would limit potential expansion of the unit in the future if unit was to be become mechanised;
- Site contains a recognised War Memorial and furthermore, several trees have been planted with ashes scattered and commemorative plaques installed where parking is proposed;
- Plans proposing to reduce the size of the depot have not been clearly communicated to the many groups which use the depot with little direct communication;
- Plans proposed would reduce capability of the unit which currently is in a ready cycle with members deploying to Afghanistan, Iraq and other locations.

Later in the year a Freedom of the City Parade is planned. It is ironic that in the same year there are plans proposed to reduce/remove/relocate what is a busy Multi Use Depot in the city with a long and rich heritage.

Name	Address	Signature
R. MINNIS	Wollongong	
J. MADRY	"	
R. DAN	"	
M. LEONARD	DAPTO	
A. JENKINS	Fairy Meadow	
R. ROWBOTTOM	ADWARA	
E. PANTOJA	Cringila	
M. WHITE	WEST WONGONG	
T. HEINZEL	wollongong	
S. BARLOW	WOL BALLOWMIE	
R. BIRTLES	Wollongong	
S. LOAN	wollongong	

Jenny Towers

From: Jenny Towers
Sent: Monday, 30 July 2018 10:05 AM
To: Jenny Towers
Subject: Discussion with'

Ron asked if we could reconsider the alternative parking located next to Weerona as part of the precinct plan as it reduces the amount of green open space in the area, especially for the neighbouring neighbourhoods



Jenny Towers
Commercial Business Manager
Post Locked Bag 8821 Wollongong DC NSW 2500
Phone +61 2 4227 7042
Email towers@wollongong.nsw.gov.au • www.wollongong.nsw.gov.au



Submission 2 - phone

Resident Submission

WCC

Re Beaton Park Masterplan

Thankyou for the opportunity to comment on Council's Masterplan for Beaton Park.

We have used Beaton Park facilities during the 30 years we have lived in the Wollongong LGA, in particular the pool.
The complex certainly needs major upgrades, so we welcome most of the proposals.

However we have concerns that:

- the parkland east of Werona and north of Throsby Drive must be retained as public open space, not for carparking
- a high quality soccer field could be introduced into the space bounded by the track, which would enable greater use of the facilities and amenities. This could be achieved by moving field events, such as to near Werona

Also we apologise if we have missed it, but Council needs to plan, fund and carry out works asap to mitigate the medium flood risk shown in north-east corner of the site.

Resident Submission

Good morning

Running out of time to see you Grant before we leave for Forster on next Monday so thought I would put my considerations in writing re the court configuration and the fact that the draft is in exhibition for comments to you in writing.

I am not sure if council has conferred with you re the court locations.

1. The pro shop would not be able to see the 4 courts behind the multi purpose stadium and those courts would, if they were hard court, be very hard to dry be it rain or heavy dew to be able to use for tournaments etc.
2. To be able to get the type of events we spoke about before Stuart left for his trip the hard courts would need to be the 12 courts around the control room. Potentially two of those hard courts could be turned into hot shot courts bringing the foot traffic closer to the pro shop.
3. Leaving the 4 courts behind the mp stadium to be syn grass. Coaching would be done there.
4. Not sure how in concrete the court layout is with Council but perhaps it would be best if it can be done within the exhibition time frame to have a chat with either Chris, Adam (Tennis NSW) or Lynton (TA) for their thoughts bearing in mind the type of events we wish to bring to the centre long term.

Apologies if I am treading on any ones toes but have been looking at the Mercury plan since it hit the papers and wanted to bring the above comments to your attention.

John and I leave for Forster next Monday and return to the Gong on Thursday 19 July - 25 July sees me in hospital for knee surgery and rehab after that.

I guess I will catch up with you all when I am back driving early September I hope.

Resident Submission

What are your thoughts, comments or ideas about the draft Beaton Park Regional Precinct Master Plan?

advocate for family friendly
change rooms @ swimming pool
please!

Resident Submission

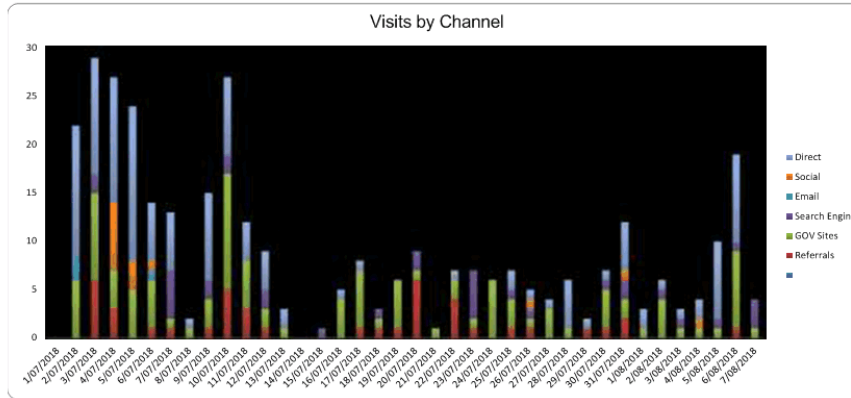
To Whom It May Concern

I was just wondering in the new Beaton Park Aquatic Centre will there be separate Family Change Room facilities? As currently there are only Mens, Women and Disabled Change Room Facilities. I'm in Cindy Adult Swimming Class on a Saturday morning and Men are taking there little daughters into the Mens Change Rooms which I feel is absolutely Terrible in the 21st Century.

Resident Submission

I encourage the council to fast track all beaton park upgrades in relation to the soccer fields. I have been a coach at UOW FCJ (formerly Wollongong Olympic Juniors now for over 10 years. The current state of the facilities is diabolical. Let me elaborate the sheds and toilet complex is just disgraceful with toilets not functioning and sheds looking like they have not been maintained or painted for over 30 years. The field is in a state of disrepair with some opposing clubs strongly voicing their disapproval for fear of injury to players. Council needs to take advantage of the watercourse that runs adjacent to the soccer fields and capture this plentiful rainwater to irrigate the fields. The facilities are just not good enough for a community club that has over 400 registered players that includes over 100 girls playing and a widespread ethnic base from all round the world. The only upgrades that have taken place are that by the club itself by way of costly light upgrades. I encourage Wollongong Council to inspect Myrimbar sporting complex at Shelharbour to see what facilities should be like. Finally I would like to understand how council concluded to put a new fence from athletics oval to the pool section when there was a functioning fence in place considering that the draft plan was in place that clearly showed that fencing would be redundant to future changes. The cost of that fence could have been used to upgrade facilities seemed to be a rather waste of funds.

Sources of Traffic Summary		Beaton Park Master Plan	Traffic-Channel	Source	Aware-Visits	Informed-Visits	Engaged-Visits
1/07/2018	to	07-Aug-2018	Direct	-	137	72	5



Referrals	android-app	1	0	0
Referrals	ap1.salesforce.com	1	0	0
Referrals	crm	1	0	0
Referrals	wccmediareleases.wordp	14	13	1
Referrals	webd2010	3	1	0
Referrals	websites.sportstg.com	20	17	0
Referrals	www.wavefm.com.au	2	2	0
Search Engine	bing	5	5	0
Search Engine	duckduckgo	1	1	0
Search Engine	google	28	21	1
Email	ehq	2	0	0
Email	outlook	1	0	0
Social	facebook	14	6	0
GOV sites	gov	112	65	1

Date	Direct	Social	Email	Search	GOV	Referra
1/07/2018	0	0	0	0	0	0
2/07/2018	14	0	2	0	6	0
3/07/2018	12	0	0	2	9	6
4/07/2018	13	7	0	0	4	3
5/07/2018	16	3	0	0	5	0
6/07/2018	6	1	1	0	5	1
7/07/2018	6	0	0	5	1	1
8/07/2018	1	0	0	0	1	0
9/07/2018	9	0	0	2	3	1
10/07/2018	8	0	0	2	12	5
11/07/2018	4	0	0	0	5	3
12/07/2018	4	0	0	2	2	1
13/07/2018	2	0	0	0	1	0
14/07/2018	0	0	0	0	0	0
15/07/2018	0	0	0	1	0	0
16/07/2018	1	0	0	0	4	0
17/07/2018	1	0	0	0	6	1
18/07/2018	0	0	0	1	1	1
19/07/2018	0	0	0	0	5	1
20/07/2018	0	0	0	2	1	6
21/07/2018	0	0	0	0	1	0
22/07/2018	1	0	0	0	2	4
23/07/2018	0	0	0	5	1	1
24/07/2018	0	0	0	0	6	0
25/07/2018	2	0	0	1	3	1
26/07/2018	1	1	0	1	1	1
27/07/2018	1	0	0	0	3	0
28/07/2018	5	0	0	0	1	0

29/07/2018	1	0	0	0	0	1
30/07/2018	1	0	0	1	4	1
31/07/2018	5	1	0	2	2	2
1/08/2018	2	0	0	0	1	0
2/08/2018	1	0	0	1	4	0
3/08/2018	1	0	0	1	1	0
4/08/2018	2	1	0	0	1	0
5/08/2018	8	0	0	1	1	0
6/08/2018	9	0	0	1	8	1
7/08/2018	0	0	0	3	1	0

Beaton Park Long Term Financial Model - Masterplan

Impact of Additional Masterplan Works	TOTAL	Aquatic	Gym Facilities	Athletics Track	Health Services	Stadium	Tennis	Snakepit	Sportsfields	Supporting Assets
Total Income from Continuing Operations	983,807	412,070	541,724	-	30,013	-	1	-	-	-
Total Expenses from Continuing Operations	3,231,731	1,267,777	715,498	(20,451)	72,129	929,356	23,390	16,568	58,782	168,683
Net Surplus/(Deficit)	(2,247,924)	(855,707)	(173,774)	20,451	(42,116)	(929,356)	(23,389)	(16,568)	(58,782)	(168,683)
Total Capital Expenditure	54,476,757	14,247,214	9,375,880	-	1,801,500	22,111,755	1,169,505	276,123	1,351,802	4,142,975
Before Masterplan	TOTAL	Aquatic	Gym Facilities	Athletics Track	Health Services	Stadium	Tennis	Snakepit	Sportsfields	Supporting Assets
Total Income from Continuing Operations	2,367,554	748,246	1,401,636	107,073	48,025	-	61,960	614	-	-
Total Expenses from Continuing Operations	2,888,123	1,477,238	1,362,800	47,830	110	-	143	1	-	-
Net Surplus/(Deficit)	(520,569)	(728,992)	38,836	59,243	47,915	-	61,817	612	-	-
Total Capital Expenditure	-	-	-	-	-	-	-	-	-	-
After Masterplan	TOTAL	Aquatic	Gym Facilities	Athletics Track	Health Services	Stadium	Tennis	Snakepit	Sportsfields	Supporting Assets
Total Income from Continuing Operations	3,351,361	1,160,316	1,943,360	107,073	78,038	-	61,961	614	-	-
Total Expenses from Continuing Operations	6,119,854	2,745,015	2,078,298	27,379	72,239	929,356	23,533	16,569	58,782	168,683
Net Surplus/(Deficit)	(2,768,493)	(1,584,699)	(134,938)	79,694	5,799	(929,356)	38,428	(15,955)	(58,782)	(168,683)
Total Capital Expenditure	54,476,757	14,247,214	9,375,880	-	1,801,500	22,111,755	1,169,505	276,123	1,351,802	4,142,975

*Athletics track reduction in expenditure relating to apportionment of reception from 10% to 5% to accommodate stadium after masterplan implementation.

ITEM 5 ALBION PARK RAIL BYPASS PROJECT

This report provides recommendations on the Property Divestment Strategy (the Strategy) for negotiation with Roads and Maritime Services (RMS) on its proposed acquisition of Council owned properties (the Properties) for the Albion Park Rail bypass project (the Project).

RECOMMENDATION

- 1 Council approves the Property Divestment Strategy (Attachment 1) for the proposed divestment of the Properties.
- 2 Council enters into a Deed of Agreement with RMS to set out the following:
 - a the compensation framework (being the delivery of the Yallah Road deviation in lieu of monetary compensation).
 - b the scope and timeframe for delivery of the Yallah Road deviation.
- 3 No objection be made by Council to RMS's compulsorily acquiring the Properties on the basis that RMS commits to deliver the Yallah Road deviation at no cost to Council.
- 4 Authority be granted to affix the Common Seal of Council to the transfer documents, compulsory acquisition documents and any other documentation required to give effect Council resolution.
- 5 The General Manager be delegated the authority to negotiate terms necessary to complete the proposed divestment of the Properties.

REPORT AUTHORISATIONS

Report of: Peter Coyte, Manager Property and Recreation
Authorised by: Jenny Thompson, Director Community Services - Creative and Innovative City (Acting)

ATTACHMENTS

- 1 Property Divestment Strategy RMS Albion Park Rail Bypass
- 2 Plan of Acquisition Lot 20 and Lot 100
- 3 Plan of Acquisition Lot 134
- 4 Proposed Lease Area Map
- 5 Yallah Road Cost Estimate

BACKGROUND

In the 1990s the then Roads and Traffic Authority undertook a study which identified a preferred route for the Albion Park Rail bypass. To reserve land for this bypass route, a road corridor was included in the Wollongong and Shellharbour City Council LEPs. This road corridor protects the route from development and reserves land for the road. In 2013, RMS reviewed the road corridor and confirmed the reserved corridor is suitable for a bypass of Albion Park Rail.

The corridor impacts on various parcels of Council lands as shown in Attachments 2, 3 and 4.

The NSW Government has committed funding to allow construction of the Project to start by early 2019. RMS is the lead agency responsible for the Project delivery and is proposing to work with Council to facilitate the delivery of fair and reasonable outcomes to all parties.

One parcel impacted is Lot 100 DP 21676 in Yallah which is bounded by Yallah Road and the Princes Highway. Yallah Road is to be deviated through this parcel. RMS proposes to construct the Yallah Road deviation in exchange for the transfer of the Properties (refer summary) owned by Council [Note: nil consideration applicable to the proposed acquisition/transfer].

CURRENT LOT/DP	AREA (CURRENT)	AREA (TO BE ACQUIRED)	CLASSIFICATION
Lot 20 DP 1075828	4.044ha	2,677sqm	Community Land
Lot 100 DP 216769	10.12ha	4.034ha	Operational Land
Lot 134 DP 1015310	3,703sqm	220.9sqm	Community Land
Lot 100 DP 216769	10.12ha	TBC*	Operational Land

*Proposed lease for the construction of the Yallah Rd deviation.

Project Profile

RMS is working on a future extension of the M1 Princes Motorway between Yallah and Oak Flats to bypass Albion Park Rail. The bypass would complete the ‘missing link’ for a high standard road between Sydney and Bomaderry.

Proposed Acquisition and Temporary Lease

a Permanent Acquisition for Freeway Corridor

In relation to the proposed freeway, the delivery of the Project in the location necessitates partial acquisitions of land. The relevant lots for acquisition are shown on attached Plan of Acquisition (Attachment B).

RMS proposes to compulsorily acquire the properties on the following basis given that some of the Properties are classified as Community Land:

- Via agreement as to the process whilst the acquisition is to be completed in line with the Compulsory Acquisition methods. The intention is to ensure clear title passes to RMS.
- Works in lieu of monetary compensation for the land to be acquired.

b Temporary Lease for Yallah Road Deviation

In relation to the proposed deviation of Yallah Road, the delivery of the Project in that location necessitates temporary lease agreement over part of the land owned by Council. The proposed lease area is shown on attached map (Attachment 4).

Estimated Construction Costs, Yallah Road Deviation

RMS provided that the construction costs for the Yallah Road deviation is estimated to be in the range of \$13M – \$31M taking into account contingencies (Attachment 5). The wide range reflects various design options as indicated below.

OPTION	BASE COST	CONTINGENCY	TOTAL COST
Option 1, Final Concept Design (two lanes)	\$10,591,579	29%	\$13,663,137
Option 2, The Final Concept Design widened to four lanes at a later date with separate bridge	\$21,258,695	32%	\$28,061,477
Option 3, The Final Concept Design widened to four lanes at a later date with widened bridge	\$23,678,968	32%	\$31,256,238
Option 4, The Final Concept Design widened to four lanes at a later date with widened bridge up front	\$20,129,566	32%	\$26,571,027

Value of Council-owned Land for Construction

The value of the Properties is estimated to be in the range of \$2M – \$3M as indicated below [Note: final valuation reports are yet to be received].

Compared to the estimated construction costs, the valuation figures suggest that there is a substantial financial benefit to Council in pursuing compensation via the delivery of the Yallah Road deviation (in lieu of monetary compensation).

CURRENT LOT/DP	AREA	WCC VALUATION	RMS VALUATION
Lot 20 DP 1075828	2,677 sqm	\$29,520	\$10,000
Lot 100 DP 216769	4.034 ha	\$2,000,000	\$3,030,000
Lot 134 DP 1015310	220.9 sqm	\$7,070	\$22,000
TOTAL		\$2,036,590	\$3,062,000

PROPOSAL

It is proposed that Council adopts the Strategy to facilitate the transfer of the Properties to RMS and the delivery of the Yallah Road deviation to Council in lieu of monetary compensation.

Summary of Strategy

- Construction of the Yallah Road deviation (and transfer to Council) in exchange for the transfer of the Properties to RMS.
- No objection be made by Council to RMS's proposal to compulsorily acquire the Properties.
- Council and RMS enter into a Deed of Agreement to set out (a) the compensation framework (being the delivery of the Yallah Road deviation in lieu of monetary compensation) and (b) the scope and timeframe for the delivery of the Yallah Road deviation.
- Deed of Agreement to be prepared to set out the following:
 - Delivery methodology: Design (RMS) – Build (RMS) – Transfer (RMS/WCC)
 - Scope/timeframe for the proposed deviation works
 - Construction costs for the proposed deviation works
 - Market valuation reports
 - Proposed lease for the proposed deviation works (Lot 100 ONLY)
 - Third party report on the development feasibility for the remainder portions (Lot 100 ONLY)
 - RMS's commitment to delivering the proposed deviation works (with set timeframe)
 - RMS's commitment to providing monetary compensation as per the market valuation reports in the event that the proposed deviation works does not eventuate in compliance with the set scope and timeframe

Upon securing Council resolution, the final terms and conditions of Deed of Agreement will be negotiated in accordance with the above framework. The method of negotiation will have regard to the provisions of the *Land Acquisition (Just Terms Compensation) Act 1991*.

Expected Outcomes

Once implemented, the Strategy is expected to facilitate the negotiation with RMS and protect Council's interests in the unlikely event that RMS is unable to deliver the Yallah Road deviation in accordance with agreed scope and timeframe.

CONSULTATION AND COMMUNICATION

RMS provided in-principle agreement to enter into Deed of Agreement with Council as follows:

“Roads and Maritime agree in principle to use the proposed Deed of Agreement as the method to set out the terms and conditions of the transfer of the required land to RMS from Council, and will contain details of what works in lieu of compensation will be carried out, as well as agreeing to Compulsorily acquire the required land on agreed terms, and any necessary Lease agreement to allow the works to be completed on adjoining lands.”

Planning and Environment, Wollongong City Council

Planning and Environment as with other Council staff have continually advocated for increased certainty to be provided by RMS demonstrating that the State (being RMS) is responsible for construction of the Yallah Road deviation and minimum two lane construction. The RMS design and RMS construction should also allow for future Council works to be undertaken efficiently for upgrading the road to four lanes.

Infrastructure and Works, Wollongong City Council

In general, the scope for Yallah Road deviation reflects the agreed position between Council and RMS although the following clarifications on the scope and delivery of Yallah Road deviation are required:

- The scope doesn't specify that, if a bridge over the M1 is the selected option, it will be constructed as a two lane or four lane structure as part of the bypass works. However, based on the scope plan provided it is assumed that a two lane structure is inferred by the identification of two lanes generally for Yallah Road [Note: Council's position is that the preferred solution is a bridge over the M1 (as opposed to an underpass of the M1) due to the flood access benefits of the bridge option (it would allow 1% AEP flood access to both West Dapto and Calderwood for emergency services)].
- Should the bypass works only allow for a two-lane bridge on Yallah Road over the M1, it is not clear if RMS will construct abutments to allow for a four-lane bridge in the future when required. It is assumed that this would be the case as it allows more efficient future upgrade to a four lane bridge structure.
- Should the bypass works only allow for a two-lane bridge on Yallah Road over the M1, there is no commitment given by RMS to provision and funding of the structural upgrade to a four-lane bridge deck, and whether this will be delivered when required for traffic capacity (currently anticipated before 2031). It is considered that in the event the bypass alignment is requiring the need for an overpass on Yallah Road, then the State (RMS) should be responsible for providing the four-lane bridge capacity required as a result of planned urban release development. Council would be responsible for widening the road approaches.
- Within the identified scope geographical area, it is assumed that any earthworks for Yallah Road embankments/batters will be carried out as part of these up-front works to allow for the simple widening of the road pavement to allow for four traffic lanes on both east and west approaches to the bridge (or underpass) in the future.

Council will seek to resolve the above issues with RMS in discussions regarding the scope for the Yallah Road deviation and incorporate the scope in the proposed Deed of Agreement.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2028 Goal 5 “We are a healthy community in a liveable city”. It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2018-2021	Annual Plan 2018-19
Strategy	3 Year Action	Annual Deliverables
5.1.5 The long term needs of the community, including our people and our places, are effectively planned for	5.1.5.2 Carry out commercial business management of Councils operational lands	Implement Property Strategy

Under Section 47F (2) Local Government Act 1993, Community Land may be dedicated for the purpose of a road that is subject of an order under Division 1 of Part 5 of the Roads Act 1993. Princes Motorway is a declared highway by order published in the Gazette.

RISK ASSESSMENT

There is a risk that Council may transfer the Properties without receiving due compensation if the Yallah Road deviation is not delivered in accordance with scope and timeframe agreed between Council and RMS (ie delay to the deviation works, change of the scope).

To mitigate the risk, the proposed Deed of Agreement will include the following clause:

‘RMS commits to providing monetary compensation as per the market valuation reports in the event that the proposed deviation work does not eventuate in compliance with the set scope and timeframe’.

FINANCIAL IMPLICATIONS

There is a substantial financial benefit to Council in pursuing compensation via the delivery of the Yallah Road deviation (in lieu of monetary compensation) given that the construction costs are expected to outweigh the valuation figures as indicated below.

- Construction costs for the Yallah Road deviation \$13M – \$31M
- Value of the Properties \$2M – \$3M

It is expected that no GST will be payable by Council on the compensation (being the transfer of the Yallah Road deviation); however, Property and Recreation will request RMS to agree to reimburse Council in the event that the compensation is later held to be subject to GST.

CONCLUSION

The Strategy has been prepared to facilitate upcoming negotiations with RMS on the proposed compulsory acquisition of the Properties owned by Council. Once implemented, the Strategy is expected to secure RMS’s commitment to the delivery of the Yallah Road deviation to Council while mitigating the risk associated with the potential default. In the event that RMS is unable to deliver the Yallah Road deviation in accordance with the set scope and timeframe, Council will receive monetary compensation as per the market valuation.

Attachment 1 Divestment Strategy, RMS Albion Park Rail Bypass

Divestment Strategy

- Construction of the Yallah Rd deviation in exchange for the transfer of Council-owned properties (below list) to RMS [Note: nil consideration applicable, say in lieu of monetary compensation].
 - Lot 20 DP 1075828 Community Land Partial Acquisition
 - Lot 100 DP 216769 Operational Land Partial Acquisition and Lease
 - Lot 134 DP 1015310 Community Land Partial Acquisition
- No objection be made by WCC to RMS's proposal to compulsorily acquire the Council-owned properties.
- WCC and RMS enter into a Deed of Agreement to set out (a) the compensation framework (being the delivery of the Yallah Rd deviation in lieu of monetary compensation) and (b) the scope and timeframe for the delivery of the Yallah Rd deviation.
- Deed of Agreement to be prepared to set out the following:
 - Delivery methodology: Design-Build-Transfer¹
 - Scope/timeframe for the proposed deviation works (i.e. road width, number of lanes, underpass or overpass)
 - Construction costs for the proposed deviation works (with QS confirmation)
 - Market valuation reports²
 - Proposed lease (Lot 100 ONLY)
 - Third party report on the development feasibility for the remainder portions (Lot 100 ONLY)
 - RMS's commitment to delivering the proposed deviation works (with set timeframe)
 - RMS's commitment to providing monetary compensation as per the market valuation report in the event that the proposed deviation works does not eventuate in compliance with the set scope and timeframe³
- It is expected that no GST will be payable by Council on the transfer of the Yallah Rd deviation given the nature of compulsory acquisition; however, Council will request RMS to agree to reimburse Council in the event that the transfer of the Yallah Rd deviation is later held to be subject to GST.

Consultation and Communication

Internal

Planning + Environment

Infrastructure + Works

External

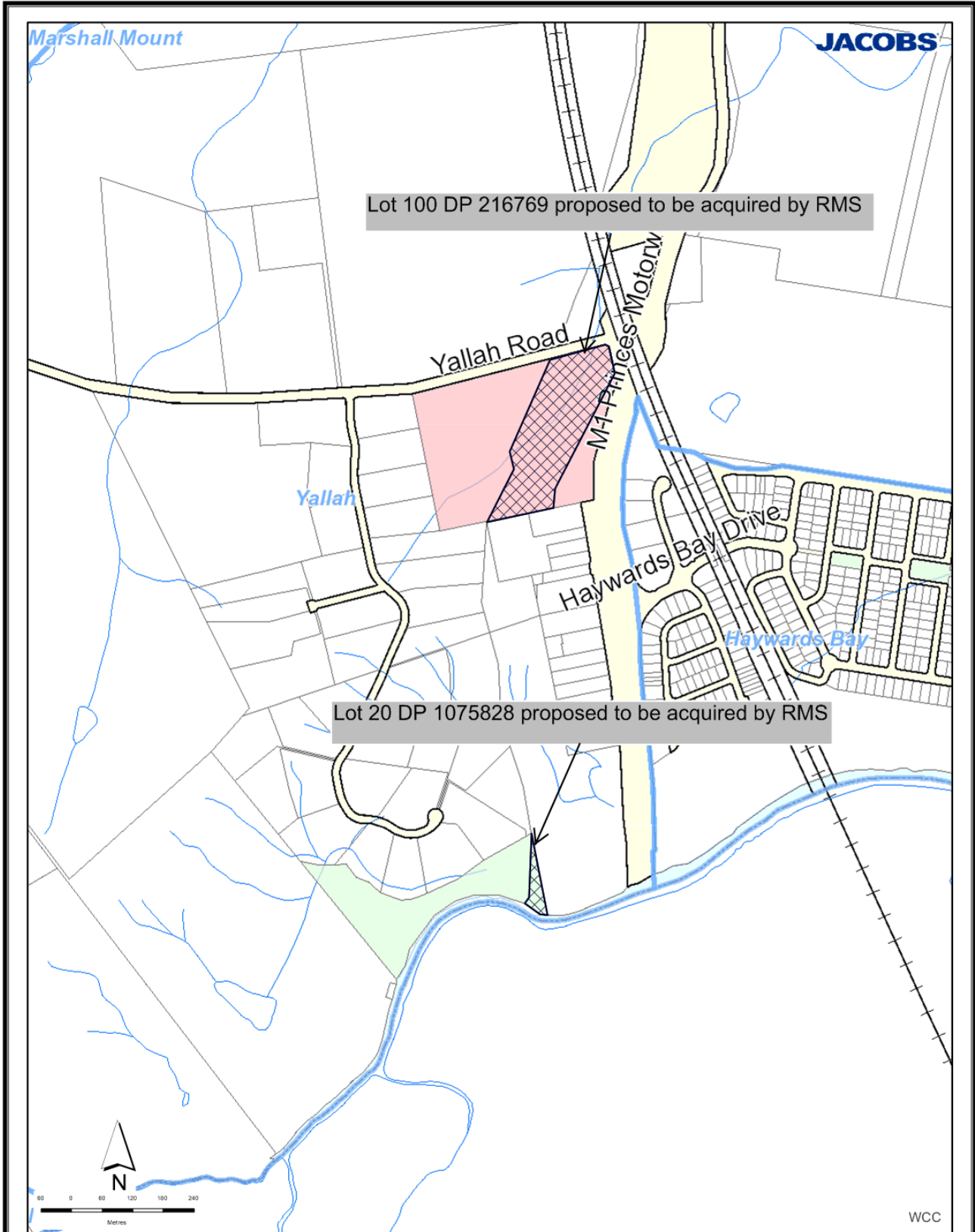
RMS

Both the internal and external stakeholders have been consulted on the proposed Deed of Agreement and provided in-principle support.

¹ RMS to be responsible for all three phases with WCC being accountable for managing the Transfer phase.

² Both parties to agree to accept the market valuation.

³ If required, a revised market valuation report is to be commissioned at a later date. In such event, the monetary compensation is to be whichever is higher of the two valuation figures.



Attachment 2 - Lot 20 and Lot 100

INTERNAL USE ONLY

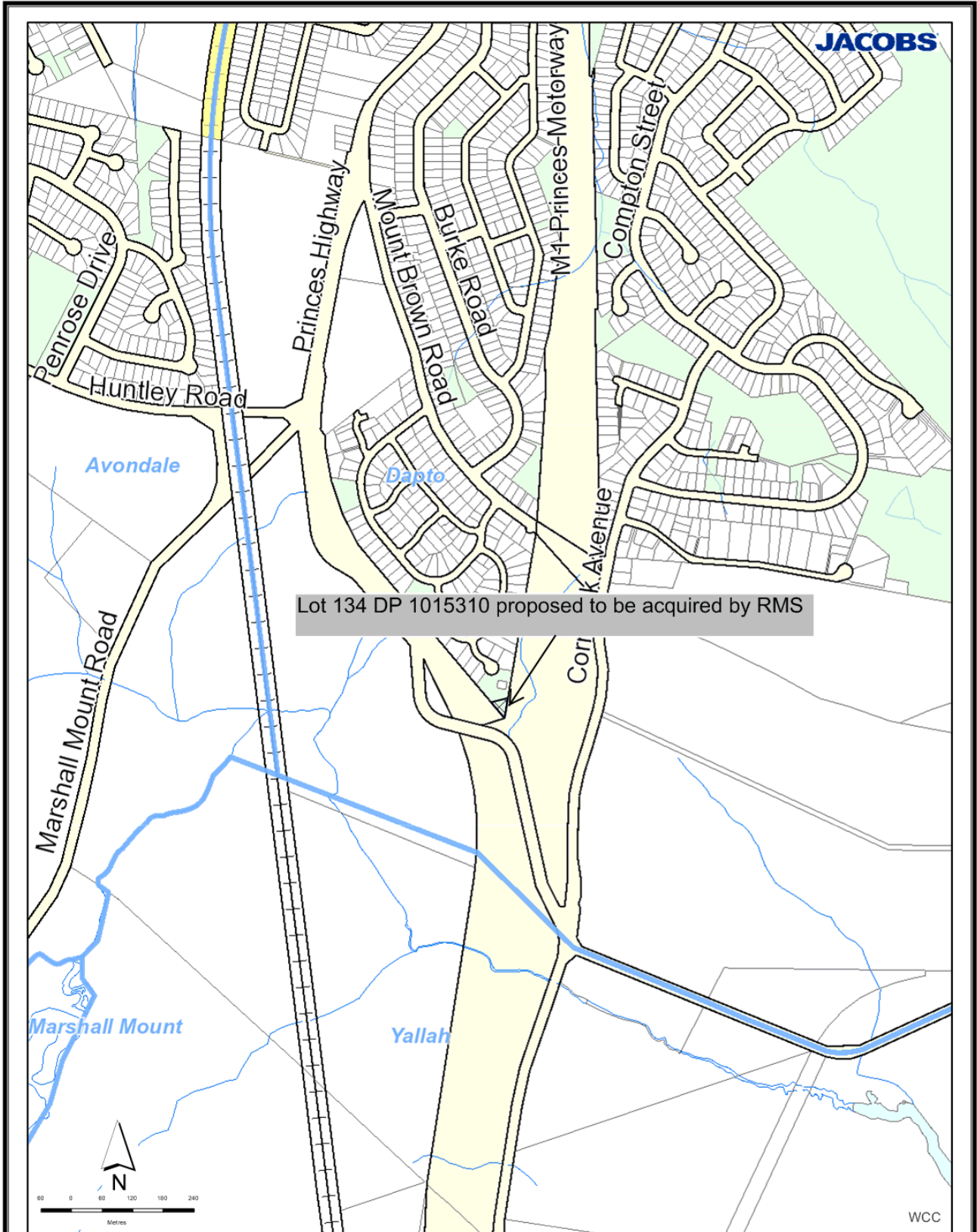
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Lot 134 DP 1015310 proposed to be acquired by RMS

YALLAH ROAD COST ESTIMATE VARIOUS DELIVERY OPTIONS

Option		Base Cost	Contingency	Total Cost (P90)	Outturn Cost (P90)	Outturn Comments
Option 1 – Final Concept Design (2 lanes) – extraction of costs from the final Stage 1 estimate just for this section of road and bridge	Option 1					
	Total Costs	\$10,591,579	29%	\$13,660,315	\$15,000,000	Assumes work completed by 2020 for project opening in 2021
Option 2 – The Final Concept Design widened to 4 lanes at a later date, separate bridge - earthworks and pavement widened at a later date - a new 2 lane bridge built next to the concept design bridge at a later date (i.e. concept design bridge not amended as part of these later works)	Option 2					
	Additional Costs	\$10,667,116	36%	\$14,501,419	\$27,000,000	Assumes work completed 10 years after Stage 1 opening date of 2021
Option 2						
Total Costs		\$21,258,695	32%	\$28,161,734	\$42,000,000	
Option 3 – The Final Concept Design widened to 4 lanes at a later date, widened bridge - earthworks and pavement widened at a later date - the concept design bridge widened at a later date to take 4 lanes (i.e. concept design bridge amended as part of these later works)	Option 3					
	Additional Costs	\$13,087,389	35%	\$17,608,731	\$33,000,000	Assumes work completed 10 years after Stage 1 opening date of 2021
Option 3						
Total Costs		\$23,678,968	32%	\$31,269,046	\$48,000,000	
Option 4 – The Final Concept Design widened to 4 lanes at a later date, widened bridge up front - earthworks and pavement widened at a later date - the bridge built to be 4 lanes + shared path up front	Option 4					
	Additional Costs	\$9,537,987	35%	\$12,911,734	\$20,000,000	Assumes earthworks and pavement completed 10 years after Stage 1 opening date of 2021, assumes bridge constructed at time of Stage 1 works
Option 4						
Total Costs		\$20,129,566	32%	\$26,572,049	\$35,000,000	

ITEM 6 EASY TO DO BUSINESS

The Easy to do Business Program is an initiative of the NSW Government now being rolled out in NSW. The program seeks to make it easier to set up a business in NSW by reducing complexity and red tape across multiple state departments and local government.

Council at its meeting 25 June 2018 resolved:

- 1 The Easy to do Business report be deferred and return with information incorporating an update on Council's resolution of 20 November 2017 that established a process to form a Red Tape Eradication Task Force.
- 2 The report detail how this policy might be incorporated within the scope of the Task Force.

This report proposes Council join the Easy to do Business Program as part of its commitment to reduce red tape and outlines how the program will complement a co-ordinated approach to red tape eradication.

RECOMMENDATION

- 1 Wollongong City Council joins the Easy to do Business Program.
- 2 Council delegates authority to the General Manager to enter into an agreement with Service NSW for Easy to do Business and any necessary documents be authorised for execution.

REPORT AUTHORISATIONS

Report of: Kerry Hunt, Manager Community Cultural and Economic Development
Authorised by: Jenny Thompson, Director Community Services - Creative and Innovative City (Acting)

ATTACHMENTS

There are no attachments for this report.

BACKGROUND

The Wollongong Local Government Area (LGA) has around 13,000 businesses, of which, approximately 94% are classified as small to medium enterprises (SMEs).

Wollongong Council joined the Small Business Friendly Council's Program in August 2015. The program which includes several initiatives, of which Easy to do Business is a part, is an example of an ongoing commitment to eradicate red tape within local government across NSW.

On 13 November 2017, the NSW Small Business Commissioner wrote to the Lord Mayor and General Manager seeking Council's agreement to join the Easy to do Business Program ("the Program"). The Program is part of the Small Business Friendly Councils' Program, building on the work already undertaken to create a one-stop shop for small business customers and streamlining the way these businesses transact with local, state and federal government.

The purpose of the Program is to:

- Help business owners open and grow a café, small bar or restaurant by providing a single online digital solution and personalised support.
- Make it easier to set up a business in NSW.

A recent review by the Small Business Commissioner identified that those wanting to start up a new café/restaurant/small bar would have to deal with up to 13 agencies, 75 regulations, 30 phone numbers and 48 forms – taking up to 18 months. The aim of this Program is to reduce this down to three months through a single point of entry digital platform via Service NSW and reduce complexity and red tape through providing a one-stop, streamlined process. Through the program, these times have been reduced to 90 days or less with customers only filling in only one online form or making one phone call.

This Program has been piloted across selected NSW councils for the last 12 months and is now being progressively rolled out across the state. As at August 2018, 89 councils across NSW had joined the program.

Red Tape Eradication Task Force

On 20 November 2017, Council resolved on the motion of Cr T Brown:

- 1 A consultation process be developed to engage community stakeholders interested in participating in a Council red-tape eradication taskforce.
- 2 The matter be the subject of a briefing in early 2018 which will outline the form and terms of reference of the taskforce.

The Easy to do Business Program will form part of Wollongong Council's Red Tape Eradication Task Force. The Program will assist in reducing red tape across various approval agencies, including NSW Government and Wollongong Council. It will allow for small and medium enterprises (SMEs) to commence trading in faster timeframes and support local job creation.

There are a number of benefits to Council participating in the Program, including productivity gains through time savings and higher quality planning applications, provision of a better customer service experience; red tape reduction and an improved perception of Council being business friendly amongst the community and key business stakeholders. This report is seeking Council's endorsement to join the Easy to do Business Program.

In the initial phase, the Program will help business owners looking to open a new café, small bar or restaurant by providing access to a single online digital solution and personalised support. In 2018-19, the program will be expanded to include the housing construction sector.

Under the Program, Service NSW provides a digital platform and upfront information regarding what is required by a potential new business owner from all the relevant approval authorities across all levels of Government. A single digital form replaces the 48 existing forms across various Government agencies, including 11 from Council: Development Application; Construction Certificate; Application Outdoor Dining; Temporary Road Occupancy; Occupancy Certificate; Hoarding Application; Notice of Commencement of Work; Political Donations and Gifts; Disclosure Statement; Notice of Development Application; Regulated Health Premises; and Registration Application for Mobile Vending). All information provided will be specific to the Wollongong LGA

Upon registering and activating a 'MyServiceNSW' account, customers use a comprehensive online tool to commence their application, allowing them to enter all the required information just once within a single platform. A personal business concierge service (staffed by Service NSW) via a single phone number is also provided to support customers throughout the entire process.

The business concierge service reviews and checks all of the customer's information against a checklist, ready for the customer to print and sign. The customer then lodges the completed forms with Council as per regular processes.

The Program does not impact upon Council processes or systems. The platform is accessed online and managed by Service NSW and does not need to talk with Council's system. Any Council queries at that point after lodgement are raised directly with the customer and the final decision will be relayed to the customer and the Easy to do Business team (via email) for tracking.

Council will remain the approval authority for the relevant applications, licences and other approvals such as development approvals, local approvals policy, food premises licensing and inspections and footpath dining approvals. There is no change to actual lodgement processes and customers still directly provide Council with the relevant forms.

Through participation in the Program, Council will further its commitment as 'business friendly' and responsive to the needs of small business and the community, which is likely to be well received by the local business community including the Illawarra Business Chamber.

Getting local SMEs out trading in a faster time frame, due to reduced red tape, across various approval agencies, enables more jobs in the LGA. In the 12 months to December 2017, Council had approximately 1,833 enquiries regarding small business that came through the customer service desk – representing an average of over seven enquiries per working day.

Next Steps

The Service NSW (One-stop Access to Government Service) Act 2013 No 39 ('the Act') requires a resolution of Council to allow Service NSW to support Council's customer service functions.

Specifically, in accordance with s 7.5 of the Act, Service NSW requires Council approve the delegation of the relevant customer service functions related to the administration of the Easy to do Business Program to the Chief Executive Officer, Service NSW. The relevant customer service functions, defined in Section 5 of the Act, would be the "provision of information or advice about Government services or State legislation or any other matter".

Following Council's approval to join, the General Manager of Council (or delegate) would need to enter into a non-legally binding Memorandum of Understanding (MOU) with Service NSW.

There are no specific reporting requirements from Council to Service NSW.

Following the signing of the MOU, an initial 'gap analysis' will need to be undertaken in conjunction with Service NSW, so that Council can become operationally ready. Once complete, the relevant forms/information will be uploaded to the platform and the system will go live.

PROPOSAL

It is proposed that the Easy to do Business Program forms part of Wollongong Council's Red Tape Eradication Task Force. The Program will assist in reducing red tape across various approval agencies, including NSW Government and Wollongong Council. It will allow for SMEs to commence trading in faster timeframes and support local job creation.

There are a number of benefits to Council participating in the program, including productivity gains through time savings and higher quality planning applications, provision of a better customer service experience; red tape reduction and an improved perception of Council being business friendly amongst the community and key business stakeholders.

CONSULTATION AND COMMUNICATION

Service NSW has consulted with both the Development Assessment and Certification Division and the Economic Development team.

Service NSW presented an overview of the Program to the Illawarra-Shoalhaven Joint Organisation.

Council recently adopted the Community Engagement Strategy which provides the platform for establishment of the overarching taskforce approach to the red tape reduction initiative. Officers will be initiating a virtual taskforce, using the new Register of Interest process to seek feedback directly from the community on their perception of onerous rules and regulations. At the time of writing this report, the Register of Interest had opened, with 15 residents registering interest in Red Tape Reduction.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal 2 “*We have an innovative and sustainable economy*”. It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2018-2021	Operational Plan 2018-19
Strategy	3 Year Action	Operational Plan Actions
2.1.3 Cross sector initiatives are coordinated and implemented to increase and attract business investment, supporting small businesses and encouraging jobs growth	2.1.3.1 Support regional activities and partnerships that promote business investment and jobs growth	Implement the Economic Development Strategy 2013-23

FINANCIAL IMPLICATIONS

There are no financial costs to Wollongong City Council from participating in the Program.

CONCLUSION

This report is seeking for a Council resolution that agrees to enter into a partnership with Service NSW to deliver the Easy to do Business Program. It will provide a number of benefits to Council, including productivity gains through time savings and higher quality planning applications, provision of a better customer experience, red tape reduction and an improved perception of Council being business friendly amongst the community and key business stakeholders.

ITEM 7

WOLLONGONG LOCAL PLANNING PANEL DRAFT SUBMISSIONS POLICY - POST EXHIBITION

On 25 June 2018, Council endorsed the exhibition of a draft Submissions Policy (policy). This policy identifies additional development applications for referred to the Wollongong Local Planning Panel (WLPP) for determination, rather than for 'advice', and is complimentary to the generic referral criteria set by the NSW Minister for Planning.

The policy was publically exhibited from 11 July to 11 August 2018 and received five submissions. The policy has been refined based on the submissions and operational experience. This report seeks Council endorsement of the policy for referral to the Department of Planning & Environment (DPE) for adoption.

RECOMMENDATION

- 1 The draft Submissions Policy as amended be endorsed by Council and forwarded to the Department of Planning & Environment for adoption.
- 2 The draft Submissions Policy as amended be applied as referral criteria for 'advice' to Local Planning Panel while awaiting Department of Planning & Environment adoption.

REPORT AUTHORISATIONS

Report of: Mark Riordan, Manager Development Assessment and Certification

Authorised by: Andrew Carfield, Director Planning and Environment - Future City and Neighbourhoods

ATTACHMENTS

- 1 Draft Submission Policy - Post Exhibition

BACKGROUND

The Independent Hearing and Assessment Panel (IHAP) was originally established by Council in 2008 to provide an independent hearing forum for objectors and applicants on certain applications. IHAP was an advisory panel only, making recommendations to Council on those development applications identified through referral criteria established and refined by Council. IHAP became a mandatory panel with determination power on 14 August 2017 following amendments to the Environmental Planning and Assessment Act.

On 22 June 2018, the Minister issued a direction requiring councils to rename IHAP to Local Planning Panel (LPP). On 25 June 2018 Council resolved to rename the IHAP to WLPP.

The WLPP or Council staff under delegation now exercise the consent authority functions of Council, Councillors can no longer exercise consent authority functions.

The WLPP also has the function of advising Council on planning proposals, and on other planning or development matters if requested.

The Minister for Planning issued further directions on 23 February 2018 outlining the referral criteria for development applications to be determined by LPPs, as a result Council's previous IHAP referral criteria no longer applies.

However, the new WLPP referral criteria also enables Council to refer additional development applications to WLPP for 'determination' (rather than 'advice') where a Submissions Policy is in place which must be first approved by the Secretary of the NSW Department of Planning & Environment (DPE).

The draft Submissions Policy aims to include relevant criteria from the Council's former IHAP Charter, which was developed and applied over a 10 year period (2008-2018). The draft policy has been applied since March 2018 with these matters being sent to WLPP for 'advice'.

PROPOSAL

It is recommended that the attached amended Submissions Policy be endorsed and forwarded to DPE for adoption. This policy identifies relevant additional referral criteria for Development Applications (DA) to be sent to WLPP for determination. This will ensure continuity of the WLPP service to the local community, with the ongoing referral of those DA's that are deemed to be locally sensitive or significant. This policy is based on Council's recently superseded IHAP Charter, which was developed and refined over a 10 year period in consultation with the local community. While awaiting the DPE adoption of the policy it may continue to be applied (subject to Council endorsement) for the purpose of development 'advice' rather than for 'determination' for these particular matters.

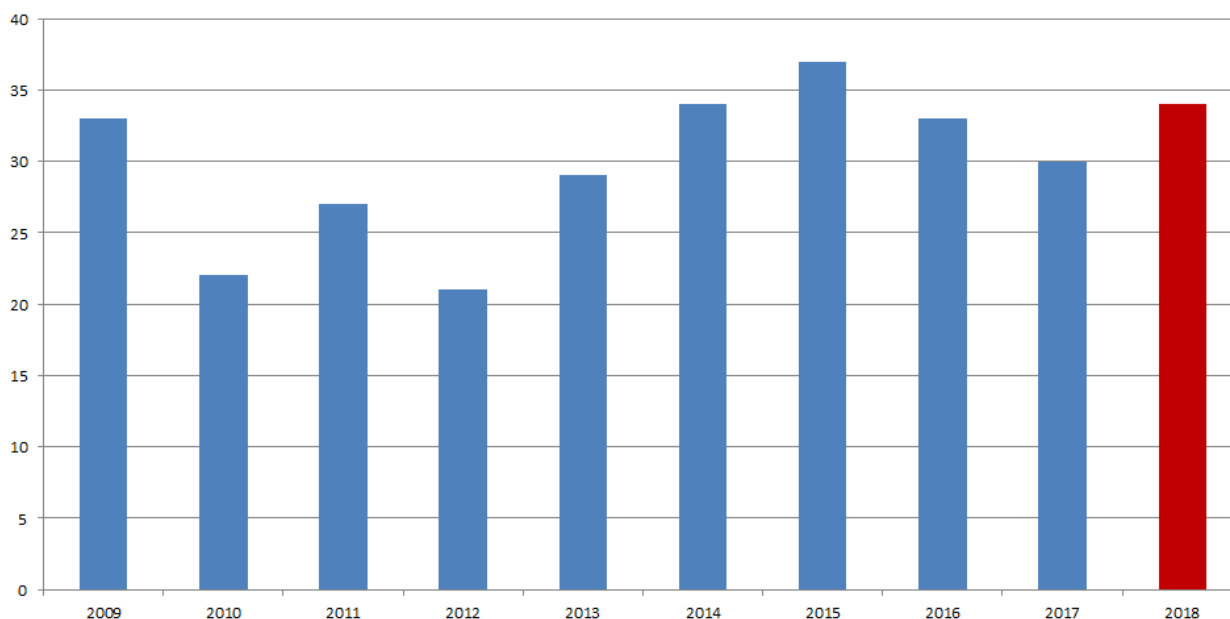
CONSULTATION AND COMMUNICATION

The policy was publically notified from 11 July to 11 August 2018 on Council's website, in the local community newspaper, all Council Neighbourhood Forums (NF), and a media release was also published. Current WLPP members were forwarded a copy of the draft policy for comment. A total of five (5) submissions were received and are summarised below:

Public (one)	Response
Disappointing that Council is proposing to lower the thresholds for referral of development applications to the WLPP below the Minister's direction	The policy is based on Council's recently superseded IHAP Charter, which was developed and refined over 10 years in consultation with the local community. Data has been provided below which outlines DA referral volumes to the WLPP from the past nine years.
The WLPP is already (under the NSW Planning Minister's direction) being referred DAs that do not require the level of authority proposed and should instead be determined by Council officers.	DPE referral criteria may not be amended by Council.
Reconsider reliance on 2 or 5 objections as a measure of sensitivity. At the very least, Council should ensure that a unique objection means one objection per property, not simply a separate objection from each family member of the same household. Setting low thresholds like this encourages adversarial neighbours to game the system	The policy has been refined in light of submissions and operational experience and now includes a clarification on 'unique submission'. A similar note was included in Council's former IHAP Charter. There is little evidence to suggest that objectors have been exploiting the submissions threshold.
Delete criteria 2 from the draft policy. Council has not provided any evidence that DAs with less than 10% variation and only 2 submissions are sensitive developments that warrant WLPP determination	The policy is based on Council's recently superseded IHAP Charter, which was developed and refined over 10 years in consultation with the local community. Variations from development standards are an important concern to the community.
Council's practice of referring DAs to the WLPP for 'advice' is problematic. Council's instruments of delegation do not include delegation to go against the recommendation of the WLPP	Staff delegations are not conflicted when 'advice' is sought from WLPP, however, we are now seeking to refer these additional DAs for 'determination'

WLPP (four)	
Clarify referral criteria	The referral criteria have been refined and clarified.
Clarify objectives of the policy	The objectives have been refined and clarified
Correct references to WLPP	This has been corrected
Amend clause 1(d) to only include S4.55(2) modifications	This has been done
The word "contentious" should be replaced with "complex" as not all matters or proposals may be contentious (contentious developments are more likely to be the developments with over 10 unique submissions).	Contentious is used because this is the language of the Ministers direction.
"Submissions Policy" seems to refer more to the number of submissions and the Policy really is trying to define or characterise developments that are captured by the panel. A more generic heading like WLPP Referral Criteria or WLPP Procedures Policy may be appropriate.	"Submissions Policy" is used as this is the language of the Ministers direction.
NF (Nil)	

Yearly Application Numbers Referred to IHAP/WLPP



Breakdown of applications referred since 1 March 2018

Date	21/3	9/5	16/5	30/5	20/6	4/7	25/7	1/8	15/8	5/9	Total
Determination	1	3	3	3	2	0	2	2	4	2	22
Advice	1	1	0	1	1	2	2	1	0	2	11
Total	2	4	3	4	3	2	4	3	4	4	33

The above breakdown shows that over the past six months there has been a 50/50 split between DAs referred for advice and determination.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal “We value and protect our environment”. It specifically delivers on core business activities as detailed in the Development Assessment Service Plan 2017-18.

CONCLUSION

Wollongong Council’s former IHAP commenced in 2008 to review sensitive development applications. Recent legislative changes have been successfully implemented and the replacement WLPP continues to provide a transparent process for stakeholders to discuss and review relevant applications. To ensure that all locally sensitive development applications continue to be referred to WLPP, a draft Submissions Policy is proposed, to complement the WLPP framework. The policy has been exhibited and amended and is now ready to be forwarded to DPE for adoption.

Wollongong Local Planning Panel Submissions Policy

OBJECTIVE

To identify the circumstances in which contentious development applications should be referred to the Wollongong Local Planning Panel (WLPP) for determination. This policy is made pursuant to point 2 of schedule 2 of the local Planning Panels Direction dated 23 February 2018 and extends those referral provisions.

POLICY STATEMENT

Wollongong City Council is committed to providing a robust, transparent and independent process for assessing contentious development applications. This policy outlines the circumstances in which an application will be referred to WLPP for determination based on the number and nature of submissions.

APPLICATIONS TO BE REFERRED TO THE WLPP FOR DETERMINATION (Contentious development)

Development that:

1. Is the subject of five or more unique submissions by way of objection in relation to the following categories:
 - (a) Class 2 to 9 building under the Building Code of Australia (BCA) including residential flat buildings, mixed use developments, multi dwelling housing, retail and commercial, industrial, motels, hospitals, clubs etc, and has a construction cost greater than \$1 million, or
 - (b) Subdivision of land creating five or more lots, or
 - (c) Subject of a Section 8.2 Review of Determination, or
 - (d) Modification to a development referred to in one above and made under Section 4.55(2)
2. Subject of two or more unique submissions by way of objection in relation to any development that contravenes a development standard imposed by a Local Environmental Plan by up to 10%
3. Subject of a written submission by 4 or more Councillors
4. Deemed to be of significant community interest or identified as a significant planning policy matter by the General Manager and the Director Planning and Environment.

Notes:

1. To avoid doubt, any of the above matters recommended for refusal will be reported to the WLPP.
2. For the purposes of this policy pro-forma letters, petitions, or multiple letters from a single address will not be considered as unique submissions.

ITEM 8 2019 COUNCIL MEETING CYCLE

Council meetings and Councillor Briefing Sessions have traditionally been held on a Monday. Since 2015, Council has had a three-weekly meeting cycle, with Councillor Briefing Sessions being held on the second and third Monday of that cycle.

This report outlines two options for Council's consideration.

RECOMMENDATION

Council determine its meeting structure and preferred meeting cycle for 2019.

REPORT AUTHORISATIONS

Report of: Clare Phelan, Manager Governance and Information (Acting)
Authorised by: Renee Campbell, Director Corporate Services - Connected and Engaged City

ATTACHMENTS

- 1 Options for Council Meeting Cycle

BACKGROUND

In accordance with the Local Government Act 1993, Council is required to meet at least ten times each financial year. Council meetings have traditionally been held on a Monday.

Following the 2017 election, Council adopted the following meeting cycle on 9 October 2017:

- Ordinary Council meetings held on a three weekly cycle on Mondays, commencing at 6.00 pm.
- Councillor Briefing Sessions held on the second and third Monday of the cycle, commencing at 5.00 pm.
- No Ordinary Council meetings or Councillor Briefing Sessions held during a public school holiday period.
- Additional Councillor Briefing Sessions scheduled for Thursdays, when there is an urgent demand.

Council at its meeting held on 12 March 2018, resolved to amend some of the meeting dates where they fell on a Tuesday evening as a result of school holidays continuing onto a third Monday (Terms 1 – 3).

The above cycle has worked well, with Councillors being briefed on a wide range of significant matters prior to the reports coming before Council. Whilst Council may adopt a structure and meeting cycle at this time, there is the opportunity to review and amend both the structure and cycle at a future date.

Information in relation to potential meeting options, as well as information on a meeting structure are outlined below:

Meeting Structure

The Council meeting structure which has been in place since 2015 has allowed all Councillors to participate in the discussion and determination of issues coming before Council.

Councillor Briefing Sessions have provided the opportunity for all Councillors to be fully briefed on a number of key issues and other matters either being dealt with at an Officer level, or prior to reports being submitted to Council for determination.

Meeting Cycle

Two options for a Council meeting cycle are listed for Council's consideration:

Option 1 – A three-weekly meeting cycle (this cycle has been in place since 2015) -

- 14 Ordinary Council meetings held on a rolling three weekly cycle on a Monday commencing at 6.00 pm with the exception of April to allow for the preparation and exhibition of key Council documents.
- Councillor Briefing Sessions be held on the second and third Monday of the cycle commencing at 5.00 pm.
- No Ordinary Council meetings or Councillor Briefing Sessions be held during a public school holiday period.
- Additional Councillor Briefing Sessions be scheduled for Thursdays, when there is an urgent demand.

Option 2 – Two Ordinary Council meetings per month with the exception of public school holiday periods (this cycle was in place from 2012 to 2014) -

- Two Ordinary Council meetings per month to be held generally on the second and fourth Monday commencing at 6.00 pm for a total of 19 meetings.
- Councillor Briefing Sessions be held on the first and third Monday of each month commencing at 5.00 pm.
- The option for an additional Councillor Briefing where there are five Mondays in the month.
- No Ordinary Council meetings or Councillor Briefing Sessions be held during a public school holiday period.
- Additional Councillor Briefing Sessions be scheduled on Thursdays when there is an urgent demand.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal "We are a connected and engaged community".

It specifically delivers on core business activities as detailed in the Governance and Administration Service Plan 2018-19.

CONCLUSION

Council needs to determine its meeting structure and cycle for 2019, noting that as outlined in the Background section of this report, there is opportunity to review both the structure and cycle in the future, should Council so desire.



OPTIONS FOR 2019 COUNCIL MEETING SCHEDULE

Council meetings and Briefing Sessions will be held on Mondays, with the *exception of School Holidays, when there will be no meetings, and *(Monday) Public Holidays when meetings will be held on the Tuesday

- OPTION 1**
- Three-weekly Council meeting cycle (generally)*
 - Briefings on all other Mondays*

JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
School Holidays 24 th December to 28 th January	4 th Briefing	4 th Briefing	1 st Briefing	6 th Council	3 rd Briefing
	11 th Briefing	11 th Council	8 th Council	13 th Briefing	11 th Briefing (Tues)
29 th Council (Tues)	18 th Council	18 th Briefing	School Holidays 15 th April to 26 th April	20 th Briefing	National General Assembly of Local Government 17 th to 19 th – Canberra (Dates TBC)
	25 th Briefing	25 th Briefing	29 th Briefing	27 th Council	
					24 th Council
JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
1 st Briefing	5 th Briefing	2 nd Council	School Holidays 30 th September to 11 th October	4 th Briefing	2 nd Briefing
School Holidays 8 th July to 19 th July	12 th Council	9 th Briefing	Local Government NSW Annual Conference 13 th to 15 th (Dates TBC)	11 th Briefing	9 th Council
22 nd Council	19 th Briefing	16 th Briefing	21 st Briefing	18 th Council	School Holidays 23 rd December
29 th Briefing	26 th Briefing	23 rd Council	28 th Council	25 th Briefing	

OPTIONS FOR 2019 COUNCIL MEETING SCHEDULE



Council meetings and Briefing Sessions will be held on Mondays, with the *exception of School Holidays, when there will be no meetings, and *(Monday) Public Holidays when meetings will be held on the Tuesday

OPTION 2

- Two Council meetings per month, generally on the second and fourth Monday*
- Two Councillor Briefings per month, generally on the first and third Monday*
- Where there are five Mondays in any month, optional Councillor Briefing Session

JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
School Holidays 24 th December to 28 th January	4 th Briefing 11 th Council	4 th Briefing 11 th Council	1 st Briefing 8 th Council	6 th Briefing 13 th Council	3 rd Briefing 11 th Council (Tues)
29 th Council (Tues)	18 th Briefing 25 th Council	18 th Briefing 25 th Council	School Holidays 15 th April to 26 th April 29 th Council	20 th Briefing 27 th Council	National General Assembly of Local Government 17 th to 19 th – Canberra (Dates TBC) 24 th Council

JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
1 st Briefing	5 th Briefing	2 nd Briefing	School Holidays 30 th September to 11 th October	4 th Briefing	2 nd Briefing
School Holidays 8 th July to 19 th July	12 th Council	9 th Council	Local Government NSW Annual Conference 13 th to 15 th (Dates TBC)	11 th Council	9 th Council
22 nd Council	19 th Briefing	16 th Briefing	21 st Briefing	18 th Briefing	School Holidays 23 rd December
29 th Briefing	26 th Council	23 rd Council	28 th Council	25 th Council	

ITEM 9 POLICY REVIEW: PUBLIC PRIVATE PARTNERSHIPS COUNCIL POLICY

Council adopted the Public Private Partnerships Council Policy on 19 February 2007. The policy is due for renewal as part of Council's Policy Review Schedule.

This report proposes that the current policy be updated to include reference to the recently adopted Unsolicited Proposals Policy and the review date be updated to 31 August 2020.

RECOMMENDATION

- 1 The Public Private Partnerships Council Policy be adopted.
- 2 The policy review date be updated to 31 August 2020.

REPORT AUTHORISATIONS

Report of: Peter Coyte, Manager Property and Recreation
Authorised by: Jenny Thompson, Director Community Services - Creative and Innovative City (Acting)

ATTACHMENTS

- 1 Draft Public Private Partnerships Council Policy

BACKGROUND

Council reviewed and adopted the Public Private Partnerships Council Policy on 19 February 2007 and again on 13 May 2013. The policy has been reviewed once again and is current and appropriate. The policy has been tested against the current guidelines from the Department of Local Government and there have been no changes since the guidelines were issued on 1 September 2005. A minor amendment is the reference to Wollongong City Council's recently adopted Unsolicited Proposals Policy.

PROPOSAL

The only proposed variation to the policy is the inclusion of reference to the Unsolicited Proposals Policy.

CONSULTATION AND COMMUNICATION

The Department of Local Government has been consulted and has confirmed that the guidelines issued on 1 September 2005 are still current.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2028 goal "We have an innovative and sustainable economy".

It specifically delivers on core business activities as detailed in the Property Services Service Plan 2018-19.

CONCLUSION

The Public Private Partnerships Council Policy has been reviewed and is current and appropriate. Accordingly, it is recommended that Council adopts the policy.



ADOPTED BY COUNCIL: [TO BE COMPLETED BY CORP SUPPORT]

BACKGROUND

Council must comply with legislated and commercially prudent constraints when dealing with parties for the purpose of providing community facilities.

This policy outlines the procedures Council will implement in undertaking a public private partnership venture.

OBJECTIVE

To establish a framework for the consideration and delivery of Public Private Partnerships so as to comply with section 400B [Chapter 12, Part 6] of the *Local Government Act, 1993* and the *Local Government (General) Regulations, 2003*.

POLICY STATEMENT

In June 2004 the NSW Government introduced legislation by way of an amendment of the *Local Government Act, 1993* as a result of the Daley Report into the "Oasis" development by Liverpool City Council. The amendment (section 400B) defines Public Private Partnerships (PPPs) and requires Council to follow procedures set out in the guidelines issued on 1 September 2005.

POLICY REVIEW AND VARIATION

- 1 Council is to have opportunity to review and adopt, at least once during its Term, each Council policy.
- 2 A resolution of Council is required to adopt any variations to this policy, with the exception of minor administrative changes, such as updates to legislative references, which may be endorsed by the Executive Management Committee (EMC). Endorsement of administrative changes made to this policy by EMC does not alter the requirement for it to be reviewed and adopted by each Term of Council.

PUBLIC PRIVATE PARTNERSHIPS

COUNCIL POLICY

STATEMENT OF PROCEDURES

EFFECTIVE DATE

The requirements of the Act dealing with PPPs have **effect from 28 June 2004**.

DEFINITION

The Act defines a PPP as an:

“arrangement between a Council and a private person for the purposes of:

- a) providing public infrastructure on facilities (being infrastructure on facilities in respect of which the Council has an interest, liability or responsibility under the arrangement); or*
- b) delivering services in accordance with the arrangements or both.”*

EXCLUSIONS

The PPP legislation provided for some exclusions under Division 7 of Part 13 of the *Local Government (General) Regulations 2003*. The legislation was not meant to capture the normal transactions carried out by Councils that are otherwise regulated by the *Local Government 1993* or related legislation. Some exclusions are:

- the sale of Council property;
- arrangements subject to funding requirements of section 55 of the *Local Government Act 1993*;
- leasing or licensing of Community land; and
- arrangements arising out of the operation of Division 6 of Part 4 of the *Environmental Planning and Assessment Act 1979*.

AWARENESS

Any potential PPP should be submitted to the Governance Group through Finance Stream meetings.

Procedures as outlined by the Office of Local Government dated 1 September 2005 are to be followed (attached).

If there is any doubt about a transaction being caught by the legislation, then officers are to submit a report concerning matters as per the attached guidelines.

[UNSOLICITED PROPOSALS](#)

[Unsolicited proposals should be considered with reference to the Unsolicited Proposals Policy.](#)

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ATTACHMENT



Department of Local Government
Guidelines on the Procedures and
Processes to be followed by Local
Government in Public-Private
Partnerships
1 September 2005

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SECTION 1 – OVERVIEW

1.1 Introduction

Local government has been investigating the delivery of infrastructure and services through public-private partnerships (PPPs). These arrangements can be complex and risky. For that reason, changes have been made to the *Local Government Act 1993* (the Act) by the *Local Government Amendment (Public-Private Partnerships) Act 2004*. The changes introduce a Part 6 in Chapter 12 of the Act with new requirements for all councils in NSW, including county councils, when entering into PPPs.

The Act provides that the Director General of the Department of Local Government (Director General) may from time to time issue guidelines requiring specified procedures and processes to be followed by councils when PPPs are being used or considered for the delivery of infrastructure and services. These Guidelines are issued for that purpose, and are intended to guide and assist councils and others in the operation of the new PPP requirements.

The Department of Local Government (DLG) is not intending, through these Guidelines, to approve or not approve projects. The intent is rather to examine whether or not the procedures and processes that are followed by councils are appropriate for the delivery of the particular project. Responsibility for projects remains with councils.

The changes took effect on 1 September 2005. However where a council resolution to enter into a PPP was made on or after 28 June 2004, and before 1 September 2005, the Act will still apply to that PPP, regardless of whether the arrangement for the formation of the PPP was entered into before the commencement date. (See Appendix 1 for transitional arrangements.)

The Act also establishes the Project Review Committee (PRC) to review council processes for significant or high risk projects before a Council can enter into a PPP. (See Appendix 2 for details on the membership of the PRC.)

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1.2 Council Responsibilities

Councils have a responsibility to their communities for the prudent management of community assets and finances. Indeed, local government has responsibilities that may go beyond the responsibilities of a private sector partner or project proponent.

For example, land owned and controlled by a council is a public asset to be held, administered and used for the benefit of the public and to assist the council in providing the services and facilities it is charged to provide for the community. Similarly, all rates, charges and fees paid to and collected by a council are public assets. PPPs may entail the provision or contribution by the council of such land or funds to a project. The PPP project may itself result in or entail the private sector participant providing land or funds to the council. That land and those funds effectively become public assets to be held and administered by the council in line with its responsibilities and related prudence and management.

PPP arrangements (and any significant variation of a PPP project) should be fully considered, and be independently and rigorously appraised, *before contracts are signed or arrangements otherwise entered into and the relevant project carried out or implemented in any way*. It is the primary role and responsibility of the council concerned to ensure that this occurs and to demonstrate this in accordance with these guidelines. Compliance with these guidelines should not be an additional burden for councils. Any prudent, well-advised, well-managed and governed council should undertake the procedures required in these guidelines in any case, in order to meet its Charter and other governance and prudential obligations. These guidelines are not intended to be an onerous additional burden.

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1.3 What is a Local Government Public-Private Partnership (PPP)?

A public-private partnership (PPP) is an arrangement between a council and a private person for the purposes of:

- a) Providing public infrastructure or facilities in which the council has an interest, liability or responsibility under the arrangement, and/or;
- b) Delivering services in accordance with the arrangement.

While this definition is broad, arrangements to be excluded from the definition are provided for in the Local Government (General) Regulation 2005 (the Regulation).

The Regulation excludes the following:

- contracting of services by council from the private sector by tender. These processes are provided for under s.55 of the Act and Part 13 of the Local Government (General) Regulation 2005;
- council business units or staff working for a private party, under a contract or a tender, on a full cost recovery (or for profit) basis;
- where council acts as a trustee for a bequest or donation of land, facility or building from a private party. Trusteeship may confer on-going responsibilities on council such as care or maintenance and operational expenses. There would usually be no disbursement of any income generated to the private party that has made the bequest or donation;
- leasing or licensing of Crown or Community land to a private person
- council sales of property (including operational land);
- any arrangement arising out of the operation of Division 6 of Part 4 of the *Environmental Planning & Assessment Act 1979*;
- the imposition by a council of a requirement under section 306 of the *Water Management Act 2000* (as applying to Council by virtue of s64 of the Act)

Notwithstanding these exclusions, in general terms, arrangements will need to comply with Chapter 12 Part 6 of the Act where the council retains an equity or an ongoing obligation in the provision of public infrastructure, facilities or services.

The definition is intended to capture the range of arrangements that include models described as Build, Own, Operate, Transfer (BOOT); Build, Operate, Transfer (BOT);

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Build, Own, Operate (BOO); Design, Build, Finance, Operate (DBFO); Privately Financed Projects (PFPs) and the like.

If a council is unsure about whether or not a project is a PPP, advice should be sought from the Director General. The aim of the legislation is to ensure that complex and/or risky projects are understood and well managed so that project delivery occurs in line with expectations and so that risks are minimised through a rigorous process. Councils should not seek to avoid the legislation by attempting to circumvent the PPP definition.

(Appendix 3 describes some sections from the State Government 'Working with Government: Guidelines for Privately Financed Projects'. Although these Guidelines relate only to one type of PPP (privately financed projects), some sections may assist councils in the preparation of documentation for local government PPPs.)

1.4 Call in Powers

The Minister for Local Government has the power to call in any PPP project for review by the Project Review Committee where a council has not complied with these Guidelines in relation to entering into the PPP or the carrying out of the project.

1.5 What must Councils provide?

A council must not enter into a PPP unless it has complied with the relevant requirements of the Act. The Act refers to the formation of a PPP through an "arrangement". An arrangement is not limited to the signing of formal contractual or legal documents. The definition of arrangement includes contracts and understandings.

Councils must provide the DLG with the information set out below:

- description of the project;
- scope of the project and projected costs;
- risk assessment of the project.

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The General Manager(s) of the particular council(s) involved must certify that the assessment is prepared in accordance with the Guidelines. This will need to be attached to each submission made to the DLG and supported by a Council resolution.

The process of assessment is different for projects that are significant and/or high risk, and for projects that are neither significant nor high risk.

Significant projects and/or high risk projects, (see definitions in section 2), will be assessed for compliance with these Guidelines by the Project Review Committee at two stages:

- before the Expressions of Interest (EOI)/Market Testing Stage where councils have developed a project brief and are seeking private sector participants in the project. An assessment from the PRC that the process to this stage complies with the requirements of the Guidelines is necessary for the EOI phase to proceed; and
- at the Pre-Contract Signing Stage where the council has selected a preferred partner(s) from the EOI/Market Testing phase and has negotiated a draft contract for the carriage of the project. Council **MAY NOT** sign the contract until such time as the PRC has endorsed the process council has undertaken as complying with these guidelines.

Projects that are not significant or high risk may proceed to contract development without review by the PRC. This does not remove the obligation on councils to adopt the procedures and processes required of them in these guidelines. The same assessment is still required to be undertaken for scrutiny by the Director General or the PRC if required. A council, having negotiated an arrangement/agreement with a private party, may not proceed to sign a contract establishing a PPP entity without the prior approval of the Minister for Local Government under s.358 of the Act.

1.6 Consequences of non-compliance

A council that either:

- enters into a PPP; or
- carries out any project under a PPP,

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without complying with the Act and Guidelines is in breach of the Act.

While there are no specific penalties prescribed for non-compliance with the Act or these guidelines, councils should be mindful that significant courses of action are available to remedy or restrain a breach of the Act. These include:

- orders from the Land & Environment Court to restrain or remedy the breach;
- the imposition of a surcharge, under s.435 of the Act, if a council has entered into a contract in contravention of the requirements for PPPs. Individual councillors and staff may, in limited circumstances, also be held liable in respect of any action taken in the Court;
- an investigation of a council under s.430 of the Act;
- a public inquiry into a council under s.740 of the Act; or
- legal action by the private sector partner.

The DLG will view non-compliance seriously and take appropriate action.

1.7 The Local Government Project Review Committee (PRC)

The PRC, established under the Act, is chaired by the Director General. The committee membership is outlined at Appendix 2. Its role is to review PPP projects against these Guidelines. It remains the responsibility of council proponents to satisfy the PRC on any matter arising from its review and there is no appeal against PRC decisions. There is no limit to the number of times a project can be referred to the PRC, nor are any fees charged to the council by the PRC. All matters considered by the PRC will be dealt with on a strictly confidential basis and, in particular, commercial confidentiality at all stages of the project will be recognised.

1.8 The Process

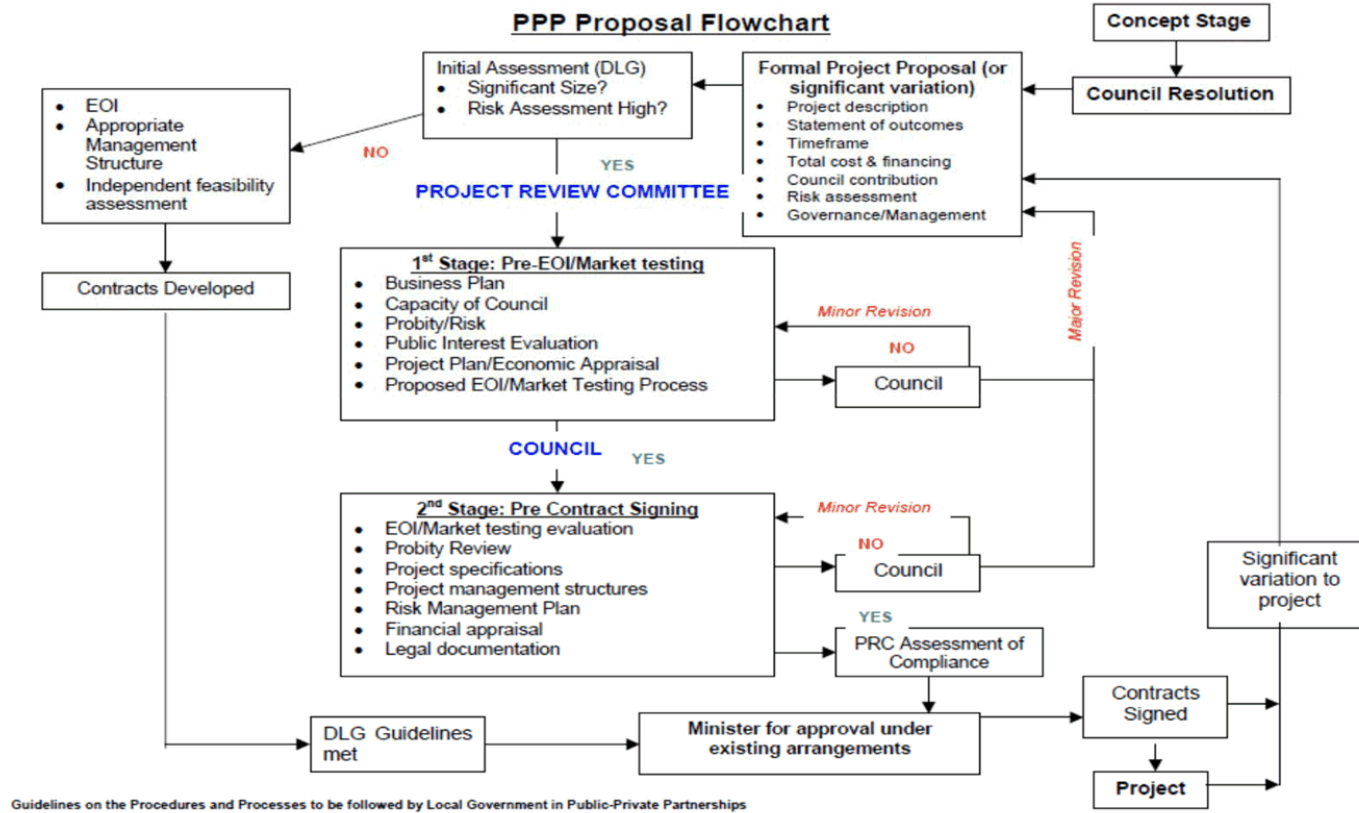
Requirements and procedures are summarised in the following diagram.

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SECTION 2 – Procedures and Requirements for Local Government PPP Proposals

2.1 What projects are to be reviewed by the Project Review Committee?

Significant and high risk projects must go through the two-stage PRC assessment process.

Projects that are neither significant nor high risk are not required to go to the PRC, but remain subject to restrictions on the formation of corporations or other entities except where approved by the Minister for Local Government. They must also follow the relevant processes outlined in these Guidelines.

2.1.1 Significant Projects

A significant project is defined as:

- a) any project with an estimated total cost of more than \$50 million or such other amount as may be prescribed by the regulations, or
- b) any project where the relevant council's financial contribution, or its equity position, amounts to 25% or more of the council's annual revenue that is lawfully available for spending on facilities or services of the kind to which the project relates. (Appendix 4 provides a definition of "council annual revenue" for purposes of determining the significance of a project.).

For estimating total costs, financial contributions or equity position, all elements of the project are to be taken into account. This includes land values, provision of non-monetary goods and/or services and any costs associated with the council's potential contracted liability.

Where a project is to be conducted in stages and involves a combination or series of potential contracts, the project is to be considered as one (1) project for the purposes of assessment and review. Breaking a project up into smaller parts to avoid the threshold condition is not acceptable and does not comply with the Act or Guidelines.

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For example, where a PPP project proposal is on land that is in close proximity to another PPP proposal and involves the same participants to a significant degree, all such "projects" will be considered part of one project and should be presented as such in any submissions required under the Act. (Appendix 5 provides further guidance on the treatment of multi-council projects.)

2.1.2 High Risk Projects

The Act provides that where a PPP project is a high risk project, it should be referred to the Project Review Committee for review.

A project is considered to be high risk if the individual risk, or a combination of several risk aspects of the project are so significant or so large that the Director General considers that it warrants the project being examined further. The risk may be borne by or relate to:

- the council,
- its ratepayers
- its community
- the wider community generally
- the integrity and due protection of the value of the public assets held and administered by the council, or
- the public interest generally.

Such risks may be apparent in various ways, including:

- a potential loss in value of the Council's assets;
- a potential loss in actual or prospective revenue;
- a potential increase in council's actual or prospective expenditures, whether in terms of one-off capital amounts, or in terms of recurrent expenditures;
- the possible inability of the council to discharge its Charter obligations to provide adequate, equitable and appropriate services and facilities for the community.

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Risks should be measured and assessed not just in monetary or financial terms in the risk management plan for the project. All projects are required to have a risk management plan (see section 2.2.1 - Risk Assessment below).

Subsequent to assessment by the DLG, councils will be informed as to whether their particular project proposal is a high risk project, and therefore required to be assessed by the PRC.

2.2 Initial Assessment by the Department of Local Government

It is acknowledged that, at the early stages of a project's development, it may be difficult to give precise information, particularly about financial matters. It is expected that more precise detail will only be available when a preferred partner has been identified and contract negotiations have progressed. Before formally notifying the DLG, the council will have developed the project to a stage where it has been formally approved, in principle, by a resolution of the council, and the broad concepts and principles have been formed, approved and settled. Consequently, at this Initial Assessment stage the dimensions of the project and its outcomes should be costed on the basis of expectations about responsibilities, risk management and anticipated or preferred sources of funding.

It is vital that councils determine, at an early stage, what the project will deliver, make a clear and unambiguous resolution to that effect and stick to that plan where possible.

There may be valid circumstances/reasons for a significant change in plan and therefore project outcomes/deliverables and costs. If this is the case, a new resolution should be made to reflect the change and the "new" proposal submitted to the DLG. This procedural requirement has the effect of placing a premium on full project specification as early as practicable.

As a minimum, councils are required to provide the following at the Initial Assessment stage (see appendix 9 for Initial Assessment Requirements checklist):

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- project description and relationship to council's strategic and management plans including reasons why a PPP is the preferred delivery model;
- clear statement of outcomes/deliverables as agreed by a resolution of council,
- projected timeframe for project;
- estimated total project costs and sources of funding;
- preferred extent/value of council contribution to project and/or equity position;
- council annual revenue available for the type of PPP proposed;
- preferred risk assessment/management plan prepared in accordance with AS/NZS 4360:2004;
- preferred management and governance structure for the PPP entity. (See Appendix 6 for guidance on governance and management arrangements.)

The first 6 elements above can be met by short responses. The last two elements require more detail depending on the nature of the project. Items that should be considered or present in addressing these criteria are outlined below.

2.2.1 Risk Assessment

It is essential that, at an early stage in the evolution of a proposed PPP project, the council develop and put into operation an appropriate risk management plan for the project. The plan should be reviewed, updated and amended, as and when required, during the development of the project. The plan could take the form of a Risk Allocation Table which identifies risks and preferred risk allocation.

Before risk can be appropriately treated, all potential risks must be identified and analysed. (See Appendix 7 for a list of possible risks.) For this purpose, a council should identify, and appropriately document, all actual or potential risk elements associated, or likely to be associated, with the project in accordance with AS/NZS 4360:2004 (the Australian Standard) and any subsequent or superseding standard. AS/NZS 4360:2004 provides a reference for directors, elected officials, chief executive officers, senior executives, line managers and staff when developing processes, systems and techniques for managing risks that are appropriate to the content of their organisation or their roles.

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The allocation of any identified risk to the parties in the PPP proposal and mitigation strategies (treatment and control options) should also be included. The risk assessment should include sensitivity testing to identify best and worst case scenarios.

Depending on the nature of the project involved, a number of risk categories may need to be included in the risk matrix or allocation table. More general guidance for the preparation of a risk management plan appropriate to the nature and size of project involved can be obtained from the Australian Standard.

2.2.2 Management/Governance

Different projects present different challenges and require different management and governance structures. While the project management structure will ultimately be the subject of negotiation in the contract development stage, it is appropriate that councils decide, at an early stage of project formulation, a preferred management structure for the development of the proposal and its eventual delivery.

In the development phase of the proposal, (ie up to the time where contracts are signed or written understandings are effected, establishing the structure for the arrangement to carry out the project and deliver on the specified terms of the contract or understanding) councils should, at a minimum, establish the governance arrangements outlined in Appendix 6.

2.3 Pre-Expressions of Interest/Market Testing Stage

Requirements of councils at this stage build on those of the Initial Assessment.

Proponents are required to satisfy the PRC on six separate matters:

1. that a business plan has been prepared for the project;
2. the capacity of council to conduct the project (or its part of the project) has been assessed and is assured;
3. that a probity plan has been prepared for the project;
4. that a public interest evaluation has been conducted and the analysis shows a positive outcome for the community;

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5. that a project plan has been prepared and includes appropriate economic appraisals of council's preferred option; and
6. evidence of an appropriate competitive process; or, where a competitive process is not proposed, the reasons for this and the alternative process proposed.

(See appendix 9 for Pre EOI Stage Assessment Requirements checklist)

2.3.1 Business Plan

Once the strategic need for the proposed project has been established, it is imperative that the council establish a business case and business plan for the delivery of the project. The business plan should contain the key elements or deliverables of the project and outline the costs (and revenues) associated with them, as understood by the council at the time.

All outcomes of the project and their associated timeframes should be clearly defined and detailed in the business plan. Any hypothetical assumptions should be outlined. These outcomes and assumptions will form the basis of any future contract(s) with the private sector. Resources and respective contributions for the project should also be fully identified. A substantial change (considered to be in the order of 20%) in the relative proportion of contributions by the respective partners or sectors involved subsequent to this will be treated as a new project.

In developing a business case, the council will need to consider the range of costs and revenues that may be entailed in the project. These costs should include:

- both direct and indirect costs, separately identified;
- both capital costs, and ongoing running costs and expenses once the project is being delivered and operational.

Project costs should be considered from a "whole of life" perspective. These costs will include, but not necessarily be limited to:

- design costs;
- the costs of land acquisitions;
- the cost of land disposals;

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- land and property development costs;
- raw materials costs;
- maintenance and other ongoing operational costs;
- depreciation and/or provisions for replacement costs;
- labour costs;
- overhead costs, such as the time of council employees and others in managing the project to implementation and adoption;
- payments and fees, including expenses and allowances, to external providers and council consultants and advisers;
- loan or other financing establishment costs;
- plant and equipment costs; and so on.

The business plan should also identify and provide:

- revenue estimates and sources of revenue and/or borrowings (See Appendix 8 for guidance on financing and borrowing approvals required.)
- the skills that will be needed to deliver the project, and specify where those skills are going to be sourced; and
- the facilities and services contemplated by the project.

Any financial, market or economic analysis that supports the business case should be carried out by an independent authority(ies), organisation(s) or person(s) with relevant expertise in the context of the project.

2.3.2 Capacity of council

A key consideration is the council's capacity to undertake its share of the project. One key indicator of this is council's financial capacity as represented by its current and projected (for the life of the PPP project) balance sheet. Council responsibilities in relation to the proposal, on a year on year basis throughout the project's lifetime, should be identified, clearly itemised and costed and subsequently applied to the balance sheet. Where council does not have adequate expertise, the outside sources of that expertise should be noted.

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Evidence of a clear relationship between the proposal and council's strategic and management plan should accompany the above.

The risk analysis/assessment provided at the initial assessment stage should be updated to take account of any changes during the development of the business plan.

2.3.3 Probity Plan

It is essential that the council develop a probity plan for the project early in the evolution of the project. Such a plan is needed to ensure that each aspect of the process is and is seen to be open and transparent, that conflict of interest is avoided, pecuniary interests declared and that it complies with competition laws and principles.

The probity plan may need to include documentation of the relationship between parties involved in the project. For example, where any financial, market and economic analyses are carried out by an independent authority(ies), organisation(s) or person(s) with relevant expertise, the independence of these parties from the project, council or prospective private sector bidders for the project should be certified by both the assessor or principal of the assessing organisation and the PPP project manager (see Appendix 6 on management and governance arrangements for an outline of functions of the PPP project manager).

If land must be rezoned to facilitate the project, the process to undertake the rezoning should be clearly outlined. The development application (DA) process should also be outlined, setting out how the development of the PPP arrangement will be kept separate from the DA determination process.

2.3.4 Public Interest Evaluation

The project proposal must have an overall positive effect in regard to public or community interest. Council can demonstrate this by providing evidence on each of the points below:

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- a) Management Plan Objectives: the proposal must be effective in meeting council objectives as contained in the current management plan. It must be demonstrated that the provision of that particular service or facility through the agency of the PPP proposal provides better value for money than would be the case if the council were to provide that outcome exclusively from within its own resources or by a more traditional contract with the private sector.
- b) Charter Obligations: council needs to satisfy itself that undertaking delivery of the proposed project will be appropriate, having regard to the council's Charter obligations and council's functions under the Act including the provision of goods, services and facilities and the carrying out of activities that are appropriate to the current and future needs within its local community and of the wider public, subject to the Act, the regulations and the law generally.
- c) Consultation: The social, economic, employment, financial and environmental impacts of the proposal should be identified and assessed for each identifiable stakeholder group affected. Council should indicate the consultation processes it has in place that will allow participation by affected groups and provide for consideration of their views.

The community must be informed of key elements and decisions made in relation to the project. Clear accountability for project reporting to council and therefore to the community must be provided for.

The DLG's guidelines entitled *Management Planning for NSW Local Government* (February 2000) includes requirements for community consultation in developing council management plans. Council should comply with all appropriate and relevant steps and provisions in those guidelines. Councils must take relevant guidelines issued from time to time by the Director General of the DLG into consideration, before exercising any of their functions.

- d) Public access: public access and equity should be addressed. To do so, council should identify any community issues and any specific needs,

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including groups with special needs, which must be addressed. The project plans should outline the extent to which these needs will be met.

- e) Safety and security: risk to the safety and security of people who receive the service should be minimised. Statutory health and public safety standards are to be met as a minimum.

2.3.5 Project Plan/Economic Appraisal

The project plan should effectively state the case for the council's adoption of a PPP for the provision of the particular service or facility. This should be done through the agency of an independent economic analyst, drawing on expertise appropriate to the proposal. The independent consultant must not have any conflicts of interest. Contracting and paying for such an analysis is the responsibility of the council.

More detailed guidance on the preparation of economic and financial appraisals is available from the NSW Treasury website (www.treasury.nsw.gov.au). See specifically the link on Treasury publications.

Each identifiable component of a PPP proposal should be appraised. This may require, for the purposes of analysis, that the proposal is broken up into market segments and specialist expertise contracted to conduct a market analysis for each segment. For example, a PPP proposal might involve commercial and retail space in a development that will also provide or house council facilities. For such a proposal the market and economic prospects of both the commercial space and retail space for lease and/or sale would need to be separately examined by appropriate experts.

The two critical elements of any economic/market appraisal performed should be:

- cost benefit analysis (where major benefits can be quantified); and
- cost effectiveness (where outputs are not readily measured in monetary terms).

Both elements should show a net positive in the analysis for the proposal to be viable. A sensitivity analysis on the underlying parameters and assumptions/basis of

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the project should also be carried out and presented to the PRC as part of the documentation. A relatively significant change in net outcome for a small change in a project parameter is indicative of possible problems with project viability. A cash flow for council's contribution should be undertaken as part of the economic appraisal detailing the council's ability to carry loans if loans are required for the project.

Outcomes from the sensitivity analysis should be linked to and incorporated into a revised risk management plan. If the project is sensitive to change in one or more market parameters, adequate strategies to meet and manage any risk to the whole project must be presented. If these management strategies represent a significant change in the project (ie a significant departure from the business plan submitted) and if the proponents still wish to go ahead with the proposal in revised form, the business plan should be amended appropriately.

2.3.6 Proposed Expressions of Interest (EOI)/Market Testing Process

The EOI/market testing process is a key element in ensuring that the community gets the best value for its investment in a project. All local government PPP proposals, regardless of whether they originate from within the council or from an external source, are required to undertake an EOI/market testing process to identify preferred partners in the project.

Any EOI/market testing process should be on the basis of the business plan prepared by the council. Reference should be made to the Local Government (Tendering) Regulation 1999 and the DLG's Tendering Guidelines, if it is proposed to go to tender for any part of the project. It is acknowledged that PPPs require a level of direct negotiation which falls outside the Tendering Regulation/Guideline requirements. It is essential that transparency be maintained at all times in such negotiations. The publication "*Direct Negotiations with Proponents - When, Why and How*" by the Independent Commission Against Corruption (ICAC) should be consulted in this regard.

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Details of the proposed EOI/market testing process are to be provided to the PRC at this assessment stage. This documentation should contain as a minimum:

- an outline of the EOI/market testing process proposed;
- the project brief (this should be equivalent to the business plan);
- steps/mechanisms in place to safeguard the intellectual property of the council and of prospective bidders;
- establishment and composition of an evaluation panel to consider bids (panel members should not have any conflicts of interest);
- the evaluation criteria and methodology to be used in assessing bids (including weightings) – these should include experience in the successful design, construction, financing and maintenance of similar projects, the experience and capacity of bidders to undertake the project and deliver the outcomes specified in the project brief (this may include control over appropriate land) and the bidder's financial capacity to meet anticipated contract obligations;
- treatment of non-conforming bids;
- a probity review of the proposed process by the probity advisor.

2.3.7 PRC Advice to Council

Once the PRC has assessed the criteria listed above, advice will be issued on whether the council can proceed to the EOI/market testing stage or whether any matters are required to be addressed first.

2.4 Pre-Contract Signing Stage

The EOI process will produce a shortlist of possible partners or, in cases where there is limited interest in the PPP proposal, a preferred partner. Where the EOI process yields a shortlist, it may be appropriate to invite those persons to submit a detailed proposal before the final selection of a preferred partner is made. In large or complex projects, it is good business practice to go through a "Detailed Proposals" phase because responses to an EOI do not always yield sufficient information for council to make a judgment on whether the proposals represent value for money.

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The evaluation panel has no other role than to assess bids in the EOI process against the criteria established by the Steering Committee (and agreed to by Council by a resolution) and to then make recommendations. The panel may rank the proposals in an order determined by its assessment of the relative merits of bids. The panel should not negotiate with bidders. If more information is required of a bid the panel should inform the Steering Committee of any deficiency against the set criteria and make a recommendation as to whether this deficiency can be easily remedied or is fatal to the bid.

While the evaluation panel may make a recommendation to the project Steering Committee (and therefore council) on whether a short-list of possible partners is appropriate in the context of the project, the decision is ultimately one for the council to make.

The evaluation criteria used by the evaluation panel should be made available to short-listed bidders in preparing their further bids/submissions. Council (through its Steering Committee) may prefer, rather than to have a further formal bid process, to select the preferred partner by a negotiation process between the two (or three) best bids received as a result of the EOI process. Whatever the case, the process of refining selection should be fully documented.

Where there is limited interest elicited by the EOI process, it may be more appropriate for council to go straight to the preferred partner stage. The evaluation panel may make a recommendation to this effect.

Having identified a preferred partner, contracts for the proposal should now be negotiated between the council and the preferred partner. Following the conclusion of the negotiation process and prior to the contract being signed, the PRC will undertake its next review.

Documentation provided at this stage must include:

- a summary of the EOI process and evaluation including a completed probity review;

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- the final project specifications/objectives with milestones identified, performance and reporting requirements included, timeframe for delivery and total cost. This should reflect the business plan submitted at the previous stage in terms of the main outcomes or deliverables;
- the final management structure for the PPP vehicle chosen, dispute resolution protocols, financial obligations and inputs (by source);
- the final risk management plan (updated version of that previously submitted) identifying and allocating all the risks associated with the negotiated outcome. This should include appropriate strategies to meet risks;
- a financial appraisal – independent analysis of the whole project including council's equity position and ongoing obligation; and
- an outline summary of the draft contract specifying the project proposed and the parties named in the contract.

See appendix 9 for the Pre Contract Signing Stage Assessment Requirements checklist)

The PRC may seek further information on any matter related to the selection process or the development of the draft contract and may request a copy of the draft contract. Council should maintain a complete record of all matters leading to the draft contract. The material submitted to the PRC should be commensurate with the degree of risk associated with the project. The PRC does not expect voluminous submissions, but rather, reference to key documents which have been prepared in the normal course of the PPP development. It is recognised that "one size does not fit all".

A positive assessment from the PRC about project procedures and process will be required before council may resolve to and subsequently sign the contract.

2.5 Variations: what is a 'significant' variation to a proposal?

If, during the course of implementing the project (including the period before the relevant contractual or legal documents are signed) there is a proposed variation to the project, the council should immediately notify the Director General.

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A significant variation in terms of these Guidelines, occurs where there is a change to the project outcomes and/or a change in the relative proportion of contributions by the respective partners in the order of 20%.

Where the Director General determines that the variation is significant, the council will be notified that an assessment of the project as varied or proposed to be varied is required.

A variation to a project is significant when its risk profile, as determined in the compilation of the risk management plan, changes. There may be a number of reasons for changes in profile including:

- changes in the physical scope of the project;
- major changes in the cost of the project, either allied with a change in scope or not;
- a change in or departure from the original allocation of risk between parties;
- changes in the financial structure of the project;
- changes in the private sector partner.

This list is not exhaustive. The risk management plan for any proposal will determine the parameters of interest on which any such assessment will be made. This will need to be determined on a case-by-case basis.

SECTION 3 – CORRESPONDENCE CONTACTS

All correspondence to and communications with the Director General of the DLG and the Project Review Committee in relation to a proposed PPP project, should be made through the DLG's Head Office in Nowra. Preferably, they should be in writing. No direct contact should be made with other Committee members.

The address of that Office is:

PPP Co-ordinator
Level 2
5 O'Keefe Ave
NOWRA NSW 2540

The postal address of the Office is:

Locked Bag 3015
NOWRA NSW 2540

The telephone number is:

(02) 4428 4100

The facsimile number is:

(02) 4428 4199

Email:

dlq@dlq.nsw.gov.au

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APPENDICES

Guidelines on the Procedures and Processes to be followed by Local Government in Public-Private Partnerships

Appendix 1: Transitional Arrangements

The Act and Guidelines apply to any PPP that a council resolved to enter into after 28 June 2004.

Where a project proposal originated (council resolved to investigate or develop a proposal) on or after 28 June 2002, and the council has not by 1 September 2005 resolved to enter a PPP arrangement, the council will be subject to a review commensurate with the stage they are at in the process set out in these guidelines. For example if the EOI is complete and all other documentation is finalised, then the council's project would be referred to the Project Review Committee for the Pre Contract Signing Stage review.

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Appendix 2: Local Government Project Review Committee Membership

The Local Government Project Review Committee (PRC) is established by section 400J(1) of the Act.

The PRC consists of members who are appointed by virtue of the Act, and other members who may be appointed by the Director General of the Department of Local Government.

Five persons are appointed by the section as ex officio members. These are:

1. The Director General of the Department of Local Government (or an officer of the Department who is nominated by the Director General) – the Director General (or that nominee, as the case may be) is the Chairperson of the Committee.
2. The Secretary of the Treasury (or an officer of the Treasury nominated by the Secretary).
3. The Director-General of the Premier's Department (or an officer of the Premier's Department nominated by that Director-General).
4. The Director-General of The Cabinet Office of NSW (or an officer nominated by that Director-General).
5. The Director-General of the Department of Infrastructure, Planning and Natural Resources (or an officer of that Department nominated by that Director-General).

To these five persons may be added such other person or persons as the Director General of the Department of Local Government may appoint for the purposes of enabling the Project Review Committee to exercise its functions.

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Appendix 3: Useful sections of State Government “*Working with Government: Guidelines for Privately Financed Projects*”

The NSW Government’s current policies and procedures on private financing of public infrastructure are contained in a document called *Working with Government: Guidelines for Privately Financed Projects* (WWG), issued November 2001. These Guidelines relate to privately financed projects (PFPs), which are only one type of a broader spectrum of PPPs. Other types of PPPs that are not PFPs are covered by the NSW Government Procurement Guidelines. The WWG Guidelines define a “PPP” as a general term covering any contracted relationship between the public and private sectors to produce an asset or deliver a service. PFPs, as a specific form of PPP, involve the creation of an asset through private sector financing and ownership control for a concession period, usually long term.

Although the State Government guidelines only deal with PFPs, they contain some sections which may assist councils in preparing their documentation for local government PPPs. The WWG Guidelines document is accessible via the NSW Treasury Working with Government website, www.treasury.nsw.gov.au/wwg.

The following sections of the WWG Guidelines may be particularly useful:

- Chapter 2 provides some guidance in identifying characteristics of projects that may be suitable for procurement as a PFP.
- Chapter 3, section 3.4 provides some guidance on what to include in a typical call for Expressions of Interest.
- Chapter 4 provides some guidance on possible elements of a typical PPP project management structure.
- Chapter 5 provides a relatively comprehensive list of possible risks that may occur in a PFP, and for which allocation of risk between the public and private sectors will need to be addressed in contractual documents for the project.
- Chapter 6 provides some guidance on key items to watch out for in developing and negotiating a contract, as these are likely to affect the allocation of risk between the public and private participants in a privately financed project.

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Appendix 4: Definition of Council Annual Revenue

Annual revenue is broadly defined as that income from all sources that is available under the council's lawful discretion to use for the nature of the project involved.

There are various provisions in the Act and other legislation that prevent or restrict a council from expending moneys collected by it for any purposes other than that for which it was specifically collected.

Restrictions of that nature are contained in section 409(3) of the Act. This section requires that:

- (a) money that has been received as a result of the levying of a special rate or charge may not be used otherwise than for the purpose for which the rate or charge was levied, and
- (b) money that is subject to the provisions of the Act or any other Act (being provisions that state that the money may be used only for a specific purpose) may be used only for that purpose, and
- (c) money that has been received from the Government or from a public authority by way of a specific purpose advance or grant may not, except with the consent of the Government or public authority, be used otherwise than for that specific purpose.

Examples of moneys that are restricted and are excluded from the definition of annual revenue are:

- specific purpose grants and capital contributions from sources such as developers that are tied to specific outcomes. This includes contributions from developers for water supply, sewerage and drainage works under s.64 of the Act and contributions/payments pursuant to s.94 of the *Environmental Planning and Assessment Act 1979*;
- special rates made by councils under s.495 of the Act;
- special variation revenue (s.508(2) and s.508A of the Act), where also specifically tied to projects or outcomes and therefore non-discretionary. (In some cases a special variation may be granted for general or council financial

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purposes rather than for a specific project. As this funding may be considered to be discretionary it may be included in the calculation of annual revenue.)

Councils in regional NSW are usually water supply and/or sewerage authorities. Revenues from these operations, and also domestic waste management, are held in restricted funds available only for activities related to the provision of that particular service under section 409 of the Act. While internal borrowing may be allowed for a short time, subject to Ministerial approval, repayment must be made on a commercial basis (s.410 of the Act). Annual revenue would exclude these restricted funds, unless the PPP project was specifically related to the particular service eg water fund is available for a water filtration plant project, domestic waste management fund is available for a waste processing/recycling facility etc.

For the purposes of determining a "significance" threshold for water supply and sewerage projects conducted through PPP arrangements, annual revenue would include the restricted revenue from the relevant fund (where the council is the local utility in the case of water supply or sewerage). Section 504 of the Act prohibits councils from applying ordinary rates to the cost of providing waste management services so, in the case of a domestic waste related PPP project, annual revenue would be limited to the domestic waste related management fund, untied grants, unrestricted fees and charges and income from investments and leases.

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Appendix 5: Treatment of Multi-Council Projects

Where a project proposal involves a number of councils, but the estimated total cost of the project does not exceed \$50 million (or other relevant prescribed amount), the following criteria will be considered or taken into account in assessing the significance of the project in terms of council annual revenue:

1. The project is to be treated as a single project and one joint submission or assessment is to be provided to the Director General.
2. As part of that joint submission, however, each council involved in the project is to provide an assessment in respect of its own part of the project. That assessment should include relevant information and details as to the annual revenue of that council that is lawfully available to it for spending on facilities or services of the kind to which the project relates, as if that project were a project to be carried out by that council alone.
3. If any one council reaches the 25% threshold for its part of the project then the whole project will be considered significant and will be subsequently referred to the Project Review Committee for review.

As for single council projects, the project may be referred to the Project Review Committee for review if the Director General is of the opinion that the project has a high risk.

The following high risk assessment principles will be applied to multi-council projects:

1. Each council involved in the project is to provide a risk profile and assessment for their part of the project;
2. If any one council's risk assessment identifies their part of the proposal as high risk then the whole project will be deemed as high risk and will be required to undergo the review processes of the PRC;

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3. If no single council's part of the project is significant or high risk, then the whole project will be assessed (by the Department on the basis of the information provided) for cumulative risk;
4. If the cumulative risk is identified as being high then the project will be deemed high risk and will need to undergo the review processes of the PRC;
5. If cumulative risk is not high then the councils can develop the proposal to pre-contract stage (in line with the requirements specified in these guidelines) at which stage the approval of the Minister for Local Government under s.358 of the Act should be sought if necessary.

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Appendix 6: Governance & Management Arrangements for PPPs

Management and governance structures: The attached figure shows an example of a project management structure. The actual structure used by a council would need to take into account the specific requirements of the PPP. The appropriate structures and processes will depend on (among other things) the type and complexity of the project and the stakeholders involved.

A Steering Committee: for the development of each specific PPP proposal and the eventual negotiation of contracts. The Steering Committee should be accountable to the council.

The Steering Committee may wish to establish, for its benefit, a number of advisory committees to deal with specialised project issues such as technical/design, financial, legal and economic feasibility matters. Such a committee structure, while recommended for significant projects, is not mandatory.

A probity adviser for the project: This position should be established at the start of the process of project development to ensure its transparency, integrity and accountability. The position should be independent of and external to council. The probity adviser should report to the Steering Committee.

The probity adviser will ensure that all those submitting tenders or expressions of interest are given an equal opportunity, that the bid assessment procedures result in a fair and unbiased consideration of all bids, and that confidential material is duly protected. In general terms, probity means, for the whole project, the adoption and implementation of values of integrity, fairness and honesty. The probity adviser will also address and advise as to conflicts of interest as and when they arise, with the probity process producing accountability of decision making at all levels.

A project manager: with the appropriate expertise and skills to manage the project development phase and to interact with the private sector on operational aspects of any PPP proposal. This position is a council appointment but need not be a council officer. The position is accountable to the Steering Committee and the council.

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A project control group: to be responsible for the timely development and quality performance of the project. The group should manage all aspects of project development including project specifications, financial/economic appraisals and establishing relevant benchmarks. This group may include councillors and/or council staff, contracted external experts and community representatives. The project director would chair this group.

An evaluation panel: to manage the expressions of interest phase of any project through to the selection of a preferred private sector partner. This panel would have the responsibility of assessing EOIs received and making recommendations to the Steering Committee on potential partners in the project. Members of this panel must not have any conflict of interest in the project.

Management Board: for the carriage of the project. The board is a project vehicle with clearly specified responsibilities for the delivery of specified outcomes.

It should comprise representation from the partners involved in the project in proportion to their relative (financial) contribution. Where council's financial inputs are less than that of its private sector partner(s), care should be taken to appropriately protect council's minority interest.

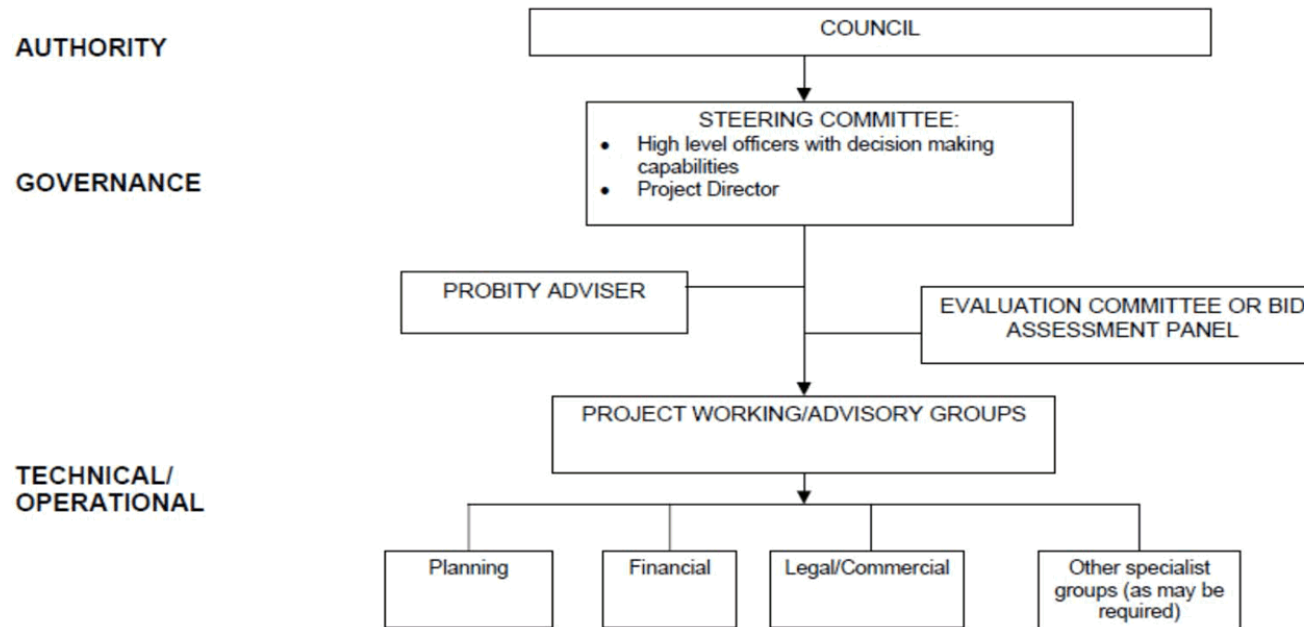
Reporting: mechanisms need to be put into place and implemented to report all aspects of the PPP. Prospective private sector participants need to be made aware of such procedures, and indeed of the general nature of the obligations and responsibilities of the council in respect of the project, particularly where they may be different from those applicable in the private sector.

Resolutions/Delegations: all council decisions must be made by resolution of the council. In limited circumstances, meetings may be closed to members of the public. Any decision by a council in relation to the formation of a PPP may only be made by resolution of the council.

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**Appendix 6 – Figure 1:
ILLUSTRATIVE PROJECT MANAGEMENT STRUCTURE**



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Appendix 7: Risk Elements

Risks associated with the site: if the project involves the development of land or facilities including, but not limited to, control or ownership, environmental issues, acquiring the requisite approvals, heritage or other claims on the site.

Design, construction and commissioning risks: these would normally reflect the risk that the facility or structure is unable to deliver the required outcomes at the cost and in the time frame anticipated in the PPP agreement.

Risks associated with the private sector partner: includes its financial position and its effect on the project, technical capacity to deliver contracted outcomes, ability to manage the operations and delivery of services or outcomes associated with the project and its complexity. Also should include the potential effect of any ownership changes and any probity matters discovered after the execution of the contract and subsequent to any change in ownership or principals.

Financial risks: includes the availability of funds, the conditions attaching to any loans and/or debt, prospects for re-financing the project should it become necessary, taxation matters and interest rates.

Operational risks: issues such as the possible escalation in input costs, projected maintenance/refurbishment costs being adversely affected by design and construction quality, specifications not met for outputs/outcomes, failure (financial or technical) of subcontractors, and products remaining contemporary/competitive in technology terms are matters for consideration in this context.

Market risks: including general economic downturn, the effects of competition or downturn in any market segment the project relies on in any way, demographic issues and their effect on demand for services/facilities to be provided by the project and any inflationary consequences.

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Network/interface risks: issues include the effect of withdrawal or varying (either in provision or price) of a complementary or support network/service, and the interaction between any core service of council/government and contracted services under the agreement.

Industrial relations risk: the possible effects on the project of strikes or other forms of industrial action.

Legislative/government or sovereign risk: to include any risks associated with the approvals process for any development and exposure to changes in law or regulations that may affect the project.

Risks associated with asset ownership: accounting for the possibility/probability of technical obsolescence of any facility or part thereof, losses due to termination of any agreements inherent in the project or of a breach of contract not adequately compensated for financially and the value of any asset transferred to council being less than anticipated.

Force majeure: the risk that the inability to meet contracted outcomes is caused by major external events either pre or post completion.

Chapter 5 of the NSW State Government *Working with Government: Guidelines for Privately Financed Projects* provides a more extensive list of possible risks that may occur in a privately financed project.

Guidelines on the Procedures and Processes to be followed by Local Government in Public-Private Partnerships

Appendix 8: Financing and Borrowing approvals

Where some of the funds are to be borrowed, the council will need to establish an appropriate case for such borrowings, given the need for the council to comply with the provisions of Part 12 of Chapter 15 (see section 621 and following sections) of the Act.

The approval of the Minister for Local Government may be needed under sections 622 and 624 of the Act.

Section 410(3) of the Act will also need to be complied with, and appropriate approvals obtained from the Minister for Local Government, in respect of any internal loans, that is to say the movement of moneys out of a restricted fund, such as a water or sewerage fund.

Where some of the council sourced funds are to be raised by way of increased rates or charges over and above those allowed under the rate pegging provisions of the Act, approval from the Minister for Local Government for a special rate variation will also be needed pursuant to Part 2 of Chapter 15 of the Act.

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Appendix 9: Review Requirements Checklist

Initial Assessment requirements	Y/N
General Manager's certification	
Project description	
Evidence of project's relationship to strategic & management plan	
Reasons PPP is preferred delivery model	
Statement of outcomes/deliverables	
Projected project timeframe	
Estimate of total project costs	
Extent of council contribution to or equity position in project	
Outline of funding sources	
Calculation of 'council annual revenue'	
Risk assessment/management in accordance with AS/NZS 4360:2004	
Proposed management & governance structure for PPP	

Pre EOI requirements	Y/N
Business plan	
Assessment of council's capacity to conduct project	
Probity plan	
Public interest evaluation	
Project plan	
Updated risk management plan	
Evidence of appropriate competitive process (EOI)	

Pre Contract Signing Stage requirements	Y/N
Summary of the EOI process undertaken	
Results of evaluation of bids	
Final project specifications/objectives	
Final management structure for chosen PPP vehicle	
Final risk management plan	
Financial appraisal	
Outline summary of draft contract	

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COUNCIL POLICY

SUMMARY SHEET	
Responsible Division	Property and Recreation
Date adopted by Council	4
Date of previous adoptions	19 February 2007
Date of next review	[List date – Not more than 4 years from adoption] <u>31 August 2020</u>
Legislative or other requirement for review DELETE THIS WHOLE ROW IF NOT APPLICABLE	[List review timeframe and Act, policy or review requirement]
Responsible Manager	[Position title only – Line Manager or above] <u>Manager Property and Recreation</u>
Authorised by	Manager Property and Recreation

ITEM 10

POLICY REVIEW: BANK GUARANTEES FOR SUBDIVISION AND DEVELOPMENT POLICY

The Bank Guarantees for Subdivisions and Development Policy provides guidelines for when Council will consider a bank guarantee for certain incomplete works to be constructed in association with a subdivision or development.

This Policy has been reviewed and updated to clarify Council's requirements.

RECOMMENDATION

- 1 The Bank Guarantees for Subdivision and Development Policy be adopted.
- 2 The adopted Policy be advertised in the local newspaper.

REPORT AUTHORISATIONS

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

ATTACHMENTS

- 1 Bank Guarantees for Subdivisions and Development - Council Policy

BACKGROUND

The current Bank Guarantees for Subdivisions and Development Policy is now due for further Council consideration / review.

PROPOSAL

The Bank Guarantees for Subdivision and Development Policy aims to enable Council to consider a request from an applicant / developer to accept a bank guarantee for certain incomplete public works (eg kerb and guttering, drainage works etc), in order to enable the issue of the Subdivision Certificate or Occupation Certificate, prior to the completion of such works.

The Policy ensures that a bank guarantee is generally 130% of the cost of construction of the incomplete works plus any additional increase due to the timing of the works, as agreed by Council. This will ensure that Council is not disadvantaged should it be necessary for Council to arrange for the works to be carried out.

The cost of construction of the incomplete works to be bonded shall be undertaken by a quantity surveyor or a suitably qualified and experienced civil engineer using a recognised construction cost guide (eg Cordell's e-Costing Guide).

CONSULTATION AND COMMUNICATION

The Policy was reviewed by Council's Development Assessment & Certification management group, including the Development Engineering Manager.

PLANNING AND POLICY IMPACT

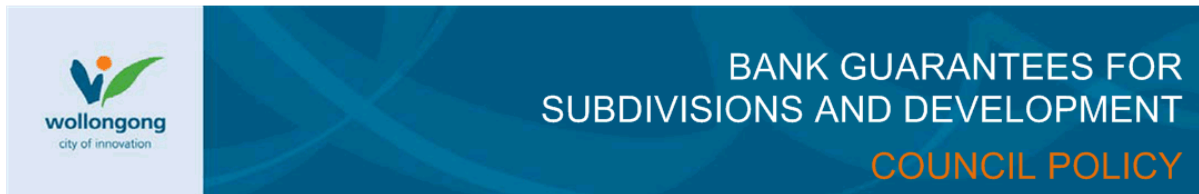
This report contributes to the delivery of Wollongong 2022 goal 1 "We value and protect our environment" through objective 1.6 "The sustainability of our urban environment is improved."

FINANCIAL IMPLICATIONS

The Policy provides that bank guarantees are 130% of the costs of construction of incomplete works plus any additional increase due to the timing of the works, as agreed by Council. This will ensure that Council is not financially disadvantaged in the unlikely event that Council is required to arrange for the works to be completed.

CONCLUSION

The policy provides guidelines for when Council will consider a bank guarantee for certain incomplete works required to be constructed in association with a subdivision or development. The policy is recommended for adoption. If adopted, the policy is recommended to be advertised in the local newspaper highlighting its formal adoption.



ADOPTED BY COUNCIL: [TO BE COMPLETED BY CORP SUPPORT]

BACKGROUND

This policy is known as the Bank Guarantees for Subdivisions and Development Policy.

The Bank Guarantees for Subdivisions and Development Policy replaces the previous Bank Guarantees or Equivalent – Receipt, Retention and Release Management Policy.

The Policy applies to incomplete works that have been conditioned to be constructed as part of a Development Consent and/or Construction Certificate where those works are required to be dedicated to Council and later become Council's asset, when completed.

This policy has been developed in order to enable Council to consider a request from an applicant/developer to accept a bank guarantee for certain incomplete public works (eg road works, kerb and guttering drainage works etc), in order to enable the issue of the Subdivision Certificate or Interim Occupation Certificate, prior to the completion of such works.

The provisions of sub-section 80A(6) of the Environmental Planning and Assessment Act 1979 (EP&A Act) enable a consent authority (Council) to enter into an agreement with an applicant/developer that the applicant/developer must provide security for the payment of the cost of any one or more of the following:

- a Making good any damage caused to any property of the consent authority as a consequence of the doing of anything to which the development consent relates;
- b Completing any public work (such as road work, kerbing and guttering, footway construction, stormwater drainage and environmental controls required in connection with the consent;
- c Remedying any defects in any such public work that arise within six (6) months after the work is completed.

Section 109J(2) of the EP&A Act also enables a consent authority (Council) to issue a subdivision certificate for a subdivision that involves subdivision work where agreement has been reached between the applicant for the certificate and Council, concerning, relevantly, the security to be given by the applicant to Council with respect to the work to be completed, and when it will be completed.

The security is to be provided before the carrying out any work in accordance with the development consent or at such other time as may be agreed to by Council (sub-section 80A(9) of the EP&A Act). In relation to "such other time as may be agreed to by Council", an applicant for a subdivision certificate can make a request to enter into such an agreement at any time (sec 109J(2)(c)).

The security will generally take the form of an unconditional bank guarantee, to the satisfaction of Council. In very limited circumstances, and entirely within its own discretion, Council may consider insurance bonds, issued by companies other than banks.

However, there is no legal basis for Council to require a security (in any form, including a bank guarantee) for works proposed entirely on private land where such works will not be dedicated to Council in the future.

Council has as a matter of practice in its grant of development/building consents and in association with entering contracts, required applicants to lodge a security deposit in the form of a cash bond or a bank guarantee (or equivalent) with Council in order to provide Council with security of performance by those applicants.

All action that is required to be undertaken to bring about lodgement of a bank guarantee or equivalent with Council is the responsibility of the Council Division (including Environment and Health, Development Assessment and Compliance, Subdivision Engineers, Landscaping Officers and/or Contract Supervisors) whose officers have requested the guarantee to be lodged with Council. Those officers are responsible for forwarding the guarantee to Central Records for retention as a legal document on behalf of Council and for administering the release by Council of guarantees when no longer required to be retained by Council.

OBJECTIVE

The main objective of this policy is to provide policy guidelines for when Council will consider the bonding of certain works required to be constructed in association with a development or subdivision.

BANK GUARANTEES FOR SUBDIVISIONS AND DEVELOPMENT

COUNCIL POLICY

POLICY STATEMENT

This policy aims to enable Council to consider a request from an applicant/developer to accept a bank guarantee for certain incomplete public works (eg road works, kerb and guttering drainage works etc), in order to enable the issue of the Subdivision Certificate or Interim Occupation Certificate, prior to the completion of such works.

POLICY REVIEW AND VARIATION

- 1 Council is to have opportunity to review and adopt, at least once during its Term, each Council policy.
- 2 A resolution of Council is required to adopt any variations to this policy, with the exception of minor administrative changes, such as updates to legislative references, which may be endorsed by the Executive Management Committee (EMC). Endorsement of administrative changes made to this policy by EMC does not alter the requirement for it to be reviewed and adopted by each Term of Council.

DRAFT

BANK GUARANTEES FOR SUBDIVISIONS AND DEVELOPMENT

COUNCIL POLICY

STATEMENT OF PROCEDURES

1 Policy Procedures for Accepting a Bank Guarantee and Implementation

Any incomplete works that a developer would like to make the subject of security (bond works) will be subject to a formal request being submitted to Council.

- a A request to Council to bond works shall comprise the following:
 - i A written statement detailing the works to be bonded and a program for the completion of all such works.
 - ii A minimum of two (2) itemised quotations prepared by a civil contractor or quantity surveyor for the completion of outstanding works. In this regard, Council reserves its rights to request or seek additional quotations at its discretion, in order to verify the true costs of construction of the incomplete works.
 - iii Two (2) copies of relevant engineering plans detailing the outstanding works to be bonded.
- b Council may, at its discretion, favourably consider a request to bond incomplete works, where the following criteria have been met:
 - i The works have been substantially completed and do not adversely affect the efficiency and/or operation of the development or a vital element of the development.
 - ii The incomplete works do not present a safety issue that cannot be satisfactorily managed.
 - iii The completion of the incomplete works can be carried out without significant impact on the operation of the development site and/or will not inhibit the commencement of building development on the development site.
 - iv The nature and value of the incomplete works can be accurately estimated and validated.
 - v The developer can retain sufficient control of the site to satisfactorily carry out the incomplete works.
- c If Council agrees that the request to bond works meets the abovementioned criteria, the following requirements shall be met or complied with:
 - i A timeframe and schedule for the carrying out of the bonded works (by the developer) acceptable to Council.
 - ii Suitable security is to be provided to Council to cover the future cost of the work including administrative costs to Council, and increases in construction costs due to the timing of works and contingency costs. For large scale projects, Council may consider the use of a bond ledger with the developer.
 - iii The bank guarantee shall be generally 130% of the costs of construction of the incomplete works plus any additional increase due to the proposed timing of the works, as agreed by Council. This is essential to ensure that Council is not financially disadvantaged should it be necessary for Council to arrange for the works to be carried out.
 - iv The cost of construction of the incomplete works to be bonded shall be undertaken by a quantity surveyor or a suitably qualified and experienced civil engineer/contractor using a recognised construction cost guide (eg Cordell's eCosting Guide).
 - v The security shall not have an expiry date. Bank guarantees are invalid and unenforceable after their termination dates even if the obligation has not been performed or the work is yet to be completed. Therefore, Council will not accept bank guarantees with a termination date.
 - vi The bank guarantee shall only be from a reputable financial institution in which Council agrees in writing to have an acceptable level of risk. To minimise credit risk, Council will only accept bank guarantees from banks or other financial institutions with a minimum long term credit rating of BBB with Standard and Poor's, a minimum long term credit rating of Baa2 with Moody Investor Services or a minimum long term credit rating of BBB with Fitch Ratings. Bank guarantees from banks or other financial institutions with a lower rating will not be accepted.
 - vii In the event that a financial institution relating to an existing bank guarantee is downgraded below BBB, Council may ask that a new bank guarantee be provided from another more highly rated financial institution.
 - viii The bank guarantee shall be unconditional and irrevocable and shall enable the Council to have immediate access to the monies secured by the bank guarantee at any time where the Council is satisfied the owner is in breach of any requirements concerning the completion of the outstanding works.
 - ix The bank guarantee shall not require the approval of the developer (or an agent of the developer) for the release of the monies (secured by the bank agreement) to Council.

BANK GUARANTEES FOR SUBDIVISIONS AND DEVELOPMENT

COUNCIL POLICY

- x Any bank guarantee shall contain the Development Consent reference number and the property description (Lot and Deposited Plan number) details.
- xi Unless Council has agreed to a 'Bond Ledger', where outstanding works are tracked against a single bank guarantee for staged subdivision works, separate bank guarantees are required for separate obligations. Over the course of a project, the level of work may increase. In such circumstances, the original amount of the bank guarantee may no longer be sufficient to fulfil the intended obligation. If the value is insufficient, Council will notify the developer and request an additional bank guarantee for the shortfall.
- xii The lodgement of security or the making of a payment to Council for the completion of works must be the subject of an agreement in writing between the applicant and Council. This shall include statements as to the required completion date and an agreement of Council's absolute right to draw on the security to carry out the works and if required to recover any additional costs incurred in the carrying out of the works.
- xiii Permission for unencumbered access for Council and/or its appointed contractors to enter the site and carry out the uncompleted works (if required).
- xiv The payment of appropriate application fees in accordance with Council's adopted Fees and Charges.
- xv Where any charge, fee, supply of products or services under this policy is subject to a goods and services tax (GST), an amount equal to the GST paid or payable in respect to the charge, fee, supply of products or services, shall be included in the amount of consideration paid or payable under this policy.
- xvi An agreement from the developer to pay all Council fees for all inspections and administration relating to the bonded works and release of the bank guarantee when the works are completed.

2 Council Reserves the Right to Refuse to Accept a Bank Guarantee

- Council reserves its rights to refuse to accept a bank guarantee, based on its own risk assessment.
- Council will also not enter into a bank guarantee for the completion of essential services such as water and sewerage infrastructure or other essential services.

3 Receipt and Retention of Guarantees

- ~~Upon receipt of a guarantee by Council, the Divisional Officer concerned must forward the guarantee to Council's Information Management Unit for retention as a legal document on behalf of Council.~~
- ~~Each guarantee is to remain in the custody of Council's Information Management Unit as a legal document until such time it is requested by the officer of Council who is responsible for authorising the release of the guarantee.~~
- ~~The guarantee together with an accompanying letter (Attachment A) is to be returned to the financial institution which originally issued it.~~
- ~~A copy of Council's letter to the institution is to be forwarded to the person on whose behalf the bank guarantee was lodged with Council to inform that person of the release of the guarantee.~~
- ~~A bank guarantee must be accompanied by a completed M20 form and payment of the required fee as prescribed by the Fees & Charges. The Customer Service Officer shall forward the form and the original guarantee to Council's Information Management Unit for registration, scanning and retention as a legal document on behalf of Council.~~
- ~~Each guarantee is to remain in the custody of Council's Information Management Unit in a legal file until such time it is requested by the officer of Council who is responsible for authorising the release of the guarantee.~~

4 Exchange of Guarantees

- It is possible for bank guarantees (or document) to be exchanged so long as the replacement document is in accordance with Council's Procurements. The replacement bank guarantee must be accompanied by a completed M20 form and payment of the required fee as prescribed by the Fees & Charges. Such exchanges must be sent notified to Council's Information Management Unit for registration, scanning, any amendments to the title of the legal file and retention.

5 Release of Guarantees

BANK GUARANTEES FOR SUBDIVISIONS AND DEVELOPMENT

COUNCIL POLICY

- ~~A completed M20 form and payment of the required fee as prescribed by the Fees & Charges must be provided to allow the release of a guarantee. All documentation associated with the release of a guarantee must be registered and scanned to the relevant legal file.~~
- ~~The original guarantee together with the 06-01 Pathway letter, amended as attached is to be returned to the financial institution which originally issued it.~~
- ~~A copy of Council's letter to the institution is to be forwarded to the person on whose behalf the bank guarantee was lodged with Council to inform that person of the release of the guarantee.~~
- ~~Following withdrawal of a guarantee from Council's Information Management Unit the hard copy legal document file will be cancelled and destroyed and the title of the electronic file amended to reflect the status of the guarantee.~~
- ~~All remaining documentation associated with the receipt, retention and release of a guarantee will be placed for future reference on Council's Records File for that particular property.~~

DRAFT

**BANK GUARANTEES
FOR SUBDIVISIONS AND DEVELOPMENT**

COUNCIL POLICY

ATTACHMENT A

Letter to financial institution which provided the security deposit

Date

Dear Sir/Madam

RELEASE OF SECURITY DEPOSIT FOR (Property)
..... (Contract date)

Attached please find security deposit certificate lodged with Council which is no longer required to be retained by Council.

Yours faithfully

Releasing Officer of Council

cc (person who lodged security deposit)

**BANK GUARANTEES
 FOR SUBDIVISIONS AND DEVELOPMENT**

COUNCIL POLICY

SUMMARY SHEET	
Responsible Division	Development Assessment and Certification
Date adopted by Council	[To be inserted by Corporate Governance]
Date of previous adoptions	14 September 2015, Prior - Management Policy adopted by EMC 8 December 1997 and 23 June 2003
Date of next review	[List date - Not more than 4 years from adoption]
Legislative or other requirement for review DELETE THIS WHOLE ROW IF NOT APPLICABLE	[List review timeframe and Act, policy or review requirement]
Responsible Manager	Special Projects Manager
Authorised by	Manager Development Assessment and Certification

DRAFT

ITEM 11 PROPOSED ROAD CLOSURE AND SALE, PART OF PIONEER DRIVE, WOONONA

This report is submitted to obtain Council approval to close and sell part of Pioneer Drive, Woonona, to the adjoining owner of 5 Pioneer Drive, Bitz Excavations Pty Ltd.

RECOMMENDATION

- 1 Council close and sell part of Pioneer Drive, Woonona, as shown on Attachment 1, due to the encroachment of a boundary fence, owned by the owner of 5 Pioneer Drive, Woonona. The area to be closed and sold measures approximately 106 square metres.
- 2 The owner of 5 Pioneer Drive, Woonona pay Council a rate of \$350 per square metre for the road which amounts to \$37,000 plus GST ie \$350 x 106 square metre. The final purchase price is dependent upon the area in the registered road closure plan.
- 3 The applicant be responsible for all costs associated with the road closure and sale.
- 4 The General Manager and Lord Mayor be authorised to affix the common seal of Council where required to documentation necessary to finalise the closure and sale.
- 5 The General Manager be authorised to sign any documentation necessary to close the road and finalise the sale.

REPORT AUTHORISATIONS

Report of: Peter Coyte, Manager Property and Recreation
Authorised by: Jenny Thompson, Director Community Services - Creative and Innovative City (Acting)

ATTACHMENTS

- 1 Map of area proposed to be sold
- 2 Aerial Map

BACKGROUND

The owner of 5 Pioneer Drive, Woonona, Lot 1 DP809842, has requested Council's consideration to the closure and sale of a small portion of road reserve adjacent to their property in Pioneer Drive Woonona.

This portion of road reserve is considered to be surplus and Council obtained a market valuation report on the section of the encroached road from the registered valuer Walsh and Monaghan. The report determined a rate of \$350 per square metre for the encroached road which equates to \$37,000 plus GST. Bitz Excavations has agreed to the amount and acknowledges that the final sale price will depend upon the area in the registered road closure plan.

The proposed road closure was originally advertised in the Wollongong Advertiser in February 2018 and the various statutory authorities eg Jemena Gas, Endeavour Energy were notified in writing and no objections were received at this point in time.

Since 1 July 2018, due to amendments to the Roads Act 1993, the Minister for Lands no longer has the responsibility for approval of council public road closures. Instead councils now have the authority to approve council public road closures.

Crown Lands has advised Council that road closure applications that were not submitted prior to the change in legislation are required to be re-advertised and in addition repeated referencing to the statutory authorities and adjoining owners is required. This is because the old documents refer to the Minister considering the closure of the road and also refer to the road closure occurring under Section 35 of the Roads Act 1993. This is no longer correct as Council public road closures now fall under Section 38B of the Roads Act 1993 and are approved by councils.

Council re-advertised the proposed road closure in the Wollongong Advertiser on 18 July 2018 and further informed the various statutory authorities and adjoining owners. No objections were received in the second round of consultation,

PROPOSAL

It is proposed to close and sell the encroached section of Pioneer Drive, Woonona, to the adjoining owner of 5 Pioneer Drive, being Bitz Excavations Pty Ltd. A sale price of \$37,000 plus GST has been agreed with the owner which is based on a rate of \$350 per square metre for the road to be closed and sold. The final amount will be determined by the area in the registered road closure plan.

CONSULTATION AND COMMUNICATION

Bitz Excavations Pty Ltd

The general public through an advertisement in the Wollongong “Advertiser” newspaper

Walsh and Monaghan Property Valuers

Council divisions including:

- Development Assessment and Compliance.
- Works and Services.
- Recreation and Natural Resources.
- Floodplain Management.
- Civil Design.
- Strategic Planning.
- Statutory Authorities for eg Endeavour Energy.
- Crown Lands.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of our Wollongong 2028 Goal ‘We have a healthy community in a liveable city’ under the objective ‘The public domain is maintained to a high standard’.

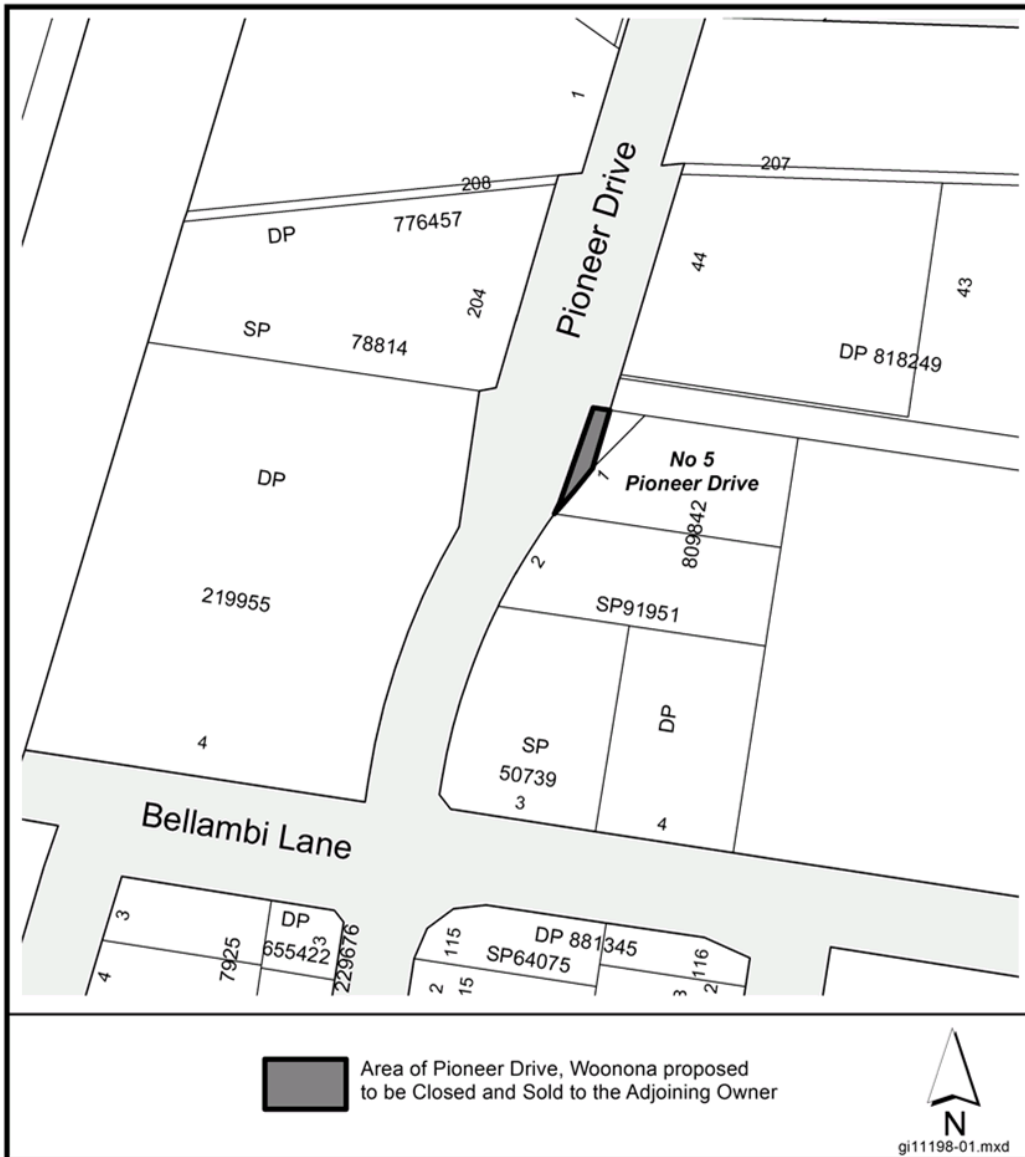
It specifically delivers on core business activities as detailed in the Property Services Service Plan 2018-19, management of Council’s property legislative requirements.

FINANCIAL IMPLICATIONS

The road closure will be at no cost to Council and Council will receive income at the rate of \$350 per square metre for the road, currently estimated at \$37,000 plus GST.

CONCLUSION

This portion of road reserve is considered surplus and the closure and sale of the road reserve will not have any negative impact on Pioneer Drive and it is recommended that Council authorise the closure and sale as outlined in this report.





ITEM 12

PROPOSED ACQUISITION OF PROPOSED LOT 69 IN DEPOSITED PLAN 241188, BEING PART LOT 2 IN DEPOSITED PLAN 36010 PRINCES HIGHWAY, DAPTO

Council on 23 July 2018 resolved to award the tender for the construction of Stages 2 and 3 of the Fowlers Road to Fairwater Drive extension project. As part of this project, acquisition of a number of properties along the Princes Highway in Dapto is required. These acquisitions will allow for widening of the Princes Highway at the new intersection of Fowlers Road and the Princes Highway.

This report seeks Council approval to acquire proposed Lot 69 in Deposited Plan 241188, being Part Lot 2 in Deposited Plan 36010 Princes Highway, Dapto, for road widening purposes.

RECOMMENDATION

- 1 Council acquires proposed Lot 69 in Deposited Plan 241188, being part Lot 2 in Deposited Plan 36010 Princes Highway, Dapto for the purpose of road widening, under the following conditions -
 - a Compensation be paid in the amount of \$92,000 (excluding GST).
 - b Council paying for the cost of road frontage window replacement to increase the acoustic absorption in the amount of \$7,560, as quoted by the owners builder.
 - c Council assumes responsibility for all costs including valuation, transfer, legal, replacement or relocation of fencing, letterbox, signage and water meter, if required.
- 2 Council be responsible for the replacement or relocation of the boundary fencing, landscaping, letterbox, signage and water meter on a like for like basis.
- 3 Upon acquisition being finalised, the land be dedicated as public road pursuant to Section 10 of the *Roads Act 1993*.
- 4 The Lord Mayor and General Manager be granted authority to affix the Common Seal of Council to the transfer documents and any other documentation required to give effect to this resolution.

REPORT AUTHORISATIONS

Report of: Peter Coyte, Manager Property and Recreation

Authorised by: Jenny Thompson, Director Community Services - Creative and Innovative City (Acting)

ATTACHMENTS

- 1 Zoning Plan showing Subject Property

BACKGROUND

Council has had significant involvement in the design and construction of the Fowlers Road to Fairwater Drive extension project for many years. In 2014 Council was successful in receiving grant funding of \$22.5M from the Re-Start NSW Illawarra Infrastructure Fund to assist in the delivery of the project. As part of this major project, a number of property acquisitions are required to allow for the ideal intersection design at the point where the extended road will intersect with the Princes Highway in Dapto. The areas to be acquired have been designated as affected by a road widening plan registered in 1977 which defined numerous properties along the Princes Highway to be acquired for road widening. A report was prepared for the Council meeting of 3 September 2018 recommending the acquisition of part of a neighbouring property for the same project.

The acquisition is pursuant to the requirements of the *Land Acquisition (Just Terms) Compensation Act 1991*. Accordingly, a valuation from local valuation firm, Walsh & Monaghan Valuers was obtained for the purpose of commencing negotiations with the affected landowner. Walsh & Monaghan assessed the compensation pursuant to the principles outlined within S. 55 of the *Land Acquisition (Just Terms) Compensation Act 1991*. The landowner has obtained an independent valuation, also for negotiation

purposes. An in-principle agreement for compensation has been reached with the landowner, based on the assessments, in the amount of \$92,000 which is consistent with valuation advice obtained.

The property is owned and occupied by a remedial massage business with the remedial rooms located in the front section of the building. The widened road will bring traffic considerably closer to the building thereby increasing the noise pollution. The quote for window replacement is for insulated glass which will reduce the impact of the increased traffic noise. Walsh & Monaghan advised that paying for the window replacement is considered reasonable and normal practice in such acquisitions.

In addition to monetary compensation, Council will be responsible for all works associated with the relocation of the boundary fence, landscaping, letter box, signage and water meter as part of the negotiations. Any items to be replaced will be replaced on a like for like basis.

Council, as the acquiring authority, is responsible for all reasonable costs incurred by the landowner as a result of the acquisition, pursuant to the *Land Acquisition (Just Terms) Compensation Act 1991*. This includes legal, valuation, survey, plan lodgement and any other reasonable costs incurred.

PROPOSAL

Council acquire for road widening proposed Lot 69 in Deposited Plan 241188, being Part Lot 2 in Deposited Plan 36010 Princes Highway, Dapto, as shown on the attachment.

CONSULTATION AND COMMUNICATION

Extensive community consultation has taken place in conjunction with the major project of which this acquisition forms part.

The owner of the subject property is agreeable to the offer made within the in-principle negotiations and wishes to proceed.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal "We have affordable and accessible transport".

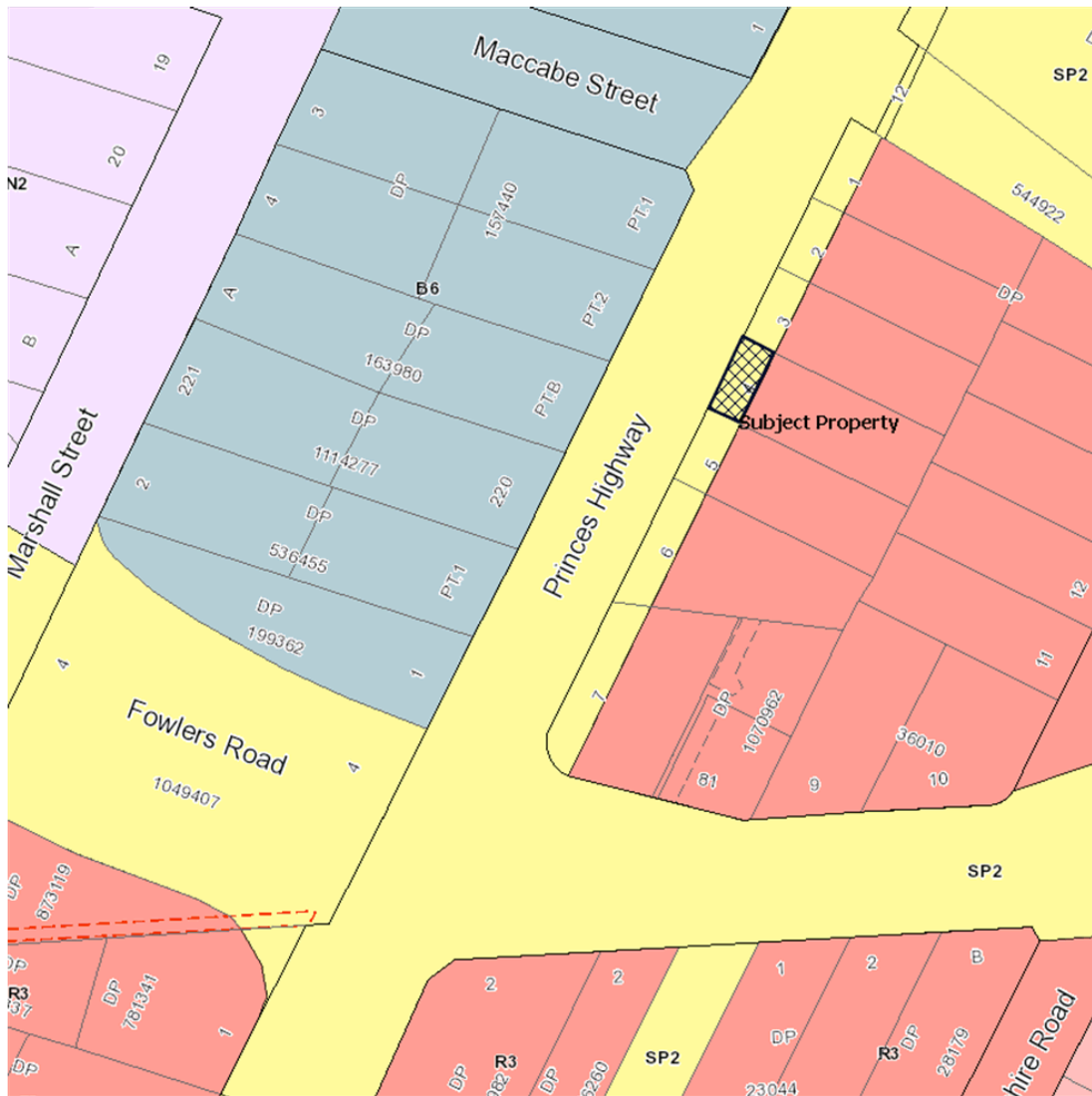
It specifically delivers on core business activities as detailed in the 6.1.4 Integrated communities close to public transport and local services and facilities. Focused around existing train stations, and town and village centres are planned for and encouraged; and 6.1.4.1 Facilitate the integration of public amenities and transport with local communities as outlined within the Service Plan 2018-2019.

FINANCIAL IMPLICATIONS

The funding for all costs associated with the acquisition will be via the 2018-2019 Capital Budget (B281319).

CONCLUSION

As the acquisition of the subject land forms an integral part of the Fowlers Road to Fairwater Drive project, it is recommended Council adopts the recommendation.



ITEM 13 CORPORATE APPLICATIONS - ENTERPRISE RESOURCE PLATFORM

Council has received an unsolicited commercial-in-confidence offer from one of its major enterprise software vendors, TechnologyOne. The proposal offers to Council an expansion of the use of TechnologyOne's enterprise software suite. The offer has been subject to due diligence and detailed assessment, which demonstrates the offer provides significant value to Council, both financial and non-financial.

This report recommends procurement of the TechnologyOne Enterprise Resource Platform under section 55(3)(i) of the Local Government Act 1993.

RECOMMENDATION

- 1 Council receive the report on Corporate Applications – Enterprise Resource Platform.
- 2 In accordance with Section 55(3)(i) of the Local Government Act 1993, Council delegate to the General Manager the authority to negotiate directly with TechnologyOne and enter into a contract with TechnologyOne (subject to appropriate terms and conditions) for the provision of an Enterprise Resource Planning Platform for Wollongong City Council, for the following extenuating circumstances:
 - a lack of other preconfigured local government integrated enterprise resource software-as-a-service solutions;
 - b the benefit of a strategic partnering with TechnologyOne;
 - c leveraging existing system capabilities in the TechnologyOne solution;
 - d the cost and time burden of proceeding to tender to make a similar assessment for an inferior financial outcome.
- 3 Funding for the first three years as outlined in the report be allocated from the Strategic Projects Reserve.

REPORT AUTHORISATIONS

Report of: Clare Phelan, Manager Governance and Information (Acting)
Authorised by: Renee Campbell, Director Corporate Services - Connected and Engaged City

ATTACHMENTS

- 1 Probit Report Walter Partners
- 2 Confidential - Assessment Report (Under Separate Cover)
Attachment 1 to this report is confidential in accordance with Section 10A(2)(d(i)) of the Local Government Act, 1993, as the report contains commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.
- 3 Confidential - Business Case (Under Separate Cover)
Attachment 2 to this report is confidential in accordance with Section 10A(2)(d(i)) of the Local Government Act, 1993, as the report contains commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.

BACKGROUND

Council's Information Management and Technology Strategy 2018 – 2020 has identified a range of high priority business needs to be addressed through appropriate investment in technology. These are:

- Mobility and remote access.
- Asset management systems.
- Customer service systems.

- Use of spatial information and presentation layers.
- Efficient recruitment and self-service functions.
- Documentation and categorisation of information assets.

Desired outcomes of the Strategy include faster performance; improved integration; one customer query system; enhanced mobility; and optimised IMT operating model; and effective systems and IMT-enabled business functions

Council has received an unsolicited commercial-in-confidence offer from one of its major enterprise software vendors, TechnologyOne, that would support Council to achieve its desired IMT Strategy outcomes at an accelerated pace. The proposal offers to Council an expansion of our use of TechnologyOne's enterprise software suite. The commercial-in-confidence offer is valid until 27 September 2018.

The project involves the implementation of an integrated, mobile-enabled enterprise wide solution, preconfigured to support proven local government practice, and delivered via a robust software-as-a-service (SaaS) model.

The key objectives of the project are achievement of:

- A fully integrated SaaS system for Council's core enterprise applications, providing a platform for automated and streamlined proven business process.
- An online customer platform that encourages and facilitates self-service from one fully integrated source (internal and external users).
- A consistent user interface for staff and customers.
- A contemporary system with regular updates and enhanced functionality at reduced effort;
- A single source of truth for Council data.
- An enhanced security of applications and information.
- A reliable anywhere, anytime, any device access to information and business processes;
- A facilitated implementation of strategic asset management based on proven practice and sophisticated end-to-end processes.
- A suite of business intelligence tools to support management, reporting, and analysis of Council's information assets.
- A strategic partnering with a vendor committed to local government industry with a future development roadmap that reflects continuous innovation and product evolution in line with or ahead of industry demand.

Achievement of these objectives is premised upon resources being available and capable to meet agreed implementation timeframes; the OneCouncil pre-configured solution being used as the base-line process unless a business case to deviate is accepted; and "Cloud first, TechnologyOne first" being the organisational approach to information management and technology (IMT) investment in corporate applications.

The offer has been subject to due diligence and detailed assessment, encompassing:

- Business case development examining strategic alignment, value for money, risk, long term financial considerations, scope and constraints, and alternative investment analysis.
- Assessment against outcome focused functional specifications.
- Assessment against the criteria in the [then] draft Unsolicited Proposals Policy.

The Due Diligence project has been guided by Council's [then] draft Unsolicited Proposals Policy. In accordance with this, a Probity (Governance) Plan was prepared, and an external Probity Advisor appointed.

The Probity Plan established the governance arrangements surrounding the assessment of the offer received by Council. This includes guiding probity principles; key roles and responsibilities; the key milestones for assessment and approval gateways; and reporting requirements.

The report of the Probity Advisor is included as Attachment 1 to this report. The report confirms the process for assessment of the proposal was conducted with due diligence and probity, and consistent with commonly adopted procedures to assess such offers.

Functional and Technical Assessment

A set of functional specifications were developed, covering core requirements intended to be applicable across all modules, and high level outcome-focused business requirements across each of the OneCouncil modules. Where Council had recently developed specifications for particular business requirements (e.g. Spatial, Human Capital Management), these formed part of the functional specifications for TechnologyOne OneCouncil, and thus go to a greater level of detail compared to other modules.

On the whole, the solution is able to satisfactorily address Council's core business functions using proven industry process across:

- Enterprise reporting, business intelligence, and process automation.
- Financials (existing TechnologyOne).
- Corporate Planning & Performance (existing TechnologyOne).
- Customer Service.
- Property & Rating.
- Human Resources & Payroll.
- Procurement (existing TechnologyOne).
- Document Management.
- Spatial.
- Asset Management.

Officers have a high level of confidence regarding the solution's ability to support our business needs at an outcomes level. The associated project team have gathered information from a range of reference sites at various stages of use or implementation, including Moreton Bay Regional Council, Toowoomba Regional Council; Inner West Council; Lockyer Valley Regional Council; Noosa Shire Council; and Shoalhaven City Council.

Officers are satisfied based on responses to the functional specifications, user feedback, product demonstrations, the solution design document, and reference site visits that the product is capable of meeting Council's overall business requirements.

It is acknowledged that some business functions are not yet able to be delivered by the OneCouncil solution, for example, management of business papers and minutes, succession planning, facilities bookings. Most of the existing gaps are proposed to be addressed in the product roadmap with scheduled releases for mid-2019 or end-2019. The proposal includes a catalogue of products for modules currently under development and expected to be delivered in the next 12–24 months. These will be available to Council as optional modules at a fixed price for a 24-month period. Upon release, Council will have the option to purchase at the price in the catalogue. Each of these elements would be subject to a business case demonstrating the relative merit of procuring. Where those functions are supported by an existing application (for example Council Business Paper management), these would continue in use until such time as the TechnologyOne module is released, and associated business case endorsed.

Technical specifications were developed by officers, and put to TechnologyOne for response. This covered issues such as user access; service levels; user interface; standard operating environment; mobility; network environment; availability, redundancy, and data protection; security, confidentiality, and privacy; and integration. All specifications have been satisfactorily addressed.

Assessment against Unsolicited Proposals Policy Criteria

As part of the assessment process, TechnologyOne were asked to demonstrate how they, and their offer, satisfy the criteria set out in the [then] draft Unsolicited Proposals Policy. TechnologyOne have addressed each of the criteria (where applicable to the proponent) contained in the draft Policy. These have been examined by the project team and tested with reference sites, own product knowledge and experience, product demonstrations, and market research. Responses are summarised below.

Uniqueness

TechnologyOne have addressed the uniqueness of their proposition at length. Their uniqueness is built around 5 pillars:

- *Enterprise vision* – a single integrated enterprise solution, built on a single platform, with a consistent look and feel. Developed specifically for local government and underpins day-to-day operations and the specific strategic requirements of councils. It offers a single source of truth. Single view of value, condition and location of assets allowing Council to make tactical and strategic plans, taking funding constraints, asset condition and service level requirements into consideration.
- *Market focus and commitment* – deep understanding of the local government industry, delivery of integrated, preconfigured solutions built upon proven practice, and streamlined implementations to reduce time, cost, and risk.
- *The power of one* – TechnologyOne is the only vendor offering a complete enterprise solution, delivered as a service (SaaS). They do not use implementation partners or value-added resellers.
- *The power of evolution* – substantial investment into research and development each year. Strong customer community with direct input into future solutions - 30% of latest release enhancements and new features were the result of customer feedback.
- *Simplicity not complexity* – easy to use solutions, that deliver a consistent look and feel for the user; end-to-end SaaS solution facilitates a mobile workforce. Able to be scaled as and when needed.
- A market assessment has been undertaken of TechnologyOne's primary competitors, which indicates that Technology One are currently offering a unique Software-as-a-Service model that provides the broadest range of functions via a consistent, integrated and mobile platform, managed through a single vendor and supported by industry specific research and development commitments.
- The influence of the customer community (the power of evolution) was a consistently supported theme by reference site councils.

Value for Money

The value for money assessment has been comprehensively assessed by Council officers, and is a key component of the Business Case which considers value, risk, strategic alignment, financial and non-financial benefits, and alternative investment paths. The Business Case demonstrates the project offers a strong value proposition for Council.

Whole of Council Impact

The offer put to Council is for a local government specific enterprise resource platform, which will support a broad range of business functions required by all parts of Council, plus external stakeholders such as community members and suppliers. It is aligned to the priorities of Council's recently adopted IMT Strategy.

The solution includes integrated modules for financial management; property and revenue management; procurement, inventory, and contracts; human resource management; capital planning and delivery;

asset and work management; customer and community management; policy and compliance management; document and records management; and corporate strategy and planning.

In order to successfully achieve the objectives of the project, a significant change management program encompassing user awareness and training, and strong leadership will be required.

Return on Investment

TechnologyOne is a publicly listed organisation, and is accountable to its shareholders for delivering an adequate return on investment through its business decisions.

However, being a publicly listed company does provide its customers a level of transparency and insight into its operations, together a level of assurance arising from the need to adhere to corporate governance requirements and statutory regulations.

Further, as part of the assessment process, and following a recommendation from the Corporate Governance Committee, Council commissioned an independent financial assessment of TechnologyOne. This was undertaken by Kingsway Financial Assessments. No material matters of concern were identified.

Given the proponent's status as an ASX listed company with a history of ongoing commercial arrangements with councils and other entities around Australia, officers are content the return on investment (to the proponent) is proportionate to its risks and industry standards.

Capacity and Capability

TechnologyOne has demonstrated capacity and capability, with over 30 years' experience providing technology solutions to the local government industry.

They are Australia's largest enterprise software solution provider, and operate in only eight key markets: local government, government, education, health and community services, financial services, asset intensive industries, project intensive industries and corporates. They have approximately 1,000 clients running their software solutions.

TechnologyOne has a robust Solution Implementation Methodology, which articulates approach, roles and deliverables.

On average, approximately 20% of TechnologyOne's revenue is invested in research and development to ensure that the products remain up to date in terms of functionality and in the use of the latest commercially viable technology.

TechnologyOne is independently certified to both ISO 9001 and AS 3563.1 quality management systems.

Affordability

A price for implementation services and annual SaaS fees has been put to Council by TechnologyOne. The affordability of the proposal has been assessed by Council officers as part of the Business Case development. The project is not reliant on additional government funding. As set out in the financial implications section below, while there is a net savings over the life of the project, there is a required investment in implementation costs and duplication of services over the first three years of \$2.5M, \$1.8M and \$1.9M respectively (\$6.2M over 3 years).

Risk Allocation

Successful delivery of the project objectives is reliant on all parties making available resources with appropriate capacity and capability. To this extent, both parties bear a portion of risk. Penalty and termination clauses are included in the draft contract, which has been developed using expert legal advice.

PROPOSAL

Assessment of existing product capabilities of other local government enterprise resource platform vendors has been undertaken informed by a combination of in-house knowledge, product demonstrations, and discussions with these vendors including future roadmaps. The conclusion drawn from this research indicates that Technology One are currently offering a unique Software-as-a-Service model that provides the broadest range of functions via a consistent, integrated and mobile platform, managed through a single vendor and supported by industry specific research and development commitments.

Based upon the outcomes of the comprehensive assessment of the offer from TechnologyOne, it is proposed Council progress to procurement of the OneCouncil software-as-a-service solution in accordance with Section 55(3)(i) of the Local Government Act 1993. A satisfactory result would not be achieved by inviting tenders, because of extenuating circumstances. Those circumstances being:

- 1 Lack of other pre-configured local government integrated enterprise resource SaaS solutions;
- 2 The benefit of a strategic partnering with TechnologyOne;
- 3 Leveraging existing system capabilities in the TechnologyOne solution;
- 4 The cost and time burden of proceeding to tender to make a similar assessment for an inferior financial outcome.

CONSULTATION AND COMMUNICATION

The offer provided to Council by TechnologyOne is commercial-in-confidence. Council has entered into a Memorandum of Agreement and Non-Disclosure Agreement with TechnologyOne that covers a range of principles, including confidentiality.

The proposal and its subsequent assessment has engaged a broad range of stakeholders, including:

- Executive Management Committee.
- Business Solutions Steering Committee.
- Senior Management.
- Information Communication & Technology team.
- System administrators.
- Key users across all product suites.
- IM Technical Advisory Group.

Methods of engagement have included product demonstrations (onsite and remotely); survey feedback; review of the OneCouncil Solution Design Document; reference site visits; review of proponent responses to functional and technical specifications, and feedback arising from demonstrations.

The approach to probity and due diligence, and/or the outcomes of the assessment have been referred to the following groups at points through the process:

- Corporate Governance Committee.
- Audit Committee.
- Councillors.

As part of validating observations from demonstrations, assumptions in the business case, and product and proponent capabilities, the project team have engaged with a number of external stakeholders, including:

- Other local government client sites.
- Other software vendors.

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 the following:

Community Strategic Plan	Delivery Program 2018-2021	Operational Plan 2018-19
Strategy	3 Year Action	Operational Plan Actions
4.3.1 Positive leadership and governance, values and culture are built upon	4.3.1.1 Ensure appropriate strategies and systems are in place that support good governance	Deploy the Information Management and Technology Strategy

The offer provides clear strategic alignment to Council’s recently adopted Information Management & Technology Strategy, specifically around:

- Prioritised business needs for mobility and remote access; asset management systems; customer service systems; use of spatial information and presentation layers; efficient recruitment and self-service functions; documentation and categorisation of information assets.
- Faster performance.
- Improved integration.
- One customer query system.
- Mobility.
- Optimised IMT operating model.
- Effective systems and IMT-enabled business functions.

At a broader strategic level, there are trade-offs between a “best of breed” approach to IMT versus an “enterprise resource platform” approach. Best of breed applications may be more functionally rich, but present greater challenges with respect to integration, data duplication, and user interfaces. Integrated enterprise resource platforms seek to address those issues, but may not offer the same richness in niche functionality. Council has taken a best of breed approach for more than the last decade. However, as clearly demonstrated in the new IMT Strategy, Council is not currently meeting business needs, nor exploiting the advantages of best of breed functionality.

Council’s *Formal Quotation and Tendering Procedures* (Management Policy) require a formal tender process to be undertaken where the value of a purchase is expected to be greater than \$150,000 (including GST). The Policy also states a tender process is not required where any of the exemptions set out in section 55 of the Local Government Act 1993 apply.

Section 55(3)(i) of the Act applies to this procurement, being that a satisfactory result would not be achieved by inviting tenders, because of extenuating circumstances. Those circumstances being:

- 1 Lack of other pre-configured local government integrated enterprise resource SaaS solutions;
- 2 The benefit of a strategic partnering with TechnologyOne;
- 3 Leveraging existing system capabilities in the TechnologyOne solution;
- 4 The cost and time burden of proceeding to tender to make a similar assessment for an inferior financial outcome.

Note, Council’s [then] draft Unsolicited Proposals Policy has been used as a guiding instrument in undertaken the assessment of the offer. Management did not determine this offer as an Unsolicited Proposal as envisaged by the draft policy. However, in the absence of any detailed guidance from the Office of Local Government on the tender exemption provisions in the Local Government Act, the draft Unsolicited Proposals Policy provided a sound framework against which to conduct assessment of the offer.

RISK ASSESSMENT

A comprehensive examination of risk has been undertaken as part of the business case development. Key risks have been identified, and proposed controls considered. Significant risks include TechnologyOne as Council's sole supplier for all core components of the corporate applications suite; utilisation of a software-as-a-service model; security of and access to data; privacy and intellectual property concerns; reliability of estimates for costs and benefits given they have arisen from high level assessment; availability of appropriate consulting resources from vendor to implement in the timeframes required in order to recognise value; internal skill set and resources to embrace and implement major change; trade-off between enterprise resource platform vs best-of-breed approach; potential decline in service levels across change period; and ability to harvest benefits delivered by the project.

There has been recent publicity associated with unsuccessful implementations of TechnologyOne products at some other councils. To the best of the report author's knowledge, there have been a range of contributing factors that are reflective of the specific risks outlined above. It is important to note that these risks are not specific to the proponent and their product, but common challenges associated with any large scale change or implementation of software.

Officers have been negotiating acceptable legal terms and conditions with TechnologyOne that seek to eliminate or mitigate the risks outlined above. This includes provisions to address considerations such as:

- Ownership of data.
- Ownership of intellectual property.
- Business continuity.
- Location of the application and data in Australia.
- Offshoring restrictions.
- Independent assurance and certification requirements.
- Term extensions and renewals.
- Incident management service levels.

Council has engaged specialist legal advice for this process. The draft contract will be based upon the NSW State Government's Procure IT contract. This process is continuing in accordance with established timeframes, however there are a number of unresolved points of difference at the time of report preparation. Should a satisfactory outcome via terms and conditions be unable to be achieved by the offer expiration date of 27 September, further direction may need to be sought.

FINANCIAL IMPLICATIONS

The Business Case for the TechnologyOne offer includes a financial analysis that provides a substantial positive Net Present Value (NPV) over 10 years indicating an operational benefit from the investment. The positive business case analysis is inclusive of improvements in the licensing costs of applications; savings in moving to SaaS environment reducing the cost of ICT infrastructure and support to processes; and substantial operational improvements based on a high level assessment of tasks.

The operational improvements that form part of the business case analysis are partly based on estimated time savings in specific and reasonably identifiable tasks. These efficiencies will predominately be made in small but regular tasks actioned by a large number of employees over a period of time. This type of efficiency is not generally able to be immediately realised ('harvested') from a budget perspective. The budget analysis and financial proposal included below does not include those efficiencies that cannot easily be realised, and is by nature conservative to reduce the risk in delivery.

There are other improvements that will be made through the proposal that have not been quantified in the analysis including:

- The value of new applications and functionality (such as Strategic Asset Management, Contracts Management, and Human Resources Management).
- The value of an online self-service customer platform from one source.
- The value of internal access to additional, integrated, single source information.
- The potential improvements and return from reviewing hundreds of processes against proven and robust industry methodology throughout implementation.
- The value of a web based architecture that allows access from anywhere, anytime, on any device.
- The continual improvement expected through partnership with the proponent.
- Inbuilt business continuity through a multichannel SaaS environment.

These benefits, that are included with the proposal, are important aspects of the acquisition that add value that may otherwise have required separate purchase in the future. While they have not been directly included in the budget analysis they do represent the types of activity that Council would normally invest in through IMT initiatives funding over time.

The proposed transition to an integrated, mobile-enabled, enterprise-wide solution with preconfigured local government processes, delivered through a SaaS model will require substantial investment in time and financial resources over the first three years. This investment will be in addition to running business-as-usual through existing applications and, by necessity, will require duplication for a period of time. The business case analysis, and the budget analysis following, includes the funding of this duplication during transition. This provides a holistic budget impact assessment of the overall investment to move to the new environment with updated applications and functionality into the future.

The table below provides a summary of the budget estimates over a ten-year assessment period.

Cost Categories	Net Budget Implications - T1 SaaS Implementation										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total (\$)
Total Project Budget	\$ 2,480,101	\$ 1,810,178	\$ 1,879,890	\$ (1,162,509)	\$ (1,228,447)	\$ (1,294,413)	\$ (1,363,963)	\$ (1,192,888)	\$ (1,228,674)	\$ (1,265,534)	\$ (2,566,259)
Other Budgeted Re-allocation											
Contingency	\$ 690,000	\$ 374,000	\$ 336,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,400,000
Other Budgeted Re-allocation	\$ (690,000)	\$ (374,000)	\$ (309,000)	\$ (314,000)	\$ (320,000)	\$ (326,000)	\$ (331,000)	\$ (340,930)	\$ (351,158)	\$ (361,693)	\$ (2,664,000)
Total Budget Variation	\$2,480,101	\$ 1,810,178	\$ 1,906,890	\$ (1,476,509)	\$ (1,548,447)	\$ (1,620,413)	\$ (1,694,963)	\$ (1,533,818)	\$ (1,579,832)	\$ (1,627,227)	\$ (3,830,259)

The estimates above show a Total Project Budget improvement of \$2.6M over the ten-year assessment period.

In addition, it is proposed that \$2.66M of existing funding for IMT Initiatives be reallocated to this project as the demand for additional investments is offset by functionality that will be made available through the proposal.

A contingency of \$1.4M from the existing IMT Initiatives allocations is included in the proposal during the three-year implementation process. It is considered that while estimated implementation costs have been developed based on established TechnologyOne processes, a substantial project timing risk remains. This risk is identified through the business case and requires an appropriate level of flexibility due to the high level of potential change to business processes.

Inclusive of the contingency it is expected that there will be a positive \$3.8M Total Budget Variation over the ten-year period from the investment and reallocation of existing IMT initiatives.

While there is a net savings over the life of the project, there is a required investment in implementation costs and duplication of services over the first three years of \$2.5M, \$1.8M and \$1.9M respectively (\$6.2M over 3 years).

Following the initial investment period, it is anticipated that the annual operating cost of the proposed solution plus a reduction in existing funding levels for IT initiatives will provide a positive impact on budget around \$1.5M to \$1.6M per annum.

The application of improved operational capacity or savings created by the project from year four of around \$1.5M is proposed to be further considered through the Strategic Planning Process to determine priority.

Based on the analysis above it is anticipated that the total investment will be repaid within the 7 years. While seven years may initially be considered a substantial period, Council's existing core ICT applications, that were initially based on five-year contracts, have been in operation for much longer periods. Council's existing financial, land information, and human resource systems have been in operation for over 15 years (with planned upgrades) while the asset system was implemented 10 years ago.

The financial assessments are based on the assumptions underlying the business case including acceptance of the project timeline for delivery, implementation of preconfigured process within the One Council suite and capability to work within the requirements of the Solution Implementation Methodology. Delivery of the financial outcomes estimated from this project will require appropriate project control and risk mitigation.

CONCLUSION

A robust and thorough due diligence process (given the necessary time constraints) has been applied to assessment of the unsolicited offer put to Council by TechnologyOne.

The assessment demonstrates on balance, a significant positive return to Council across a range of financial, non-financial, and strategic considerations. There are acknowledged disadvantages or trade-offs, and a range of risks associated with progression of the proposal, which would need to be carefully managed. It is recommended Council approve the procurement of the OneCouncil solution from TechnologyOne, subject to appropriate terms and conditions, utilising the provisions of Section 55(3)(i) of the Local Government Act 1993.

WALTER PARTNERS

11 September 2018

Mr Jeff Reilly
General Counsel
Wollongong City Council
Locked Bag 8821
Wollongong DC
NSW 2500

Dear Mr Reilly

**RE: UNSOLICITED PROPOSAL FROM TECHNOLOGYONE TO
PROVIDE AN ENTERPRISE SOFTWARE SUITE (ONECOUNCIL) AT A
PRICE BELOW THEIR NORMAL COMMERCIAL TERMS**

Walter Partners were asked to closely monitor the assessment of the proposal and form a view as to whether the process was completed with due diligence and probity and to confirm that the process was consistent with commonly adopted procedures to assess such offers. In brief, I am happy to confirm that such is the case.

In conducting my probity review of the process I attended a meeting of the Corporate Governance Committee as it considered the proposal and reviewed the following documents:

1. Probity (Governance) Plan
2. Report to Business Solutions Steering Committee
3. Report to Audit Committee
4. Report to Executive Management Committee
5. Addendum to Executive Management Committee
6. Business Case
7. Response to Functional Specifications and User Feedback
8. Response to Technical Specification
9. Financial Assessment
10. Market Assessment
11. Response to draft Unsolicited Proposals Policy criteria
12. TechnologyOne Proposal including Attachments A-G
13. NSW Government Guide for submission and assessment of Unsolicited Proposals – August 2017 (NSW Guide)

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[PROBITY ADVICE](#)

[PROBITY AUDIT](#)

[EXTERNAL AUDIT](#)

[INTERNAL AUDIT](#)

[FINANCIAL REPORTING](#)

[PROCUREMENT ADVICE](#)

[ACTIVITY AND BASELINE COSTING](#)

[ACCOUNTING SOLUTIONS](#)

[VIABILITY REVIEWS](#)

[RISK MANAGEMENT](#)

I have closely examined the Report to Probity Advisor by Clare Phelan, Manager Governance and Information dated 7 September (copy attached). It carefully and properly articulates and reports on the process and its outcomes. It is entirely consistent with my own observations and findings.

Council determined to conduct the process in a manner guided by its draft Unsolicited Proposals Policy. I have carefully considered that Policy and the NSW Guide. The two are entirely consistent including the assessment criteria which are virtually identical.

There are seven assessment criteria specified in the Unsolicited Proposals Policy. Six of the criteria are adequately addressed in the various documentation numbered 1 to 12 above. The seventh is "Return on Investment – Is the proposed Return on Investment to the proponent proportional to the proponent's risks and industry standards?" I understand from our telephone conversation earlier today that a view in the positive has been formed within Council concerning this criterion and that it will be documented and submitted to Council along with other relevant documentation at its meeting of 24 September 2018.

I conclude that the process was conducted in accordance with that the Unsolicited Proposals Policy (including assessment against the criteria contained therein) and the Probity (Governance) Plan and thus in a manner consistent with numerous assessments of unsolicited proposals at the State Government level.

Yours sincerely



Len Withers
Executive Director

ITEM 14 TENDER T18/16 BAIRD PARK TOILET REPLACEMENT AT STANWELL PARK

This report recommends acceptance of a tender for the installation of a new amenities block and associated works at Baird Park, Stanwell Park in accordance with the requirements of the Local Government Act 1993 and the Local Government (General) Regulation 2005.

The existing public amenities at Baird Park are in a poor condition, are non-compliant with current disabled standards and no longer meet community expectation.

RECOMMENDATION

- 1 In accordance with clause 178(1)(a) of the Local Government (General) Regulation 2005, Council accept the tender of Davone Constructions Pty Ltd for the Baird Park Toilet Replacement, in the sum of \$172,570.00, excluding GST.
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

REPORT AUTHORISATIONS

Report of: Glenn Whittaker, Manager Project Delivery

Authorised by: Greg Doyle, Director Infrastructure and Works - Connectivity Assets and Liveable City

ATTACHMENTS

- 1 Location Plan

BACKGROUND

The existing public amenities at Baird Park, Stanwell Park are in a poor condition and no longer meet community expectation. The facilities are not fit for purpose or Disability Discrimination Act (DDA) compliant. The existing male and female amenities building is to be demolished and replaced with two unisex automated DDA compliant amenities. The new amenity will be situated on the same level of the existing carpark to accommodate a level path of travel from the carpark to the new amenity with no steps and minimum ramps. Dedicated DDA car parking is also proposed adjacent to the relocated amenity.

The scope of work for this tender includes:

- Construction of footings.
- Adjustment and connection of services.
- Installation of a twin unisex automated DDA compliant amenity unit which has been procured separately by Council.
- Associated minor civil works including demolition of the existing structure after installation is complete.

Tenders were invited for this project by the open tender method with a close of tenders of 10.00 am on Thursday, 23 August 2018.

Five tenders were received by the close of tenders and all tenders have been scrutinised and assessed by a Tender Assessment Panel constituted in accordance with Council's Procurement Policies and Procedures and comprising representatives of the Project Delivery, Finance, Infrastructure Strategy and Planning and Governance and Information Divisions.

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

Mandatory Criteria

- 1 Satisfactory references from referees for previous projects of similar size and scope

Assessable Criteria

- 1 Cost to Council – 45%
- 2 Appreciation of scope of works and construction methodology – 10%
- 3 Experience and satisfactory performance in undertaking projects of a similar size, scope and risk profile – 15%
- 4 Staff qualifications and experience – 5%
- 5 Project Schedule – 10%
- 6 Demonstrated strengthening of local economic capacity – 5%
- 7 Workplace Health and Safety Management System – 5%
- 8 Environmental Management Policies and Procedures – 5%

The mandatory assessment criteria have been met by the recommended tenderer.

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

TABLE 1 – SUMMARY OF TENDER ASSESSMENT

Name of Tenderer	Ranking
Davone Constructions Pty Ltd	1
Batmac Constructions Pty Ltd	2
Joss Facility Management	3
Expansive Group Pty Ltd	4
Programmed Industrial Maintenance	NON CONFORMING

PROPOSAL

Council should authorise the engagement of Davone Constructions Pty Ltd to carry out the works in accordance with the scope of works and technical specifications developed for the project.

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

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

CONSULTATION AND COMMUNICATION

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

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal 5 “We are a healthy community in a liveable city”. It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2018-2021	Operational Plan 2018-19
Strategy	3 Year Action	Operational Plan Actions
5.5.1 Public facilities in key locations and transport routes are maintained and clean, accessible and inviting to our community and visitors	5.5.1.1 Well maintained assets are provided that meet the needs of the current and future communities	Undertake high priority works, as per open space works schedule to strengthen connections and people movement

RISK ASSESSMENT

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

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

FINANCIAL IMPLICATIONS

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

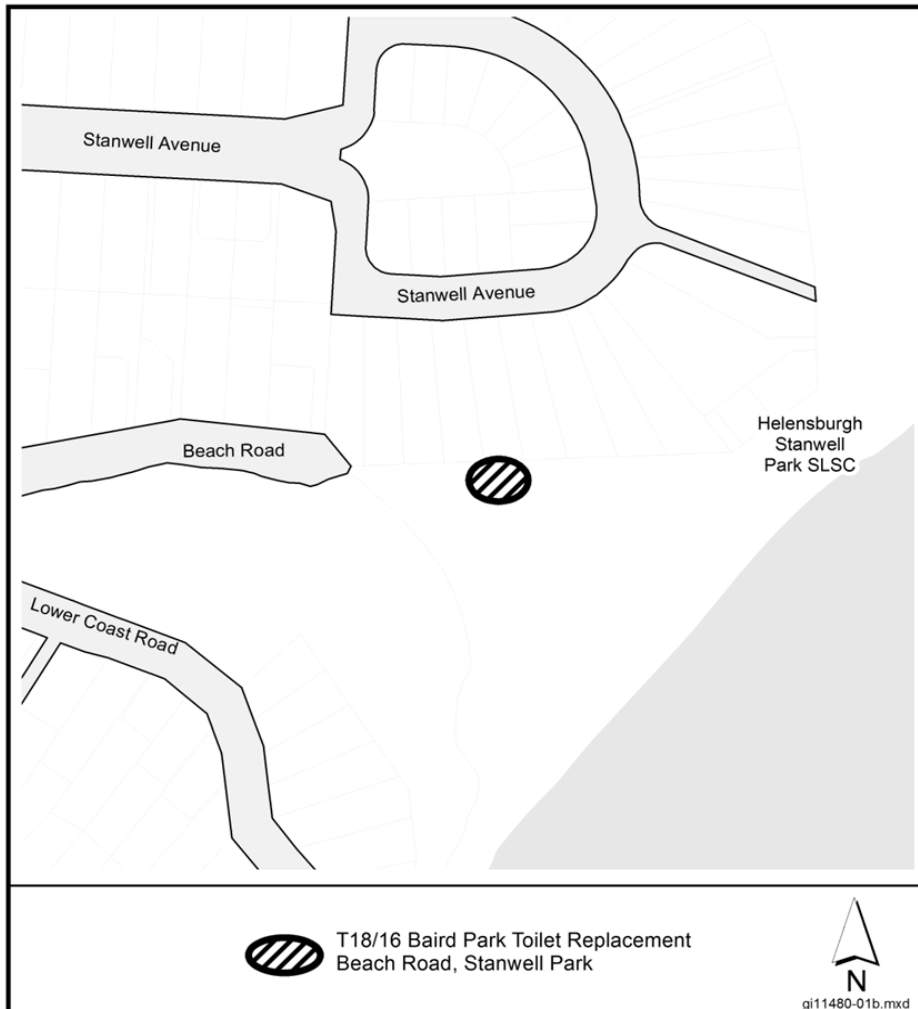
2018/19 Capital Budget

CONCLUSION

Davone Constructions Pty Ltd has submitted an acceptable tender for this project and Council should endorse the recommendations of this report.



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ITEM 15

TENDER T18/24 LICENCE TO OPERATE RUSSELL VALE GOLF COURSE PRO-SHOP AND ACT AS THE GOLF PROFESSIONAL AS PER THE PROFESSIONAL SERVICES CONTRACT

This report recommends acceptance of a tender by Beswick Golf Pty Ltd for the licence to operate the Russell Vale Golf Course Pro-Shop and act as the golf professional as per the Licence Agreement and Professional Services Contract in accordance with the requirements of the Local Government Act 1993 and the Local Government (General) Regulation 2005.

Council sought tenders for a licensee to operate the pro-shop, provide the professional services of a golf professional and cash collection of green fees on behalf of Council. The current Licence and Services Agreement expired on 28 February 2017 and a new licence and services agreement is proposed for a five year term.

RECOMMENDATION

- 1 In accordance with clause 178(1)(a) of the Local Government (General) Regulation 2005, Council accept the tender of Beswick Golf Pty Ltd for the licence to operate the Russell Vale Golf Course Pro-shop and act as the golf professional, in the sum of \$18,000 (excluding GST) rental for the Pro-Shop.
- 2 Council delegates to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grants authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

REPORT AUTHORISATIONS

Report of: Peter Coyte, Manager Property and Recreation
Authorised by: Jenny Thompson, Director Community Services - Creative and Innovative City (Acting)

ATTACHMENTS

There are no attachments for this report

BACKGROUND

The licence to operate the Russell Vale Golf Course Pro-shop incorporates the services of a golf professional to provide golf tuition and undertake cash collection and receipting. These services are provided from sunrise to dusk seven days per week. To ensure that Council is receiving the best value for money in providing these services, the licence and professional services agreement were put out to public tender.

Council will pay the licensee by monthly instalments a fee equal to 5% of green fees collected by the licensee during the term and an annual retainer of \$25,000 (GST inclusive). The retainer will be adjusted at the expiration of each 12 month period by multiplying the sum of \$25,000 by the Consumer Price Index (CPI).

With the community's reliance on cash steadily diminishing, static or web and app based payment developments such as the use of smart card technology systems are increasing. To allow Council to keep pace with changing technology and demands from customers for alternatives to traditional methods of payment, Council included the requirement that the successful applicant supply and install Point of Sale hardware and software (approved by Council) for cash collection to enable dynamic pricing (demand based pricing) to be implemented by 1 July 2019.

Tenders were invited for this Licence and Professional Services Agreement by the open tender method with a close of tenders at 10 am on Thursday, 26 July 2018. Advertisements were also placed in an industry golfing magazine, The Advertiser, Illawarra Mercury and the Sydney Morning Herald.

Two tenders were received by the close of tenders. All tenders have been scrutinised and assessed by a Tender Assessment Panel constituted in accordance with Council’s Procurement Policies and Procedures and comprising representatives of the Governance and Information, Infrastructure Strategy and Planning, Finance and Property and Recreation Divisions.

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

Mandatory Criteria

- 1 Two referees
- 2 Commitment to supply and install Point of Sale hardware and software (approved by Council) for cash collection to enable dynamic pricing to be implemented by 1 July 2019.
- 3 Confirmed acceptance of the draft licence agreement.
- 4 Commitment to undertake Armed Holdup Training (co-ordinated by Wollongong City Council) within three months of commencing the Licence and Services Agreement.
- 5 Proof of membership as a golf professional of the Golf Professionals Association (PGA) Australia.

Assessable Criteria

- 1 Proposed rental payable to Council.
- 2 Demonstrated satisfactory performance in undertaking cash collection (including any Council related experience).
- 3 Demonstrated experience in operating a professional golf shop and undertaking the duties of golf professional at a golf course.
- 4 Demonstrated Workplace Health and Safety Management System.
- 5 Demonstrated strengthening of local economic capacity.

The Mandatory Assessment Criteria have been met by the recommended tenderer.

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

TABLE 1 – SUMMARY OF TENDER ASSESSMENT

Name of Tenderer	Ranking
Beswick Golf Pty Ltd	1
Russell Vale Golf and Social Club	2

PROPOSAL

Council authorise the engagement of Beswick Golf Pty Ltd to operate the Golf course Pro-shop, act as the golf professional and undertake the duties set out in the Professional Services Contract.

The recommended tenderer has satisfied the Tender Assessment Panel that it is capable of undertaking the work to Council’s standards and in accordance with the Licence Agreement and Professional Services Contract.

Referees nominated by the recommended tenderer have been contacted by the Tender Assessment Panel Chairperson. Both referees expressed satisfaction with Tyson Beswick as a golf professional and as a commercial operator of pro-shops.

CONSULTATION AND COMMUNICATION

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

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal “GOAL 5: We are a healthy community in a liveable city”.

It specifically delivers on core business activities as detailed in the Leisure Centres (Russell Vale Golf Course) Service Plan 2018-19 - “Operate and maintain public golf course”.

FINANCIAL IMPLICATIONS

Council will receive rent for the licence of the pro-shop of \$18,000 pa adjusted at the expiration of each 12 month period by the CPI.

Council will in turn pay the licensee by monthly instalments a fee equal to 5% of green fees collected by the licensee during the term (in the 2017/2018 financial year green fees commission was \$27,667) and an annual retainer of \$25,000 (GST inclusive). The retainer will be adjusted at the expiration of each 12 month period by multiplying the sum of \$25,000 by the CPI.

CONCLUSION

The recommended tenderer has submitted an acceptable tender for this project and Council should endorse the recommendations of this report.

ITEM 16

TENDER T18/27 RETAINING WALL RECONSTRUCTION - PRINCES HIGHWAY,
RUSSELL VALE

This report recommends acceptance of a tender for the reconstruction of a retaining wall on the Princes Highway at Russell Vale, from Hicks Street to Terania Street, in accordance with the requirements of the Local Government Act 1993 and the Local Government (General) Regulation 2005.

The proposal involves the replacement of a substandard crib block retaining wall with a new precast concrete retaining wall located in front of the existing wall.

RECOMMENDATION

- 1 In accordance with clause 178(1)(a) of the Local Government (General) Regulation 2005, Council accept the tender of Brefni Pty Ltd for the reconstruction of a retaining wall on the Princes Highway at Russell Vale, in the sum of \$1,509,078.48, excluding GST.
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

REPORT AUTHORISATIONS

Report of: Glenn Whittaker, Manager Project Delivery

Authorised by: Greg Doyle, Director Infrastructure and Works - Connectivity Assets and Liveable City

ATTACHMENTS

- 1 Location Plan

BACKGROUND

The existing crib block retaining wall (which is approximately 150 metres long and up to 3 metres high) has reached the end of its design life and needs to be replaced. Council has undertaken detailed geotechnical investigations and prepared a design, which includes the following works:

- Construction of strip footing along front of existing wall
- Installation of new precast panels along front of wall
- Construction of new footpath and handrail at service road level
- Construction of new apron at front of wall
- Installation of ground anchors to stitch back the panels

Tenders were invited for this project by the open tender method with a close of tenders of 10.00 am on Tuesday, 28 August 2018.

Five tenders were received by the close of tenders and all tenders have been scrutinised and assessed by a Tender Assessment Panel constituted in accordance with Council's Procurement Policies and Procedures and comprising representatives of the Project Delivery, Finance, Infrastructure Strategy and Planning and Governance and Information Divisions.

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

Mandatory Criteria

- 1 Satisfactory references from referees for previous projects of similar size and scope.
- 2 Financial assessment acceptable to Council, which demonstrates the tenderer’s financial capacity to undertake the works.
- 3 Tenderers are to be pre-qualified under Roads and Maritime Services: R1 Prequalification.

Assessable Criteria

- 1 Cost to Council – 35%
- 2 Appreciation of scope of works and construction methodology – 10%
- 3 Experience and satisfactory performance in undertaking projects of a similar size, scope and risk profile – 15%
- 4 Proposed sub-contractors – 10%
- 5 Staff qualifications and experience – 5%
- 6 Project Schedule – 10%
- 7 Demonstrated strengthening of local economic capacity – 5%
- 8 Workplace Health and Safety Management System – 5%
- 9 Environmental Management Policies and Procedures – 5%

The mandatory assessment criteria have been met by the recommended tenderer.

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

TABLE 1 – SUMMARY OF TENDER ASSESSMENT

Name of Tenderer	Ranking
Brefni Pty Ltd	1
Select Civil Pty Ltd	2
Dynamic Civil Pty Ltd	3
Retaining Specialists Pty Ltd	NON CONFORMING
GC Civil Contracting Pty Ltd	NON CONFORMING

PROPOSAL

Council should authorise the engagement of Brefni Pty Ltd to carry out the works in accordance with the scope of works and technical specifications developed for the project.

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

An acceptable financial capability assessment has been received in relation to the recommended tenderer.

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

CONSULTATION AND COMMUNICATION

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

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal 5 “We are a healthy community in a liveable city”. It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2018-2021	Operational Plan 2018-19
Strategy	3 Year Action	Operational Plan Actions
5.5.1 Public facilities in key locations and transport routes are maintained and clean, accessible and inviting to our community and visitors	5.5.1.1 Well maintained assets are provided that meet the needs of the current and future communities	Deliver rolling program of transport infrastructure condition and compliance inspections

RISK ASSESSMENT

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

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

FINANCIAL IMPLICATIONS

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

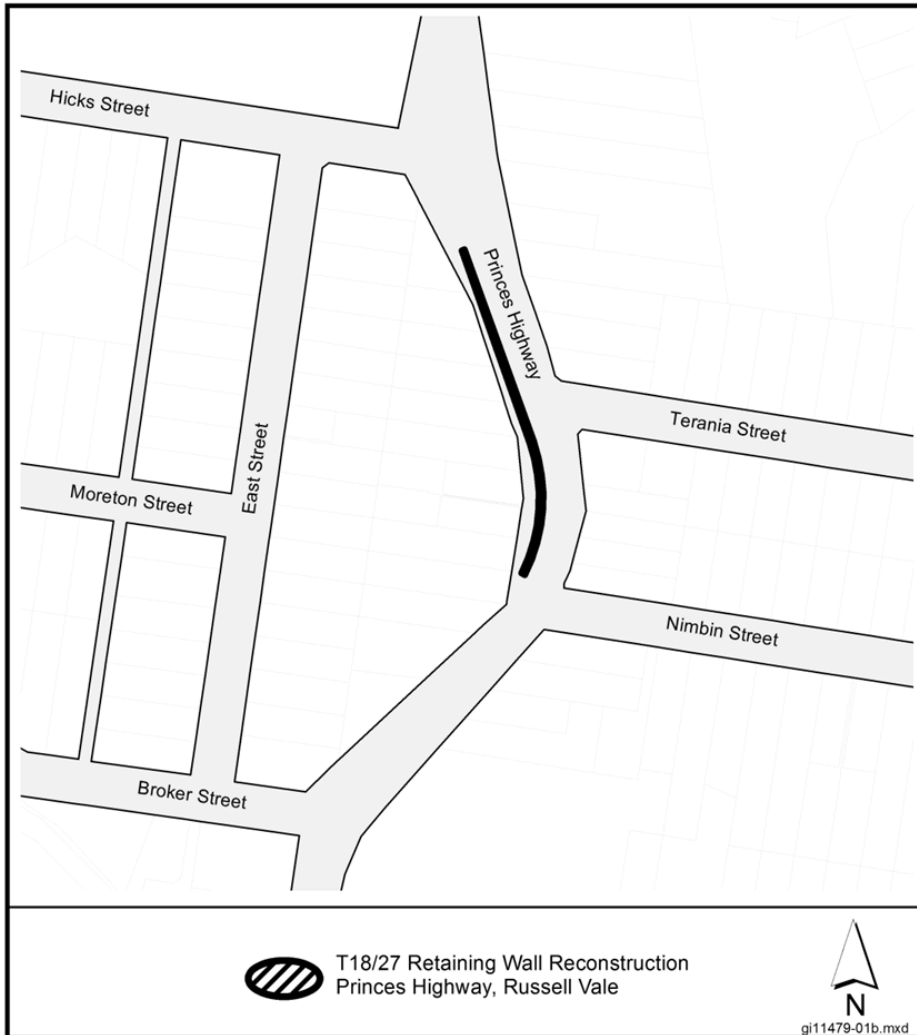
2018/19 Capital Budget

CONCLUSION

Brefni Pty Ltd has submitted an acceptable tender for this project and Council should endorse the recommendations of this report.



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ITEM 17 TENDER T18/33 DARKES ROAD CULVERT REPAIR WORKS

This report recommends acceptance of a tender for the repair and strengthening of a 3-cell precast concrete culvert under Darkes Road, Dapto in accordance with the requirements of the Local Government Act 1993 and the Local Government (General) Regulation 2005.

This tender was called to rectify corroded reinforcement, degraded concrete and to strengthen the structure by the addition of a reinforced concrete soffit layer in order to prolong the serviceable life of the structure.

RECOMMENDATION

- 1 In accordance with clause 178(1)(a) of the Local Government (General) Regulation 2005, Council accept the tender of SRG Services (Australia) Pty Ltd for concrete repair and strengthening works, in the sum of \$314,844.00, excluding GST.
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

REPORT AUTHORISATIONS

Report of: Glenn Whittaker, Manager Project Delivery
Authorised by: Greg Doyle, Director Infrastructure and Works - Connectivity Assets and Liveable City

ATTACHMENTS

- 1 Location Plan

BACKGROUND

The need for repair and strengthening works was identified by Council staff in order to address the degradation of the existing stormwater infrastructure adjacent to Lot 402 Darkes Road and the Princes Highway, Dapto. Damage and wear to the structure has resulted in concrete spalling (flaking) away from the reinforcement in some areas leaving the exposed reinforcement to corrode. Detailed design analysis also determined the structure was considered under strength when compared to current maximum load capacity standards. This assessment informed the proposed detailed design solution which comprises a scope of works including rehabilitation and augmentation (where required) of existing corroded reinforcement, the addition of a 100mm thick reinforced concrete layer to the culvert soffit using shotcreting and general patch repairs to identified areas of degraded concrete and reinforcement. It is expected that the proposed works will prolong the life of the structure without the need for complete replacement.

Tenders were invited for this project by the open tender method with a close of tenders of 10.00 am on Thursday, 16 August 2018.

Nine (9) tenders were received by the close of tenders and all tenders have been scrutinised and assessed by a Tender Assessment Panel constituted in accordance with Council's Procurement Policies and Procedures and comprising representatives of the Project Delivery, Infrastructure Strategy and Planning, Finance and Governance and Information Divisions.

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

Mandatory Criteria

- 1 Satisfactory references from referees for previous projects of similar size and scope
- 2 Evidence of confined spaces accreditation

Assessable Criteria

- 1 Cost to Council – 30%
- 2 Appreciation of Scope of works and construction methodology – 10%
- 3 Experience and satisfactory performance in undertaking projects of similar size, scope and risk profile – 15%
- 4 Staff qualifications and experience – 10%
- 5 Proposed sub-contractors – 5%
- 6 Project schedule – 5%
- 7 Demonstrated strengthening of local economic capacity – 5%
- 8 Workplace Health and Safety Management System – 10%
- 9 Environmental Management Policy and Procedures – 10%

The mandatory assessment criteria have been met by the recommended tenderer.

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

TABLE 1 – SUMMARY OF TENDER ASSESSMENT

Name of Tenderer	Ranking
SRG Services (Australia) Pty Ltd	1
Silver Raven	2
Select Civil Pty Ltd	3
Dynamic Civil Pty Ltd	4
Abergeldie Complex Infrastructure	5
Duratec Australia Pty Ltd	6
Donnelley Civil Pty Ltd	7
Marine & Civil Maintenance Pty Ltd	8
FCS Concrete Repairs Pty Ltd	NON CONFORMING

PROPOSAL

Council should authorise the engagement of SRG Services (Australia) Pty Ltd to carry out the concrete repairs and strengthening of the culvert in accordance with the scope of works and technical specifications developed for the project.

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

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

CONSULTATION AND COMMUNICATION

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

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal 5 “We are a healthy community in a liveable city”.

It specifically delivers on core business activities as detailed in the Infrastructure Planning and Support Service Plan 2018-19.

RISK ASSESSMENT

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

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

FINANCIAL IMPLICATIONS

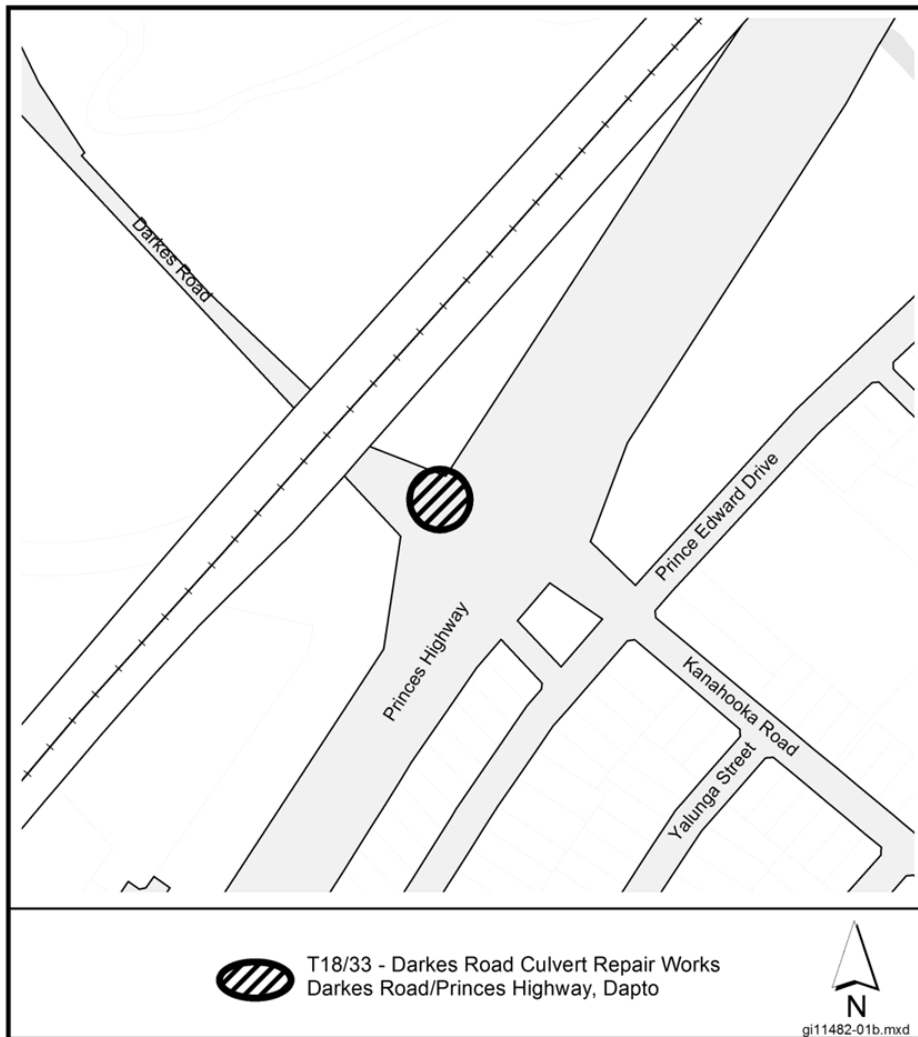
It is proposed that the total project be funded from the following source/s as identified in the Annual Plan –

2018/19 Capital Budget

CONCLUSION

SRG Services (Australia) Pty Ltd has submitted an acceptable tender for this project and Council should endorse the recommendations of this report.





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