

 The City of
Newcastle

Six monthly review on
the Delivery Program 2013-17

DECEMBER 2015

Newcastle City Council acknowledges that we are meeting on the traditional country of the Awabakal and Worimi peoples.

We recognise and respect their cultural heritage, beliefs and continuing relationship with the land, and that they are the proud survivors of more than two hundred years of dispossession.

Council reiterates its commitment to address disadvantages and attain justice for Aboriginal and Torres Strait Islander peoples of this community.

Enquiries

For information contact: Manager Finance
Phone: 4974 2000

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Newcastle City Council
PO Box 489, Newcastle NSW 2300
Ph: 4974 2000 Fax: 4974 2222
Email: mail@ncc.nsw.gov.au
Web: www.newcastle.nsw.gov.au

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WHO WE ARE

Newcastle City Council is comprised of two distinct parts: the elected Council and the administration.

The Administration

The administration is organised into three groups, each with a range of responsibilities.

The Interim Chief Executive Officer (ICEO) leads the administrative arm of Newcastle City Council and is responsible for the efficient and effective operation of the business and ensuring that the decisions of Council are implemented.

The ICEO reports to the full elected Council.

Elected Council

Twelve councillors and a popularly elected Lord Mayor make up the elected body of Newcastle City Council. The Newcastle local government area is divided into four wards, with each ward represented by three councillors who are elected for a four year term.

Under the *Local Government Act 1993*, councillors have a responsibility to:

- participate in the determination of the budget
- play a key role in the creation and review of Council policies, objectives and criteria relating to the regulatory functions, and
- review Council's performance and the delivery of services, management plans and revenue policies.

A councillor represents residents and ratepayers, provides leadership and guidance to the community, and facilitates communication between the community and Council. Council meets every third and fourth Tuesday of the month from February to November.

ADMINISTRATION



Interim Chief Executive Officer

Frank Cordingley



Director Planning and Regulatory

Peter Chrystal



Director Corporate Services

Glen Cousins



Director Infrastructure

Ken Liddell (Acting)

Development and Building

Murray Blackburn-Smith

Finance

Andrew Glauser

Infrastructure Planning

Fiona Leatham (Acting)

Strategic Planning

Jill Gaynor

Information Technology

Greg Brent

Civil Works

Greg Essex

Regulatory Services

Andrew Baxter

Human Resources

Graeme Holland

Projects and Contracts

Greg Sainsbury

Cultural Facilities

Liz Burcham

Commercial Property

Paul Nelson

Facilities and Recreation

Phil Moore

Libraries

Suzie Gately

Customer Service

Rod Bales

Waste Management

Darren North

Communications and Engagement

Kathleen Hyland

Legal and Governance

Frank Giordano

ELECTED COUNCIL 2012-2016



Cr Nuatali Nelmes

Lord Mayor (Labor)
lordmayor@ncc.nsw.gov.au
20 November 2014 - Current



Cr Michael Osborne

(Greens)
mosborne@ncc.nsw.gov.au
0418 971 951



Cr Stephanie Posniak

(Labor)
sposniak@ncc.nsw.gov.au
0418 895 043



Cr Lisa Tierney

(Liberal)
ltierney@ncc.nsw.gov.au
0418 907 294



Cr Tim Crakanthorp

(Labor)
tcrakanthorp@ncc.nsw.gov.au
0427 622 115



Cr Brad Luke

(Liberal)
bluke@ncc.nsw.gov.au
0427 622 089



Cr Therese Doyle

(Greens)
tdoyle@ncc.nsw.gov.au
0418 905 417



Cr Declan Clausen

(Labor)
dclausen@ncc.nsw.gov.au
0419 212 207



Cr Andrea Rufo

(Independent)
arufo@ncc.nsw.gov.au
0428 020 121



Cr Sharon Waterhouse

(Liberal)
swaterhouse@ncc.nsw.gov.au
0418 900 721



Cr David Compton

(Liberal)
dcompton@ncc.nsw.gov.au
0418 879 422



Cr Jason Dunn

(Labor)
jdunn@ncc.nsw.gov.au
0418 923 437



Cr Allan Robinson

(Independent)
arobinson@ncc.nsw.gov.au
0418 894 389

Ward 1

Bar Beach, Carrington, Cooks Hill, Islington, Maryville, Mayfield, Mayfield East, Mayfield West, Newcastle, Newcastle East, Newcastle West, Stockton, The Hill, The Junction (part), Tighes Hill, Warabrook, Wickham

Ward 2

Adamstown, Adamstown Heights, Broadmeadow, Hamilton, Hamilton East, Hamilton South, Hamilton North, Merewether, Merewether Heights, The Junction (part)

Ward 3

Georgetown, Jesmond, Kotara, Lambton, New Lambton, New Lambton Heights, North Lambton, Wallsend (part) Waratah, Waratah West

Ward 4

Beresfield, Birmingham Gardens, Black Hill, Callaghan, Elmore Vale, Fletcher, Hexham, Lenaghan, Maryland, Minmi, Rankin Park, Sandgate, Shortland, Tarro, Wallsend (Part)



IP&R OVERVIEW

On 1 October 2009, the NSW Government adopted new integrated planning and reporting legislation for local councils. The Integrated Planning and Reporting Framework in response to this legislation is demonstrated in the diagram below.



Yearly monitoring and review

Council are required under Section 404(5) of the *Local Government Act* to provide progress reports on principal activities detailed in the delivery program. Progress reports must be provided at least every six months.

SPECIAL RATE VARIATION

2012 Special Rate Variation

In 2012 Newcastle City Council was successful in its application to IPART for a section 508(2) special rate variation (2012 SRV) of 5% above the cap for one year. The variation occurred in the 2012/13 financial year increasing the base rate charge. The variation was granted to provide Council the ability to undertake works of a capital nature on the projects identified below over a 10 year period.

The four year Delivery Program (2013-17) adopted by Council includes, budget principles of which the following are specific to project delivery:

- That no project commences until funding for the full cost of the project is secured or has certainty.
- The special projects capital be prioritised in accordance with community ranking from the Micromex Research 2011 Report and timing for delivery matched to cash flow. These priorities are set according to the support as follows:

1. Revitalising Hunter Street

2. Revitalising our coast

3. Upgrading Blackbutt Reserve

4. Providing new cycleways

5. Improving our swimming pools

6. Modernising our libraries

7. Expanding parking meters

(Note: Council resolved not to expand the parking meter network.)

8. Off-street parking stations

(Note: in 2012, Council sold two of three parking stations.)

9. Expanding our Art Gallery

Currently Council is focused on delivering the first four priority projects, consistent with the level of funding provided by the 2012 SRV.

Rates raised by the 2012 SRV and current priority project expenditure are listed below:

2012 SRV	Rate Revenue	Expenditure of Priority project \$,000
2012/13 - Actual	4,685	5,076
2013/14 - Actual	4,740	4,085
2014/15 - Actual	4,859	6,305
2015/16 - December 2015	2,654	2,003
Total	16,938	17,469

Further details regarding projects on can be seen on pages 24 and 25 in the section *Measuring our success*.

2015 Special Rate Variation

- Road to Recovery

The 'Road to Recovery' SRV was approved by IPART in May 2015 and will increase Council's revenue by 46.9% (inclusive of rate rise) over the five years to 2019/20 (an annual increase of between \$8.5 million and \$11.7 million over the five years)

The revenue provided by the Section 508A Special Rate Variation (2015 SRV) has been critical to ensure Council achieves financial sustainability. It will also allow Council to accelerate the completion of our priority projects as well as make -substantial reductions to our infrastructure backlog.

2015/16 financial year is Council's first year of the 2015 SRV and funds have been allocated to:

- additional expenditure on asset renewal to help reduce the back log
- replacement of bus shelters
- lower fees for Beresfield Pool
- commencement of the online DA tracking system
- expanding the community engagement program
- increase bush generations work
- schedule more pedestrian and local traffic improvements
- increase road maintenance mowing and concrete footpath repair and
- increase weekend maintenance/clean up call out service.

PERFORMANCE

Actions were established in Council's 2013-17 Delivery Program to support the Community objectives consistent with the Community Strategic Plan, progress against these actions are below.

CONNECTED CITY

In 2030 our transport networks and services will be well connected and convenient. Walking, cycling and public transport will be viable options for getting around the city.

The Shortland Esplanade Infrastructure Project - stage 2

The Nobbys to Newcastle Beach section of Bathers Way is completed and re-opened prior to Christmas 2015 and involved the continuation of road and parking improvements from Nobbys to Newcastle Beach. This stage included construction of the shared pathway and installation of new bleacher seating, plantings, lighting, bubblers and bins. Cliff stabilisation work was also completed with a new dedicated cycleway and parking area.

Shortland Esplanade has been converted to one way (southbound) to accommodate the new pathway and dedicated on-road cycle path.

Works were jointly funded by Council and NSW Government's Resources for Regions.

Glebe Road traffic signals

Traffic signals were installed in Glebe Road Merewether, at the intersection of Smith Street and Lingard Street. Railway Street was also realigned and converted into a cul-de-sac at the Lingard Street / Glebe Road intersection to manage traffic flow and safety. The project provides a safer intersection for motorists, cyclists and pedestrians including students that access the local schools and patrons of local businesses. The improvements also provide cyclists with a safer connection to the newly constructed off-road shared pathway through Rowland Park.

Cycleways construction

Council crews have been working hard to build shared pathway connections across the LGA and improve connectivity for sustainable methods of transport. These new connections have included an additional shared path through Empire Park, Bar Beach, the partial construction of shared path at Donald Street, Hamilton which will form part of Council's Inner City Bikelanes Project, shared pathway between Minmi and Fletcher at Sanctuary Estate, shared pathway connection between Bridges and St James Road, New Lambton through Alder Park, and an off-road connection with refuge on Scenic Drive, Merewether Heights which was jointly funded by Roads and Maritime Services and Council.

Pedestrian upgrades

Pedestrian safety is a key priority for Council and upgrades occur each year to ensure the safety of our residents and visitors to the area. Construction of a pedestrian pathway at Charlton Street, Lambton and Turner Street, Georgetown were completed to improve pedestrian safety, along with upgrades at Darby Street, Cooks Hill (Tooke Street intersection) to slow traffic at the intersection and Fairfield Street, New Lambton to improve access to the local school and safety for their students, staff and families.

Performance

Actions/Project	Responsibility	As at Dec 2015
Develop and implement the transport stops and shelters program	Infrastructure Planning	✓
Develop and implement the roundabout program	Infrastructure Planning	✓
Develop and implement the roads to recovery program	Infrastructure Planning	✓
Implement car park maintenance and renewal	Projects and Contracts	✓
Investigate inner city bike lanes	Infrastructure Planning	✓
Develop and implement the road resurfacing program, city wide road-signs and line replacement and city wide roads rejuvenation program	Civil Works	✓
Implement the Newcastle City Council cycling action plan through the cycleways program	Infrastructure Planning	✓
Implement the footpath rehabilitation program	Infrastructure Planning	✓
Implement the city wide bus shelter replacement program	Infrastructure Planning	✓
Implementation of the Hunter Street revitalisation project	Projects and Contracts	✓
Participate and provide input through the project working group to the Newcastle light rail project	Strategic Planning	✓
Manage Council's off street multi level car park to meet the parking demands in a commercially competitive environment	Regulatory Services	✓
Enforce the parking provisions of the NSW road rules to achieve traffic and pedestrian safety and turnover of parking spaces	Regulatory Services	✓
Implement the recommendations of Councils adopted revised parking strategy	Regulatory Services	✓
Undertake the approved program of local traffic studies, including development of plan, community consultation, reporting to Newcastle city traffic committee (NCTC) and Council.	Infrastructure Planning	✓
Liaise with Roads and Maritime Services on new developments with the state road network	Infrastructure Planning	✓
Improve rideability of road network	Infrastructure Planning	✓
★ Completed 0, ✓ On track 17, ⇨ Behind schedule 0, ⊘ Revised 0.		

PROTECTED AND ENHANCED ENVIRONMENT

In 2030 our unique environment will be understood, maintained and protected.

Flash Flood alert service

Council began a 12 month trial flash flood alert service (FFAS) in July 2015 for residents in the vicinity of the Ironbark Creek floodplain, particularly Wallsend and Elernmore Vale. The FFAS trial focuses on the Wallsend business district and aims to notify subscribers that there is potential for flash flooding or inform them that there is very high potential for flash flood and they should evacuate to high ground if it is safe to do so.

Any member of the public can register for the free trial flash flood alert service but those that will receive the most benefit are Wallsend or Elernmore Vale residents, workers and business owners within the Wallsend business district. Council had 480 subscribers as of December 2015, with the number constantly growing. This trial aims to increase residents' understanding of their local area and provide a safety mechanism to minimise risk for the community.

Kotara Park

Kotara Park and surrounding streets were previously inundated during rainfall events, due to stormwater catchment runoff exceeding the capacity of Water Dragon Creek. A low-flow diversion bank, or berm, within Kotara Park was constructed and now diverts stormwater away from the road at Park Avenue and Howell Street. The capacity of the culvert at Kotara Park Bowling Club has also been upgraded to increase efficiency of stormwater discharge from the park. These works were completed in October 2015 and another 3 stages of works are earmarked for the area. Stage 2 is expected to proceed in the 2015/2016 financial year and will involve creekline rehabilitation to prevent further erosion issues.

Marine debris video challenge

We challenged six high schools in the Throsby catchment to create 20-second tv advertisements to educate people about how they can help reduce debris ending up in our waterways. Callaghan College Waratah Technology Campus, Hunter School of Performing Arts, Kotara High, Lambton High, St Philips Christian College and St Pius X all participated in the competition. The project was part of our environmental education campaign aimed at reducing litter in the mangroves at Throsby Creek, Carrington.

Lambton Ker-rai

Council recently worked to rehabilitate a stretch of Lambton Ker-rai (Creek) in Lambton Park. The creek rehabilitation work was undertaken by Soil Conservation Service, on behalf of Hunter Water Corporation, and is in keeping with the existing heritage sandstone bed of the waterway. The work started at the culvert near the playground and extended downstream to the old bowling club. Following the construction, local residents and school students revegetated the creek banks as part of a CityServe project.

The work will protect the creek from bed and bank erosion, improve stormwater quality and enhance the amenity of Lambton Park. This project was jointly funded by Newcastle City Council and Hunter Water Corporation.

Major day out caring for the bush

Newcastle celebrated Bushcare's Major Day Out in September 2015 with a community and schools planting day at Morgan Street Reserve, Merewether. The event aimed to encourage us all to take part in the restoration and maintenance of our remaining bushland.

Performance

Actions/Project	Responsibility	As at Dec 2015
Establish a long term strategic position for low lying suburbs affected by potential sea level rise	Infrastructure Planning	✓
Map existing flood signage and prepare a strategy for increased flood signage across the LGA at priority localities	Infrastructure Planning	✓
Provide education at environmental rehabilitation worksites	Infrastructure Planning	✓
Drainage rehabilitation - Replacement of deteriorated stormwater infrastructure	Civil Works	✓
Community education at environment rehabilitation worksites - Build stronger working relationships between residents and Council through increased community awareness of the role and value of environmental assets through understanding and participating in Council's asset management on ground activities	Waste Management	✓
Proactively monitor and regulate activities to minimise environmental impact, including implementing Council's business pollution prevention program (BPPP) and erosion and sediment control program	Regulatory Services	✓
Manage contaminated land information and seek appropriate remediation through the development application process	Regulatory Services	✓
Proactively monitor and regulate on site sewage management systems to minimise the risk of water pollution and public health impacts	Regulatory Services	✓
Work with the community to achieve measurable environment improvement in waste reduction through the development, delivery, evaluation and refinement of waste programs, learning modules and internal educations	Waste Management	✓
Implement the tree inspection program in line with the city wide maintenance policy	Civil works	✓
Develop a waste education strategy with a focus on promoting waste avoidance and behavioural change, to encourage increased participation in residential waste reduction, resource recovery and recycling initiatives, as well as working to reduce household contamination rates	Waste Management	✓
Promote and manage community based groups in provisions of environmental projects to help restore natural areas in accordance with relevant plans of management	Facilities and Recreation	✓
Plan and implement community planting days	Facilities and Recreation	✓
Identify and deliver projects to achieve energy and water savings under the ECCS investment – energy and water programs identified as part of the 10 year financial plan and the Newcastle 2020 Carbon and Water Management Plan	Projects and Contracts	✓
Provide a city wide stormwater quantity and quality model	Infrastructure Planning	✓
Design, development and construction of landfill for cell 8	Waste Management	✓
Implement the community urban forest program	Infrastructure Planning	✓
Work with partners to improve Council's flood education resources to improve community awareness	Infrastructure Planning	✓
Expansion and enhancement of the small vehicle receival centre at Summerhill Waste Management Centre (SWMC)	Waste Management	⇒
Design development and construction of a construction and industry (dirty waste) major resource recovery facility at SWMC	Waste Management	⇒
★ Completed 0, ✓ On track 18, ⇒Behind schedule 2, ⊘ Revised 0.		

VIBRANT AND ACTIVATED PUBLIC PLACES

In 2030 we will be a city of great public places and neighbourhoods promoting people's happiness and wellbeing.

T-Rex invades Newcastle

Tyrannosaurs Meet the Family has truly been a blockbuster exhibition for Newcastle Museum, which welcomed more than 13,000 visitors during its opening months in November and December. Showcasing a dramatic array of fossils and casts of tyrannosaur specimens, this interactive, multi-media exhibition provides a snapshot of dinosaur life and shows how this group became the world's top predators with their massive skulls, powerful jaws and bone-crunching teeth. Newcastle was the first regional city in Australia to host Tyrannosaurs, which was developed and co-presented with the Australian Museum.

Strong economy focus of strategy

The Economic Development Strategy is built around the vision and objectives of the Community Strategic Plan, industry and stakeholder consultation, and data analysis, to identify Council's role and responsibilities in economic development activities.

The strategy focuses on five key areas:

- Newcastle's role as the capital of the Hunter Region,
- The development of key infrastructure,
- Supporting business growth and employment,
- Encouragement of innovation and creativity and
- Developing the visitor economy of Newcastle

Visitor vision for tourism industry

The Newcastle Tourism Industry Group (NTIG), in partnership with Newcastle City Council, launched a Visitor Economy Vision for the city - a collaborative view of short, medium and long term opportunities to develop Newcastle's visitor experiences to be the best in regional Australia.

The Visitor Economy Vision for Newcastle responds to the urban revitalisation plans and state government goals to double visitor expenditure by 2020 to meet targets for Newcastle which will see visitor numbers grow to 5.1 million and 9.6 million nights by 2030, increasing annual spend by an additional \$1 billion.

The Vision identifies four key growth priorities:

- business events
- major events
- visiting friends and relatives, and
- leisure led growth

New play spaces for kids

Council aims to provide spaces for both young and old to enjoy.

- Visitors to Lambton Park, Lambton and Webb Park, Mayfield have two great new recreational spaces that cater for a broad age range. A toddler play area was added to the existing play equipment at Lambton, and Mayfield's old equipment was updated with new play structures.
- Lyall Reserve, Shortland and Nesca Park, Newcastle will also have an old for new playground replacement in the current 2015/16 financial year.

Performance

Actions/Project	Responsibility	As at Dec 2015
Present programming at the Newcastle Art Gallery and Newcastle Museum for general and specialised audiences represented in the Newcastle LGA, promoting exhibitions and collections which are not only educational but enjoyable and relevant	Cultural Facilities	✓
Maintain and support the high quality development and ongoing management of the Gallery's permanent collection including its access by audience from general to academic through publications, resources, exhibitions, research and programs	Cultural Facilities	✓
Revitalise and restore our public art and monuments	Projects and Contracts	✓
Prepare and adopt the community facilities strategy Revised: A building audit needs to be completed before the Community Facilities Strategy can commence. Building audit scheduled for completion June 2016	Facilities and Recreation	⊙
Deliver a community safety program	Strategic Planning	✓
Support local community initiatives through place making grants and community assistance grants	Strategic Planning	★

Actions/Project	Responsibility	As at Dec 2015
Provide safe public places by delivering the business lighting project	Strategic Planning	⇒
Implement recommendations outlined within the Parkland and Recreational Strategy across the city	Facilities and Recreation	✓
Implement programs for the building and maintenance of shade structures, seating and playgrounds and associated parks infrastructure	Facilities and Recreation	✓
Promote appropriate environmental and recreational community use of Blackbutt Reserve facilities	Facilities and Recreation	✓
Reviewing the future role of local parks less than 0.2 hectares in size	Facilities and Recreation	✓
Update Pool Service Delivery Model Revised: Update strategic review of aquatics facilities	Facilities and Recreation	⊘
Develop parkland and recreation facility service levels to align with facility roles and provide operational efficiencies	Facilities and Recreation	✓
Planning of a district sport and recreation complex to serve the long term needs of the growing western corridor	Facilities and Recreation	✓
Strengthening partnerships and opportunities for Newcastle sporting associations to participate in the planning, decision making and prioritisation of sport and recreation projects	Facilities and Recreation	✓
Review and update the Crime Prevention Plan	Strategic Planning	✓
Review and update the Alcohol Safe Management Strategy Newcastle	Strategic Planning	✓
Implement the recommendation from the Coastal Plan of Management	Infrastructure Planning	✓
Provide access to technology and the internet and support regular training sessions at various sites using various methods	Libraries	✓
Facilitate and support broad participation in community arts based programs	Libraries	✓
Provide local studies that focus on the local history of Newcastle and the Hunter	Libraries	✓
Implement various programs and out reach services for libraries for learners of all ages, interests and readers. Activities include programs for children, author talks, book chats, craft and technology sessions	Libraries	✓
Facilitate a place making approach to all projects	Strategic Planning	✓
Review and enhance the city centre walk smart network through lighting improvements and place-making, increasing the safety and amenity of the public domain of the city at night	Strategic Planning	✓
Implement the Economic Development Strategy	Strategic Planning	✓
Implement revitalisation projects across the city centre	Strategic Planning	✓
Detailed design for a Richley Reserve recreation area adventure playground at Blackbutt	Infrastructure Planning	✓
Undertake and implement public domain plans for local commercial centres where infrastructure works are required	Infrastructure Planning	✓
Provided access to extensive online resources including ebooks, emagazines, music and information based research databases	Libraries	✓
Facilitate the preservation and access to a large local history and heritage collection of the Newcastle and hunter region	Libraries	✓
Facilitate and collaborate, partnering with key community organisations to deliver a diverse range of exhibitions, events and major programs	Libraries	✓
★ Completed 1, ✓ On track 27, ⇒ Behind schedule 1, ⊘ Revised 2.		

CARING AND INCLUSIVE COMMUNITY

In 2030 we will be a thriving community where diversity is embraced, everyone is valued and has the opportunity to contribute and belong.

Creating a Cultural City

Newcastle is a vibrant, dynamic city and culture is a key part of its identity. The Newcastle Cultural Strategy 2016-2019 addresses Council's role in the growth and support of culture in the community. It prioritises our actions and resources and will provide support to our local arts communities in their own planning processes.

Engagement activities with more than 250 people indicated priorities are a desire to focus on Newcastle identity and stories, have better access to the Newcastle Art Gallery collection, greater engagement with young people (16-30 years), better use of digital platforms, greater collaboration with Aboriginal and Torres Strait Islander peoples and greater collaboration with local artists, artisans and practitioners.

Disability Access and Inclusion

Council partnered with Disability Network to host a community fun day at Foreshore Park in December to celebrate the International Day of People with Disability. Approximately 300 community members enjoyed musical performances, free activities and a BBQ Lunch.

In November, Council facilitated community workshops with approximately 50 people on issues for people with disability. Members of the Newcastle disability community, their carers, family and friends, as well as members of the disability sector had a frank dialogue about what is great about living in Newcastle and also the challenges. The feedback provided a sound platform from which to build the draft Disability Access and Inclusion Plan.

Funding Community Projects

In 2015, Council announced \$70,000 in Community Assistance Grants to local organisations to support community events, projects, services and activities that promote a caring and inclusive community.

Sixteen organisations received funding through the 2015-16 program - just a few examples include Wallsend Town Business Association for the Wallsend Winter Fair, Autism Spectrum Australia Hunter School for its Minecraft Public Art Project, Injured Workers Support Network for a support group and information forums, Mayfield Business Association for its online Shop Locally campaign and Stockton Bowling Club Co-op for Stockton Christmas tree lights.

Junior rangers

Thousands would be rangers headed to Blackbutt Reserve in the winter and spring school holidays for the always popular Junior Ranger fun days. The fun days teach kids about the environment in creative ways. Each event has a different theme and activities to match. The theme for the winter fun day was indigenous footprints followed by rapt in reptiles in spring.

We got our Mambo on!

Newcastle Art Gallery showcased diverse artists and exhibitions ranging from the international designs featured in *Mambo: 30 Years of Shelf Indulgence* to an array of talented contemporary portraiture artists in the *Kilgour Prize 2015* exhibition. An outdoor Street Party in Laman Street to open the Mambo exhibition drew a crowd of 5,500 and more than 19,000 visitors came through the Gallery to view the Mambo and Kilgour Prize exhibitions. The Mambo show, featuring T-shirts, artwork, sculptures, surfboards and loud shirts from the brand's first 30 years, gave older visitors a chance to reminisce while introducing a whole new generation to the iconic Mambo style.

Newcastle Walking Tours

Six new self-guided walking tours were created and introduced to help visitors and the community alike enjoy and experience the many aspects of our city. Through these tours, you can view the artists' city, explore our early years as a convict settlement, experience the impact of war on Newcastle, learn the unique history of our spectacular coastline and harbour, see the rich diversity of Newcastle architecture and explore the history of Newcastle's original inhabitants and owners. Free brochures and maps are available for the tours at Newcastle Region Library branches and Newcastle Museum. They can also be downloaded at visitnewcastle.com and the website provides audio for the tours that can be heard through a smartphone or tablet device.

Performance

Actions/Project	Responsibility	As at Dec 2015
Complete and implement a Social Planning Strategy, Access and Inclusion Plan and Multicultural Plan	Strategic Planning	✓
Prepare and deliver an Aboriginal youth arts projects consistent with the Grant Revised: Negotiations underway for project to transfer to Awabakal Land Council	Strategic Planning	⊘
Implement actions from the Cultural Strategy	Cultural Facilities	✓
Facilitate Guraki and Youth Advisory Committees	Strategic Planning	⇒
Implement Council decision for child care centres and manage early childhood centres assets	Strategic Planning	⇒
Promote awareness of the requirements of the <i>Companion Animals Act</i> with respect to the ownership of companion animals	Regulatory Services	✓
Participate in Hunter Region Health Education Committee (HRHEC)	Regulatory Services	✓
Actively encourage use of open space through junior ranger programs at Blackbutt, community planting days and volunteer groups	Facilities and Recreation	✓
Collect and preserve materials relating to the history of Newcastle	Libraries	✓
Acquire new works by artists for exhibitions and the Newcastle Art Gallery collection	Cultural Facilities	✓
Deliver community development projects including youth and seniors week	Strategic Planning	✓
Position and promote City Hall as an accessible and multi-use venue with diverse hiring potential for local, regional and national clients	Cultural Facilities	✓
Develop and manage a diverse program of exhibitions annually that showcase local national and international artists practice	Cultural Facilities	✓
Provide a library service with appropriate materials to assist residents with life long learning needs	Libraries	✓
Provide programs to connect and engage with marginalised communities	Libraries	✓
Provide a safe and inclusive environment for relaxation, research and learning	Libraries	✓
Manage the 2015 review of the alcohol free zones (AFZs) across the city and LGA, identifying new sites, installing new signage	Strategic Planning	✓
Deliver an integrated smart crime prevention platform utilising smart city technologies across the City Centre (incl Honeysuckle and Darby Street, Hamilton and the Junction)	Strategic Planning	✓
Implement the Newcastle community sector development project consistent with grant funding (externally funded). Including sector planning, skills training program and sector capacity	Strategic Planning	✓
★ Completed 0, ✓ On track 16, ⇒ Behind schedule 2, ⊘ Revised 1.		

LIVEABLE AND DISTINCTIVE BUILT ENVIRONMENT

In 2030 we will live in an attractive city that is built around people and reflects our sense of identity.

Civic Theatre award

The 2015 Lower Hunter Urban Design Awards awarded the 1994 refurbishment of Civic Theatre Newcastle as the overall winner in the Enduring Urban Design Award category. Civic Theatre has been at the centre of Newcastle's live performance and cultural scene since its construction 1929. Civic Theatre Newcastle remains as one of the city's most iconic buildings. The restoration project was also named joint winner in the Heritage Award category.

King Street upgrade - stage 1

King Street, Newcastle is undergoing a face lift on the southern side (between Crown Street and Perkins Street) as a continuation of previous works to revitalise the area and provide a safe and functional space for businesses and patrons. In the lead up to Christmas, Council completed the Crown to Brown Street section, along with drainage work in the King and Brown Street intersection. This project involves replacing deteriorated footpath, kerb and gutter to improve safety, access and serviceability. New street trees were also planted to enhance amenity.

Newcastle After Dark

Council is preparing a new strategy for managing our city after dark. Providing safe and activated places that are used by people day and night is a key objective of Council, and strategic alcohol management and planning for the growth of a diverse night-time economy are central to our approach. Newcastle After Dark will be Newcastle's first specific strategy for guiding the development of the our night-time economy. It will balance diverse priorities of safety, residential and visitor amenity, cultural participation, and economic development.

The Newcastle night-time economy is nationally significant and a major employer in the region. Done well, it can support revitalisation, and grow our visitor and cultural economies. It is critical that Council develop a positive strategic direction for the city at night. Throughout October a series of night walks were held across seven entertainment precincts to find out how to build on existing strengths, local character and unique offerings in each of the areas followed by discussions about developing place-based strategies. The walks were attended by around 100 people and provided great feedback for the strategy.

City Hall Restoration

The restoration of the City Hall clock tower was completed just prior to Christmas. The work included sandstone replacement and repair, waterproofing and lead flashing replacement, restoration of metal windows, copper roof restoration, replacement electrical and lighting, refurbishment of the clock mechanisms, removal of steel pins from sandstone blocks around the four clock faces and removal of steel pins from all sandstone blocks in the central area of the tower facade. The scaffolding was removed in early 2016 to reveal the restored tower. The \$5 million project is the second stage of restoration work to be completed.

Smart Buildings Smart Workforce

The Smart Buildings Smart Workforce project involves a range of energy efficiency upgrades and retrofits at high-use social, cultural and recreational facilities and key Council operational buildings and facilities. It is estimated that the project will reduce Council's electricity consumption by about 1.45 million kilowatt-hours a year, with associated annual savings of 1,500 tonnes of carbon pollution and \$240,000 in electricity costs.

16 major energy efficiency upgrades across seven Council-owned and operated facilities have already occurred, including; Solar photovoltaic (PV) systems have been installed at the Newcastle Art Gallery (86.25 kW), City Works Depot at Waratah (91.26 kW), Newcastle City Library (44.28 kW), Wallsend Library (80.08 kW), New Lambton Library (9.9 kW), No.1 Sportsground (10.2 kW) and No.2 Sportsground (20.16 kW). In addition, a small-scale (2.5 kW) wind turbine is in operation at the SWMC. These systems combined will generate an impressive 493,000kWh of renewable energy annually on average. Plans are underway for solar PV to be installed on the Newcastle Museum roof by mid June 2016.

Sportsgrounds

Council owns and maintains 146 sporting fields which shows Council's commitment to sporting and recreational activities. We aim to improve and preserve these facilities for our communities and a number of projects have been completed in the 2015/16 financial year. to date.

- Islington Park's sportsground amenities were upgraded with the existing amenities block demolished and replaced with a single storey building with new change rooms, public toilets and ramp access.
- Flood lighting was installed at Lambton Park and Tarro Park which extended the hours of use available at these popular sporting fields.
- Mayfield Park has had a face lift with a new wicket constructed, a field redesign and sub-soil drainage installed to improve the function of this site for users.
- Waratah Park has received a new grandstand roof and flood lighting to an outer field.
- National Park Athletics Track has a new carpark and the central playing surface has been levelled.

Performance

Actions/Project	Responsibility	As at Dec 2015
Assess hazardous materials in various buildings across the city	Infrastructure Planning	✓
Provide supervision, coordination and technical instruction to private developers in the construction of new residential subdivisions and commercial precincts in accordance with approved development criteria	Infrastructure Planning	✓
Implement Newcastle City Council's Heritage Strategy 2013-2017 and Local Planning Strategy	Strategic Planning	✓
Prepare project plan and review boundaries and controls applying to heritage conservation areas.	Strategic Planning	✓
Delivery of business sector energy and resource management projects in accordance with the Newcastle 2020 Carbon and Water Management Action Plan	Projects and Contracts	✓
Implement place making policy	Strategic Planning	✓
Review controls in both the LEP and DCP, under review	Strategic Planning	✓
Work with the Department of Planning and Environment (DPE) on the preparation of the Regional Growth Plan	Strategic Planning	✓
Review contributions applicable for mines subsidence grouting work	Strategic Planning	⇒
Develop the Newcastle After Dark: Night time Economy Strategy to improve the Safety and amenity of the city centre and neighbourhood at night	Strategic Planning	✓
Continue delivery of Council's Energy Savings plan as identified in the 10 Yr financial plan	Projects and Contracts	✓
City Hall Tower façade restoration	Projects and Contracts	★
Renew life to the Mall carparking Station	Infrastructure Planning	✓
Create welcoming, accessible and environmentally sustainable facilities to enjoy, research and connect	Libraries	✓
Review western corridor traffic schedules Revised: Timeframe now 2016/17	Strategic Planning	⊘
★ Completed 1, ✓ On track 12, ⇒ Behind schedule 1, ⊘ Revised 1.		

SMART AND INNOVATIVE CITY

In 2030 we will be a leader in smart innovations with a healthily, diverse and resilient economy.

Newcastle named a world festival and event city for third year running

NSW was recognised as Australia's number one state for major events with Sydney, Newcastle and Coffs Harbour, each bestowed the International Festivals & Events Association (IFEA) World Festival and Event City Award.

The Minister for Trade, Tourism and Major Events, and the Minister for Sports, The Hon Stuart Ayres MP said the awards come off the back of a string of major event investments and event wins in Sydney and Regional NSW.

"We are also delighted that Newcastle has been recognised at such a prestigious event, demonstrating the continued efforts by Government and locals alike, to establish Newcastle as one of the leading destinations for major events."

Newcastle is now a thriving cultural and events city, which is evidenced by the range and quantity of exciting events on the annual calendar and the cultural initiatives the city has been able to achieve. From sporting events, to arts and cultural festivals, markets, conventions and exhibitions, Newcastle offers a smorgasbord of experiences for visitors and locals to enjoy.

Sponsorship programs

Council supported seven projects and eight events via our economic development and event sponsorship programs. These activities bring thousands of visitors to the city and have a flow on economic benefit for accommodation and tour providers as well as a range of local businesses. This support helped bring the This That festival to Newcastle Foreshore, two rounds of the Kellogg's NutriGrain Ironman and Ironwoman series, DiG Festival and the 2015 Newy Awards to the city.

Altogether Perfect

Newcastle Convention Bureau, through their local collaboration Altogether Perfect, were awarded the Association of Australian Convention Bureaux (AACB) Innovation Award for 2014/15. Altogether Perfect is a collaborative marketing project promoting Newcastle, Port Stephens and the Hunter Valley as venues for conferences and other business events.

The Innovation Award recognises new innovations that represent a significant transformation to bureau operations, technology and/or to the product pipeline. Bureaux competing for the award gave a TEDx style

presentation at the 26th AACB Staff Conference, where voting was conducted by a combination of scores from competitor bureaux and independent judges. Each entrant highlighted specific benefits and organisational gains that have been realised from the innovation implemented and the impact it has on the business events industry and wider community.

Smart City initiative

In the second half of 2015 the Newcastle Smart City Initiative continued to gather pace. We co-hosted the Future Smart Cities Conference at City Hall in October, alongside the University of Newcastle's Tom Farrell Institute and the NSW Office of Environment and Heritage. This conference featured over 100 delegates and national and international experts brought to Newcastle to lift the veil on how Newcastle can become a smart and innovative city.

Other exciting activities included continued stakeholder engagement across the city. Transition to a smart city cannot happen without the extensive and sustained commitment of a wide range of city partners. Core partnerships have now been struck across sectors including education, research, business, industry, health and community. This momentum has led to collaborative planning around the Hunter Innovation Project which seeks to harness the collective activities of these partners to establish the innovation infrastructure that will push Newcastle and the Hunter forward into the 21st century.

Christmas in Civic Park

Thousands of Novocastrians headed to Christmas in Civic Park to celebrate the start of the festive season. Christmas in Civic Park was a free event featuring our very own 90 piece Newcastle Youth Orchestra performing Orchestra Intergallactica - an 'out of this world' repertoire from all things out of space including music from Star Wars and Star Trek. They were joined by the Australian Army Band Newcastle who entertained the crowd with Christmas themed tunes. The highlight of the event was turning on the Christmas lights installed in Civic Park fountain.

Performance

Actions/Project	Responsibility	As at Dec 2015
Identify opportunities to partner with other groups to deliver activation and development projects. Eg, Hit the bricks	Strategic Planning	✓
Transition LEP and DCP into the new Planning legislation	Strategic Planning	✓
Develop a Visitor Economy Masterplan for the CBD	Strategic Planning	★
Promote the location for a Convention and Exhibition Centre	Strategic Planning	✓
Develop and promote iconic lookouts and walking trails to create linkages between precincts with 'experience' nodes within walking distance	Strategic Planning	★
Build industry capacity to engage in the distribution system, in particular to become 'export ready' – for international and cruise visitors	Strategic Planning	✓
Invest in 'market ready' programs to educate business for new markets, interstate and Asia/China	Strategic Planning	✓
'All together perfect' project (Newcastle, Port Stephens, Hunter Valley), conference bidding, destination promotion, Conference and Exhibition centre project	Strategic Planning	✓
Deliver regular events - ANZAC Day; Carols by candlelight, Christmas in the city; Australia Day, National Maritime Festival and New Years Eve. Review of events, delivery, outsourcing, budgets, growth opportunities	Strategic Planning	✓
Research and implement collaborative projects between business units across Council to demonstrate the viability of the smart city concept	Strategic Planning	✓
Enable community awareness and understanding of the online and digital environment through learning opportunities	Libraries	✓
Facilitate access to wifi, the internet and a range of technology learning opportunities and training	Libraries	✓
Implement the economic development and events sponsorship programs	Strategic Planning	★
Complete and implement the Events Management Strategy	Strategic Planning	⇒
★ Completed 3 , ✓ On track 10 , ⇒ Behind schedule 0 , ⊘ Revised 1 .		

OPEN AND COLLABORATIVE LEADERSHIP

In 2030 we will have a strong local democracy with an actively engaged community and effective partnerships.

Revitalising Newcastle

During August and September 2015 more than 2,500 people across Newcastle and the Hunter region completed surveys, more than 1,400 people engaged in 13 face-to-face community events, and participation through online and social media attracted more than 11,000 people via the website and more than 6,300 on social media.

The engagement program was delivered jointly by UrbanGrowth NSW and Newcastle City Council and was overseen by an independent advisor and a steering group comprising Council, UrbanGrowth NSW and Hunter Development Corporation.

The response to this engagement program signals the community's enthusiasm to be involved.

"The signing of the memorandum of understanding between Council and UrbanGrowth NSW was a turning point for our community to be involved in decisions being made about our city. "We worked in partnership with UrbanGrowth NSW to ensure the engagement process was open, transparent and robust. The participation rates speak for themselves and the goal of capturing a broad range of community views has certainly been achieved. "What we've heard during this engagement program is that people want the city centre to be a thriving hub. There are funds available to make this a reality so we need to grab this opportunity with both hands."

Development of the cultural strategy

The Cultural Strategy 2016-2019 was developed to provide a platform to articulate priorities and plan for the future to create a dynamic, vibrant culture and thriving creative arts scene are contributors to the economic success of many cities.

Through consultation in the development of this strategy, the community told us they look to Newcastle City Council to provide a vision for culture in which they can participate. This strategy provides that long-term vision, it is not a 'one off' but part of a continuum in good planning both by and for the city. We will implement it within the context of our four-year delivery program and commitment to financial sustainability, with strategic investment in the growth of Newcastle's cultural and creative economy.

Our new website

In mid September 2015 we launched new websites for Council, Blackbutt Reserve and Newcastle Region Library. These sites have been redesigned with a customer-centred focus and look great on your smart phone, table and desktop. They also feature user-friendly navigation and improved searching of events, parks, forms, council meetings and pages.

This was the first phase of redeveloping all of Council's websites to improve the online experience of our community. Check them out at www.newcastle.nsw.gov.au

Performance

Actions/Project	Responsibility	As at Dec 2015
The enterprise resource planning project will implement a solution for Councils core enterprise business areas of: customers, property, assets, finance, human resources, governance and document management	Information Technology	✓
Consolidate internet and intranet onto one common platform	Information Technology	★
Plan and conduct a network penetration of Council's ICT infrastructure and develop and implement an integrated ICT security framework consistent with industry standard practices	Information Technology	✓
Transition LEP and DCP into the new Planning legislation	Strategic Planning	✓
Monitor implementation of the Community Strategic Plan 2030	Strategic Planning	✓
Ensure the management of Councils budget allocations and funding alternatives are compliant with Council policy and relevant legislation to ensure the long term financial sustainability of the organisation	Finance	✓
Implement the initiatives from the Workforce Management Plan including, the Aboriginal Employment Strategy and The Equal Employment Opportunity Management Plan	Human Resources	✓
Establish a leadership development framework that incorporates cultural change (people and safety) and performance management to deliver a consistent leadership approach across Council	Human Resources	✓
Identify redundant assets for disposal and for the proceeds to be placed in the land and property reserves to assist with reducing the infrastructure backlog	Commercial Property	✓
Undertake a media engagement strategy to maximize positive exposure opportunities and effectively manage any potential issues	Community Engagement	✓
Develop and implement a recruitment and retention strategy for Newcastle Voice	Community Engagement	✓
Coordinate engagement with identified industry groups such as Newcastle Tourism Industry Group, University of Newcastle (UoN), Hunter Net and Newcastle Port	Strategic Planning	✓
★ Completed 1 , ✓ On track 11 , ⇌ Behind schedule 0 , ⊘ Revised 0 .		

MEASURING OUR SUCCESS

The table below identifies the key performance areas which allow the Council and the Community to monitor the success of the Delivery Program and Operational Plan. Newcastle City Council will report six monthly and annually against its corporate objectives using the following key performance indicators:

Objective 1
Deliver on the key civic projects determined as the priorities for the community
KPI
Key civic projects are delivered in accordance with the budget and timeframes identified in the 2013-17 Delivery Program.
Measure
Six monthly and annual performance on outcomes of project implementation

Revitalising Hunter Street

Progress on the Hunter Street Revitalisation Project is influenced by NSW Government decisions in relation to the rail corridor and the light rail implementation plan. Council has been working with NSW Government agencies to progress planning of these important infrastructure projects for the Newcastle city centre. While the large infrastructure projects are being prepared, Council has been undertaking incentive and activation programs as well as completing temporary installations. Some of the main projects undertaken in the second half of 2015 include:

- continuing to provide input to UrbanGrowth NSW and Transport for NSW
- the façade improvement program has incentivised a total of 80 property owners to upgrade their buildings across the CBD
- Wheeler Place temporary trees and seating installation
- Wheeler Place lunch time activities program
- Civic Park markets
- Christmas concert and tree installation in Civic Park

Upgrading Blackbutt Reserve

Amenities Building

A new amenities building was constructed at Carnley Avenue that incorporates a parents' room, disability facilities and has been designed to create a safer environment and improve the quality of life through the

principles and strategies of Crime Prevention through Environmental Design (CPTED) regulations.

Wildlife Arena

A new education facility was constructed within the wildlife exhibit, with tiered seating and audio visual equipment allowing for daily shows for visitors and school children.

Revitalising our Coast

Bathers Way: Dixon Park Stage 2

Completion of Bathers Way shared pathway from Dixon Park to Cooks Hill Surf Club; including lighting, shade shelters, bins, bubblers, and stair access to the beach.

Bathers Way: Shortland Esplanade

Completion of Bathers Way shared pathway from Nobbys to Newcastle Beach, including lighting, bleacher seating; shade shelters, bins, bubblers and public art.

Bathers Way Cooks Hill to Newcastle Beach

Design is currently underway for Bathers Way along Memorial Ave; Strzelecki Headland, King Edward Park and Newcastle South.

Newcastle South Seawall

Seawall restoration is required as part of Bathers Way Newcastle South. Tenders were called for these works.

Awards received

Bathers Way Shared pathway at Merewether and Dixon Park beaches was highly commended in the Keep NSW Beautiful Blue Star Sustainability Awards.

Providing new cycleways

A number of cycleways and shared paths have been designed or constructed in the first half of 2015/16 including:

Scenic Drive, Merewether Heights

Construction of a 210m concrete off-road shared pathway providing safe connection from the City Road R7 shared pathway to Sun Hill Drive via a new pedestrian and cyclist refuge on Scenic Drive. Funded 50/50 by Council and RMS.

Brickworks Park, Wallsend

Construction of a 3m wide off-road 480m section of pathway connecting Iranda Grove through Brickworks Park to Victory Parade. The project provides

connectivity of Elmore Vale to the R5 shared pathway route which in turn connects to the city. It will enable cyclists utilising this route to avoid the need to ride on busy streets like Douglas Street and Newcastle Road.

Minmi Road, Wallsend

Stage 1 construction including Kerb and Gutter, roadside batter, landscaping and pathway base for construction of a 3m wide, 780m concrete pathway from the Minmi Road roundabout at Bunnings to Macquarie Drive.

Stage 2 construction of the concrete pathway is scheduled for commencement in Quarter 4.

Inner City Bike Lanes Section 1

Detailed design of a 4 metre wide 375m long concrete physically separated shared pathway along Jackson Street Broadmeadow and concept design of 1 km of pathway along Donald Street from Samdon Street Hamilton to Selma Street Newcastle West. The project will provide safe, convenient cycle connections and improve access to the city centre by increasing sustainable transport mode share.

Park Avenue, Kotara

Design completion of 550m of physically separated shared pathway along the northern side of Park Avenue from Kullaiba Road to Northcott Drive and on the Southern side from Kullaiba Road intersection to Lexington Parade. Construction has commenced in January 2016. The project will improve safety for cyclists travelling between regional cycleways R4 and R1, and accessing the Kotara commercial and shopping precinct.

Richmond Vale Rail Trail

The Secretaries Environmental Assessment Requirements have been obtained for preparation of an Environmental Impact Statement (EIS) for a 32km cycleway from Shortland to Tarro and Hexham to Kurri Kurri. Tenders have been called in January 2016 for preparation of the EIS and concept design of the full pathway route. The pathway provides connectivity for the townships of Kurri Kurri, Stockrington, Buchanan, Pelaw Main and Richmond Vale to the Newcastle cycle network and vice versa. It will enable cyclists and pedestrians to travel safely along this route avoiding the need to ride on road.

Bridges Road, New Lambton

Detailed design was completed for upgrade of traffic control signals and connection of shared pathway across bridges road onto Rydal Street. The project connects New Lambton to the regional cycleways at Adamstown via newly constructed Alder Park shared pathway.

Newcastle City Hall Refurbishment

Newcastle City Hall is one of our City's most important buildings and the conservation of the sandstone façade is an important part of the city and preserving City Hall for future generations.

Conservation work to the iconic Clock Tower has now been completed with the scaffold removed during February 2016.

Work on the next stage of the conservation works commenced in January 2016. The scope of works includes sandstone replacement and repair to the southern and eastern façades as well as works to the, stairs, porte cochere and balcony and reconstruction of the driveway access ramps.

This work is scheduled to be completed in the second half of 2017.

Objective 2
Engage with the Newcastle community on projects that have a high level of impact on the community
KPI
Consultation undertaken for all projects which have a high level of impact on the community
Measure
Evidence that consultation has taken place is reported in the annual report

Newcastle Voice

Newcastle Voice, Council's community reference panel had 2469 members at the end of December 2015. This figure is above approximately 1.65% of the Newcastle Local Government Area population (148,535 ABS 2011), above the baseline of 1.25% for statistical significance.

Across nine projects we had 4775 surveys completed. Projects included Bibby Street road and footpath reconstruction, Mambo event satisfaction, Revitalising Newcastle in partnership with UrbanGrowth NSW, Show Day holiday, New Year's Eve event satisfaction, Newcastle Museum satisfaction, Customer Service satisfaction, Business Occupancy Space Survey and park safe stay safe.

UrbanGrowth NSW

In May 2015 Council signed a Memorandum of Understanding (MOU) with UrbanGrowth NSW that acknowledges Council's role in the urban renewal process and defines how the two parties will work together to implement and deliver the NSW Government's Newcastle Urban Transformation and Transport Program.

The Newcastle Voice Revitalising Newcastle survey was open from 3 - 18 September 2015. In total, 714 Newcastle Voice members completed the survey representing a response rate of 28.8%.

Objective 3
Maintain a net funding budget surplus to ensure financial sustainability
KPI
Improve financial sustainability of Council
Measure
Net budget operating surplus ratio 2.7%

The net funding position does not move to a surplus until 2019/20 and gives a Council a net budget operating surplus ratio above 2.7%

Council showed a significant operating surplus of \$12.5 million during the 14/15 financial year. Despite Council moving to this positive operating surplus, Council will not move to a surplus of 2.7% until 2019/20 due to ongoing expenditure required on capital works to reduce our infrastructure backlog.

At the end of December 2015 the December Quarterly Budget Review included adjustments required to the budget to reflect trends identified in the actual performance for the first half of the 2015/16 financial year. Operational budget variations totalling a positive \$3.9 million have been identified within the December Quarterly Budget Review Statement. This improves Council's operating position to a forecast operating surplus of \$2.9 million at 30 June 2016.

Objective 4
Maintain a strong cash and liquidity position to ensure financial sustainability
KPI
Implement the Budget Principles endorsed by Council 18 April 2014
Measure
Achievement of budget principles

Council currently has a strong cash and liquidity position which is essential to ensuring the financial sustainability of the Council into the future; this is demonstrated with the following ratios.

**Unrestricted current ratio 3.22:1
(Benchmark is greater than 1.5:1)**

This ratio is an indicator of Council's liquidity and has remained relatively stable in recent years, and reflects the impact of the requirement of Accounting Standards to classify investments as current or non-current, depending on the maturity date.

The unrestricted current ratio has been calculated for the purposes of assessing the capability of Council to meet its short term obligations (current liabilities) using current assets. The ratio indicates an improvement on last year due to an increase in cash levels from positive cash flows from operating activities including capital grants and contributions and the 2012 capital restricted special rate variation.

**Rates and annual charges outstanding ratio 4.31%
(Benchmark is <5%)**

This ratio assesses the impact of uncollected rates and annual charges on liquidity and the adequacy of recovery efforts. The rates and annual charges outstanding ratio of 4.31% has fallen from 4.61% in 2013/14. This represents a decrease of 0.3%. This is an improvement on the result due to a more proactive approach with Council's mercantile agent.

**Cash expense cover ratio 9.59
(Benchmark is greater than three months)**

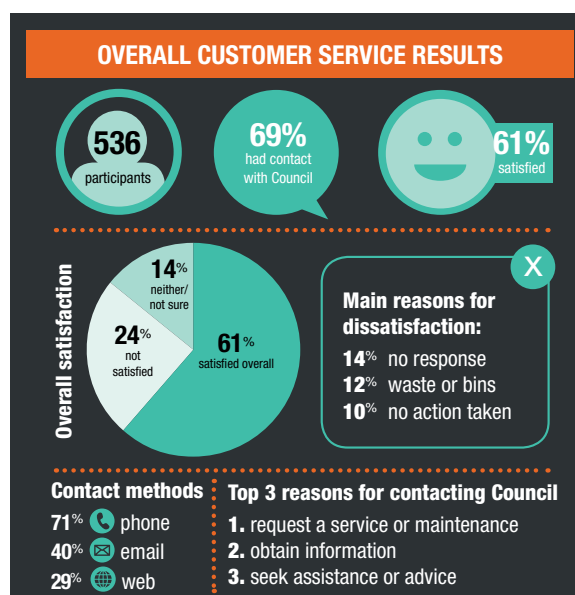
This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Objective 5
Provide better and more efficient services to customers through the implementation of improved systems and processes by 2017
KPI
Improve responsiveness and quality of customer experience
Measure
Improve customer satisfaction scores in the Customer Service Survey by 2% 2014, 5% 2015, 7% 2016, 10% 2017

Customer Service Survey

The intent of the survey was to obtain community feedback regarding customer service performance at Council. The survey will serve as a benchmark study from which Council can monitor the performance of an increased focus on customer service with the introduction of the Customer Contact Centre (CCC) in late 2015.

The survey was open from 29 July to 12 August 2015.



Objective 6
Renew and maintain assets within a sustainable range
KPI
Annual renewal ratio
Measure
Minimum of 10% variance in the maintenance renewal budget

The Annual Renewal Ratio shows if Council has the financial capacity to fund asset renewal as required and can continue to provide existing levels of service in the future without additional income or reductions in operational expenditure. Council's long term financial plan shows Newcastle City Council in a sustainable position by June 2017.

Objective 7
Identify opportunities for asset rationalisation to fund the infrastructure backlog
KPI
Infrastructure backlog infrastructure backlog less internally available infrastructure funding equals unfunded infrastructure backlog
Measure
Target backlog is 2% of value of infrastructure

The 10 year target for asset sales (2012/13 to 2021/22) has been revised down from \$47 million (December 2014) to \$37.8 million. This is due to the combined impact of the elected Council determining to retain a number of properties identified as suitable for sale and the reappraisal of the potential market value for the remaining properties.

These funds will be restricted for the purpose of infrastructure renewal (ie reducing the backlog).

Land and Buildings	Status of Sale	December 2015 Actual Settlement Amount
1 Longworth Avenue Wallsend	Settled	\$1,190,286
1A Longworth Avenue Wallsend		
1 Cowper Street Wallsend		
39 Longworth Avenue Wallsend	Settled	\$297,500
3 Court Street Adamstown	Settled	\$270,000
184 Teralba Road Adamstown	Settled	\$752,000
638 Glebe Road Adamstown		
611 Glebe Road Adamstown	Settled	\$450,000
14 Bridge Street Hamilton	Settled	\$440,000
Total		\$3,102,286

Objective 8
Provide better and more efficient services to customers through the implementation of improved systems and processes by 2017
KPI
Improve responsiveness and quality of customer experience
Measure
Improve customer satisfaction scores in the Customer Service Survey by 2% 2014, 5% 2015, 7% 2016, 10% 2017

The leadership capability framework is being developed and will be rolled out progressively over the next two years. This process will include the development of a comprehensive succession plan for critical roles within the organisation.





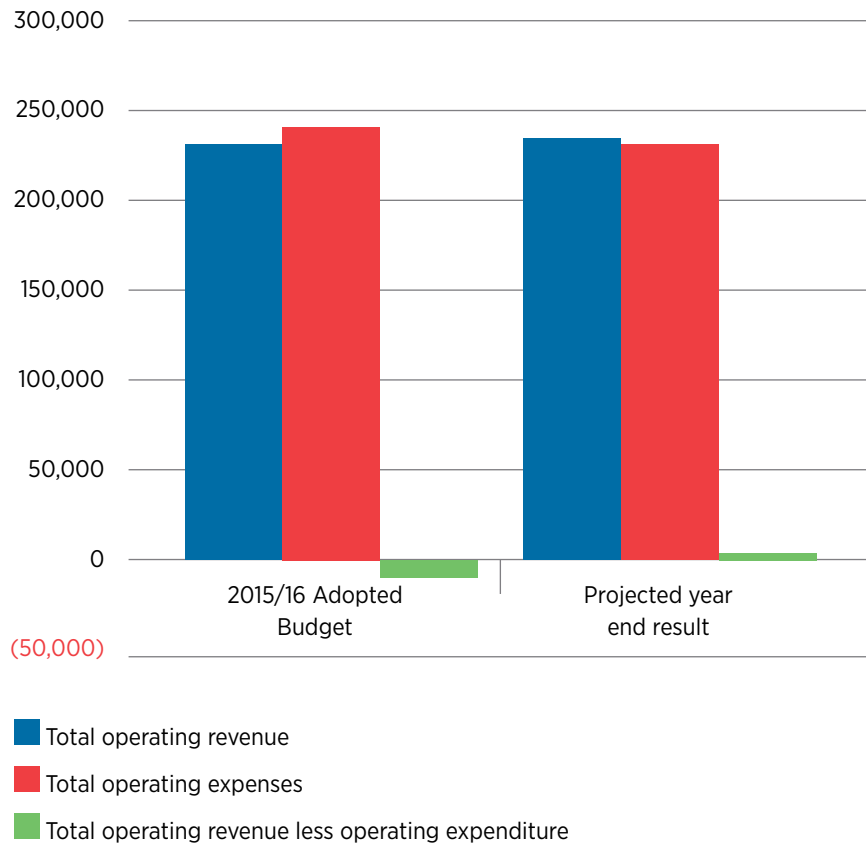
FINANCIAL PERFORMANCE

The December 2015 review shows variations totalling a positive \$3.9 million which improves Council's operating position to a forecast operating surplus of \$2.9 million at 30 June 2016.

Operating Summary

	2015/16 Adopted Budget \$'000	Work in Progress Dec 2015 \$'000	Recommended Sept 2015 \$'000	Recommended Dec 2015 \$'000	Projected year end result \$'000	Actual YTD \$'000
Total Operating Revenue	233,044		(1,523)	4,689	236,210	118,379
Total Operating Expenses	242,585	1,372	(11,381)	774	233,350	110,994
Total Operating Revenue Less Operating Expenditure	(9,541)	(1,372)	9,858	3,915	2,860	7,385
Total Capital Raising revenue	36,707		5,714		42,421	20,601
Add Back Non Cash Items	40,161		(14,136)	435	26,460	13,016
Funding available for capital expenditure	67,327	(1,372)	1,436	4,350	71,741	41,002
Total capital spend	68,321	2,471	(3,209)	(4,593)	62,990	20,399
Loan Principal Repayment	(2,600)				(2,600)	(1,300)
Net Funds Generated / (Used)	(3,594)	(3,843)	4,645	8,943	6,151	19,303

Note 1: Work in Progress represents the balance of approved budgets for projects commenced but not completed in 2014/15 less the balance of approved budgets for projects expected to be commenced but not complete in 2015/16 as forecast at December 2015.



Factors that improved our operational financial position

User charges & fees – increase of \$3.1m

Council's civil works have been awarded additional and unplanned contracts by Transport for NSW to undertake road repairs. This income will be partially offset by additional material costs.

Interest – increase of \$0.3m

Council's Investment Portfolio continues to return a higher than forecast investment return. Interest Income exceeded budget on a year to date basis due to total portfolio holdings being greater than anticipated as a result of improved funding position and a higher actual yield than forecast.

The budget has been adjusted to reflect the continuation of this trend for the remainder of the financial year.

Other operating revenue – increase of \$1m

Council has received a rebate from Ausgrid on Energy Usage (\$0.6m).

Civic Theatre is producing higher than budgeted income.

Employee Costs – decrease of \$2.8m

Council is forecasting lower staff costs due to unfilled vacant positions.

Factors that have adversely impacted our Operational Financial Position

Materials & contracts – increase of \$2.5m

Additional expenditure is required to support civil works on NSW transport contract.

Additional expenditure to Council is more than offset by additional income.

MAJOR PROJECTS

The Budget below is inclusive of operational and capital works.

Works program

Works program	Adopted budget 2015/16 \$,000	2015/16 WIP \$,000	Recom. budget adjustment Sep 2015	Recom. budget adjustment Dec 2015	Estimated 2015/16 WIP	Revised 2015/16 Works Program Budget
Represented by						
Asset Renewal	42,929	2,029	(310)	(1,820)	(7,567)	35,261
New Assets	28,744	11,306	(117)	(2,246)	(2,265)	35,422
Special Rate Variation Projects	11,912	880	(2,782)	(527)	(540)	8,943
Total Works Program	83,585	14,215	(3,209)	(4,593)	(10,372)	79,626
Asset Renewal						
Building and Structures	21,812	1,615	(2,713)	(1,185)	(3,543)	15,986
City Roads	9,057	380	1,103	(542)		9,998
Environment	12,060	34	1,300	(93)	(4,024)	9,277
Total Asset Renewal	42,929	2,029	(310)	(1,820)	(7,567)	35,261
New Assets						
Built Infrastructure	5,409	4,675	4,310	97	(475)	14,016
Fleet Replacement	7,428	2,183	(456)		(92)	9,063
IT	1,066	3,059	1,247	64		5,436
Waste	11,669	775	(5,294)	(2,202)	(1,698)	3,250
Governance	59	305		(5)		359
Strategic	603	309	76	115		1,103
2015 SRV Option 3 Revitalisation	1,650			(349)		1,301
Minor Capital	860			34		894
Total New Assets	28,744	11,306	(117)	(2,246)	(2,265)	35,422
2012 SRV - Priority Projects						
Hunter St Revitalisation	1,426	80		(585)	(51)	870
Coastal Revitalisation	7,630	800	(2,882)	58	(284)	5,322
Cycleways	2,316		100		(63)	2,353
Blackbutt	540				(142)	398
Total 2012 SRV - Priority Projects	11,912	880	(2,782)	(527)	(540)	8,943

Newcastle City Council's adopted capital budget was \$83.6 million and will be revised down to \$79.6 million. Explanations for some of these adjustments are provided below:

Building and Structure - decrease of \$1.2 million

\$0.9m Contract's for work on the southern façade of City Hall are still in early stages and the delivery which was planned for 2015/16 will now be rescheduled to next financial year.

City Roads - decrease of \$0.5m

Some elements of Council's road resurfacing and footpath rehabilitation program have been rescheduled and will start in 2016/17.

Waste Management - decrease of \$2.2m

As previously reported the 2015/16 budget was based on preliminary cost estimates for a number of significant and complex projects. As more detailed analysis is undertaken on these projects a more accurate assessment of the full project costs and works schedule is being determined. As a result, works previously planned for 2015/16 have been rescheduled for delivery in 2016/17 which requires reductions in the waste program budget for the current year.

Hunter St Revitalisation - decrease of \$0.6m

Design and implementation of the Civic Centre Public Domain Plans have been rescheduled and will now begin in 2016/17.

MAJOR ASSET PRESERVATION PROGRAM

Buildings and structures program (Including WBF)

Projects completed

Include Minmi and Webb park playgrounds, Harry Edward oval pavilion roof replacement, Wallsend Library floor resurfacing, Federal Park Flood lighting, Islington Park amenities renewal, repairs to the inland pools filtering, painting and jointing and carpet on City Administration Centre level 6 and central Library level 3.

Projects in the construction phase

Progressing well are Clarendon Hotel Air Conditioning replacement and Museum roof repairs. The City Hall tower facade is nearing completion with lead work and waterproofing being completed over the next two months.

Projects in design/tender phases

City Hall kitchen and southern façade, CAC entrance ramp and façade repairs.

Roads program (Including WBF)

Programs on target

The Roads program is on target. The level of commitments reflect anticipated contract expenditure across the whole year.

Major projects completed

Tudor Street road rehabilitation, King Street Newcastle footways, Janet Street Jesmond speed cushions, footways and bus signs at the School of Performing Arts at Broadmeadow, Hereford Memorial carpark works and road resurfacing at Bailey Street Adamstown, Nelson Street Wallsend, Rogilla Close Wallsend, Scenic Drive Merewether Heights and Bar Beach Avenue Bar Beach.

Design stage

Design is continuing for a future section of drainage and road rehabilitation on Frederick Street between Berner Street and Patrick Street Merewether.

Design has been completed for Bibby Street Hamilton footpath and road rehabilitation with construction due to commence in January.

Projects continuing

King Street Newcastle footpath rehabilitation.

Environmental program (Including WBF)

The Environment Program spend is on target with the commitments for the majority of large civil and natural rehabilitation projects scheduled for construction in the last two quarters (February - May 2016).

Projects completed

Kotara Park drainage diversion mound and car park relocation works, William Street Jesmond stormwater drainage rehabilitation, Alister Street Shortland stormwater drainage rehabilitation, Bailey Street Adamstown drainage works, Cooks Hill catchment flood model, open channel and constructed wetland maintenance in Beresfield Industrial Area off Enterprise Drive, Allowah Street Reserve Urban Forest planting and Lambton Ker-rai Creek in Lambton Park creek works.

Productive relationships were built between Council, Industrial property owners and EPA that will see collaboration on improving open channel drainage management in Hexham in 2016.

Council in conjunction with Hunter Local Land Services have arranged for shared resources in mapping and data gathering for Council wetlands that fringe Hexham Wetland. This will provide a cost effective asset capture to inform future wetland works program.

Community Street Tree species selections choices were generated for four sites as part of the collaborative community planting works ready for the 2016 planting season.

