MINUTES OF THE ORDINARY MEETING OF COUNCIL  
TUESDAY 16 JUNE 2015 AT 5.34PM

PRESENT:  
Lord Mayor, Councillor Nuatali Nelmes (Chair)  
Councillor Declan Clausen  
Councillor David Compton  
Councillor Tim Crakanthorp  
Councillor Therese Doyle  
Councillor Jason Dunn  
Councillor Michael Osborne  
Councillor Stephanie Posniak  
Councillor Allan Robinson  
Councillor Sharon Waterhouse

IN ATTENDANCE:  
General Manager Ken Gouldthorp  
Director Corporate Services Glen Cousins  
Director Infrastructure Frank Cordingley  
Director Planning and Regulatory Peter Chrystal  
Manager Council and Legal Services Frank Giordano  
Manager Compliance Services A Baxter  
Manager Strategic Planning J Gaynor  
Cultural Director L Burcham  
Manager Finance A Glauser  
Manager Projects and Contract Greg Sainsbury  
Contracts Specialist Iain Challis  
Corporate Planning Analyst Kelly Arnott  
Communications Manager Kate Baartz

MINUTES:  
Meetings Secretary Amy Leach

WEBCASTING:  
Meetings Secretary Kerry Sullivan

Chair, 28 July 2015
# Minutes of the Ordinary Meeting of Council

Tuesday 16 June 2015 at 5.34pm

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MINUTES OF THE ORDINARY MEETING OF COUNCIL
TUESDAY 16 JUNE 2015 AT 5.34PM

ITEM-51 CCL 16/6/15 - NEWCASTLE ART GALLERY FOUNDATION SUPPLEMENTARY DEED OF TRUST

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ITEM-15 CON 16/06/15 - COUNCIL CHAMBER AUDIO VISUAL AND WEBCASTING EQUIPMENT REPLACEMENT - CONTRACT NO. 2015/195T

ITEM-16 CON 16/06/15 - BIENNIAL CONTRACTS FOR MATERIALS & SERVICES - VARIOUS CONTRACTS

ITEM-17 CON 16/06/15 - TENDER FOR CONTRACT NO 2015/287T - PROVISION FOR IN-HOUSE CAD SERVICES - CIVIL DESIGN

ITEM-18 CON 16/06/15 - TENDER FOR CONTRACT NO 2015/286T - PROVISION OF IN-HOUSE CIVIL DESIGN SERVICES

ITEM-19 CON 16/06/15 - TENDER FOR CONTRACT NO 2015/270T - PROVISION FOR SPECIALIST PLUMBING SERVICES - FACILITIES AND RECREATION

ITEM-20 CON 16/06/15 - TENDER FOR CONTRACT NO 2015/289T - TENDER FOR BUILDING GUTTER CLEANING AND MAINTENANCE SERVICES - FACILITIES AND RECREATION
1 OPENING OF MEETING

1.1 The meeting was opened at 5.34pm.

2 APOLOGIES

2.1 MOTION
Moved by Cr Nelmes, seconded by Cr Posniak

The apologies submitted on behalf of Councillors Luke and Rufo be received and leave of absence granted.

Carried

MOTION
Moved by Cr Waterhouse, seconded by Cr Compton

The apology submitted on behalf of Councillor Tierney be received and leave of absence granted.

Defeated

3 MESSAGE OF ACKNOWLEDGEMENT

3.1 The Lord Mayor read the message of acknowledgment to the Awabakal and Worimi peoples.

4 PRAYER

4.1 The Lord Mayor read a prayer and a period of silence was observed in memory of those who served and died so that Council might meet in peace.

5 DECLARATIONS OF PECUNIARY AND NON-PECUNIARY INTERESTS

5.1 Councillor Clausen
Councillor Clausen declared a less than significant non-pecuniary interest in Confidential Item 14 Provision of Internal Audit Services - Contract No. 2015/195T and said he had a business association with a former chairman of one of the tendering organisations.
6 CONFIRMATION OF PREVIOUS MINUTES

6.1 MINUTES - PUBLIC VOICE COMMITTEE 19 MAY 2015

MOTION
Moved by Cr Doyle, seconded by Cr Clausen

The draft minutes as circulated be taken as read and confirmed. Carried

MINUTES - BRIEFING COMMITTEE MEETING 19 MAY 2015

MOTION
Moved by Cr Doyle, seconded by Cr Compton

The draft minutes as circulated be taken as read and confirmed. Carried

MINUTES - ORDINARY COUNCIL MEETING 26 MAY 2015

MOTION
Moved by Cr Nelmes, seconded by Cr Clausen

The item be moved to the end of the agenda. Carried

7 PRESENTATIONS TO COUNCIL

7.1 Nil.
8 LORD MAYORAL MINUTE

8.1 ITEM-2 LMM 16/06/15 - RATE REBATE FOR PENSIONERS

PURPOSE

For Council to support an increase in the Rate Rebate concession jointly funded by the NSW State Government and local Councils.

RECOMMENDATIONS

1. That Council writes to the NSW Government requesting an increase the Rate Rebate concession for pensioners, commensurate to CPI.

2. That council write to Hunter Councils requesting support The City of Newcastle’s position.

BACKGROUND

Newcastle LGA has 66,000 rateable properties made up of 61,000 residential and 5,000 businesses. Of the rateable properties, 12,000 are owned by pensioners.

The rate rebate of $250 per annum was set in 1989. Over the past 26 years there has been a significant increase in the cost of living.

Currently the rate rebates for the Newcastle LGA total $3.1m per annum, $1.7m of which is met by the NSW Government (55%) and $1.4m (45%) by The City of Newcastle.

In comparison, currently Brisbane City Council offers the following to pensioners:

Maximum remissions (Valid from 1 July 2014)
Maximum remissions are available to people on a full pension. Under this scheme:

- the state government grants a 20% remission on rates up to a maximum of $50 per quarter ($200 per year) plus 20% of the fire levy, and
- Council grants a 40% remission on rates up to a maximum of $225.25 per quarter ($901 per year)
MOTION
Moved by Lord Mayor, Cr Nelmes

1. That Council writes to the NSW Government requesting an increase the Rate Rebate concession for pensioners, commensurate to Consumer Price Index CPI.

2. That Council write to Hunter Councils requesting support The City of Newcastle’s position.

For the Motion: Lord Mayor and Councillors Compton, Clausen, Crakanthorp, Doyle, Dunn, Osborne, Posniak, Robinson and Waterhouse

Against the Motion: Nil.  Carried
REPORTS BY COUNCIL OFFICERS

ITEM-43 CCL 16/06/15 - ADOPTION OF 2013-17 DRAFT DELIVERY PROGRAM, 2015/16 DRAFT OPERATIONAL PLAN AND 2015/16 DRAFT FEES AND CHARGES

REPORT BY: CORPORATE SERVICES
CONTACT: DIRECTOR CORPORATE / MANAGER FINANCE

PURPOSE

To adopt the revised 2013-17 Delivery Program (Attachment A), the 2015/16 Operational Plan (Attachment B) and 2015/16 Fees and Charges (Attachment C).

RECOMMENDATION

1 To adopt the revised 2013-17 Delivery Program (as set out in Attachment A), the 2015/16 Operational Plan (as set out in Attachment B) and the 2015/16 Fees and Charges (as set out in Attachment C).

KEY ISSUES

2 The 2013-17 draft Delivery Program, 2015/16 draft Operational Plan and 2015/16 draft Fees and Charges were placed on public exhibition for a period of 28 days from 30 April to 28 May 2015. These documents (Attachments A, B and C respectively) are to be adopted unchanged, with the exception of the correction of some typographical errors and the inclusion of some more detailed explanatory information.

3 There were 14 submissions received during the exhibition period and a summary of those submissions are provided in the Public Exhibition Feedback Report in Attachment D.

4 Achieving long term financial sustainability is a primary focus of the Council. The underlying operating result of the Council has been in deficit for a number of years, which is not financially sustainable in the long term.

5 This draft Delivery Program has been based on the current Long Term Financial Plan (LTFP) endorsed by Council on the 24 February 2015. The efficiency initiatives which were identified in the prior years' versions of the Delivery Program have generated some very positive improvements to the financial performance of the organisation and have been carried over into this updated version of the Delivery Program. In addition, the draft Delivery Program has been updated to target increases in asset maintenance and asset renewal work towards sustainable levels.
6  The 2015/16 Operational Plan reflects an increase in general rate income of 8%. This increase consists of the allowable rate peg increase of 2.4% plus an additional amount of 5.6% representing Council's Special Rate Variation (SRV) which was approved by Independent Pricing and Regulatory Tribunal (IPART) on 19 May 2015 for a five year period ie 2015/16 to 2019/20.

FINANCIAL IMPACT

7  The Operational Plan has been developed based on the Budget Principles adopted by Council on 18 April 2013, including maintaining the reduction in net operating expense of at least 10% made over the prior two years, focusing on reducing the infrastructure backlog and reducing debt as a funding source.

8  The budgeted operating result for 2015/16 is a deficit of $9.5m which is broadly in line with the $8.5m deficit forecast in the endorsed LTFP for 2015/16. The operating deficit is larger than the 2014/15 budget due to the cost associated with increasing operational asset maintenance and asset renewal to address the backlog. The operating result is however forecast to again improve in 2016/17.

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rates &amp; charges</td>
<td>123,045</td>
<td>128,191</td>
<td>137,126</td>
<td>137,126</td>
<td>147,058</td>
</tr>
<tr>
<td>User charges &amp; fees</td>
<td>46,947</td>
<td>60,093</td>
<td>62,749</td>
<td>62,701</td>
<td>64,631</td>
</tr>
<tr>
<td>Interest</td>
<td>6,858</td>
<td>7,077</td>
<td>7,618</td>
<td>6,609</td>
<td>5,741</td>
</tr>
<tr>
<td>Other operating revenues</td>
<td>12,394</td>
<td>9,463</td>
<td>8,960</td>
<td>10,129</td>
<td>10,636</td>
</tr>
<tr>
<td>Grants &amp; contributions - Operating</td>
<td>16,390</td>
<td>16,419</td>
<td>16,591</td>
<td>15,697</td>
<td>15,697</td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td>205,634</td>
<td>221,243</td>
<td>233,044</td>
<td>232,262</td>
<td>243,763</td>
</tr>
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</table>

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee costs</td>
<td>(88,978)</td>
<td>(90,813)</td>
<td>(93,712)</td>
<td>(94,712)</td>
<td>(97,627)</td>
</tr>
<tr>
<td>Borrowing costs</td>
<td>(4,220)</td>
<td>(4,257)</td>
<td>(4,117)</td>
<td>(4,110)</td>
<td>(3,916)</td>
</tr>
<tr>
<td>Materials &amp; contracts</td>
<td>(50,378)</td>
<td>(40,256)</td>
<td>(50,054)</td>
<td>(47,806)</td>
<td>(49,003)</td>
</tr>
<tr>
<td>Depreciation &amp; amortisation</td>
<td>(55,609)</td>
<td>(48,476)</td>
<td>(50,242)</td>
<td>(48,861)</td>
<td>(49,545)</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>(36,361)</td>
<td>(42,910)</td>
<td>(42,232)</td>
<td>(43,022)</td>
<td>(44,102)</td>
</tr>
<tr>
<td>Net Loss from disposal of assets</td>
<td>0</td>
<td>0</td>
<td>(2,228)</td>
<td>(2,228)</td>
<td>(2,326)</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>(235,546)</td>
<td>(226,712)</td>
<td>(242,585)</td>
<td>(240,739)</td>
<td>(246,519)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Operating Revenue Less Operating Expenditure</strong></td>
<td>(29,912)</td>
<td>(6,469)</td>
<td>(9,541)</td>
<td>(6,477)</td>
<td>(2,756)</td>
</tr>
</tbody>
</table>

9  User Charges and Fees income is forecast to be higher than the 2014/15 adopted budget primarily due to increased business and associated gate fees at Summerhill Waste Management Centre.
10 Operational materials and contracts expenditure is budgeted to increase by $10m against the 2014/15 budget. This is being driven by operational expenditure associated with Council's increased capital works program as well as additional expenditure on infrastructure maintenance. Underlying material and contracts costs are stable against the 2014/15 budget.

<table>
<thead>
<tr>
<th></th>
<th>2013/14 Adopted Budget $'000</th>
<th>Reclassified Adopted Budget 2014/15 $'000</th>
<th>Draft budget 2015/16 $'000</th>
<th>LTFP 2015/16 $'000</th>
<th>LTFP 2016/17 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Revenue Less Operating Expenditure</td>
<td>(29,912)</td>
<td>(5,469)</td>
<td>(9,541)</td>
<td>(8,477)</td>
<td>(2,756)</td>
</tr>
<tr>
<td>Capital Revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants &amp; contributions - Capital</td>
<td>6,715</td>
<td>2,252</td>
<td>20,207</td>
<td>6,680</td>
<td>6,680</td>
</tr>
<tr>
<td>Proceeds from the sale of Assets</td>
<td>800</td>
<td>7,171</td>
<td>16,500</td>
<td>17,848</td>
<td>10,779</td>
</tr>
<tr>
<td>Total Capital Raising revenue</td>
<td>7,515</td>
<td>9,423</td>
<td>36,707</td>
<td>24,528</td>
<td>17,459</td>
</tr>
<tr>
<td>Net Surplus/(deficit) after capital revenue</td>
<td>(22,397)</td>
<td>3,954</td>
<td>27,166</td>
<td>16,051</td>
<td>14,703</td>
</tr>
<tr>
<td>Adjustments for Non Cash Items</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Add back Depreciation</td>
<td>55,609</td>
<td>48,476</td>
<td>50,242</td>
<td>48,861</td>
<td>49,545</td>
</tr>
<tr>
<td>Less land &amp; infrastructure contributions</td>
<td>(10,081)</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funding available for capital expenditure</td>
<td>33,212</td>
<td>52,430</td>
<td>67,327</td>
<td>64,912</td>
<td>64,248</td>
</tr>
<tr>
<td>Capital Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asset Renewal</td>
<td>(25,000)</td>
<td>(24,505)</td>
<td>(32,841)</td>
<td>(39,140)</td>
<td>(40,211)</td>
</tr>
<tr>
<td>2012 SRV - Priority Projects</td>
<td>(7,047)</td>
<td>(11,245)</td>
<td>(9,815)</td>
<td>(7,271)</td>
<td>(8,147)</td>
</tr>
<tr>
<td>New / Upgrade</td>
<td>(13,314)</td>
<td>(19,239)</td>
<td>(25,665)</td>
<td>(26,000)</td>
<td>(22,450)</td>
</tr>
<tr>
<td>Total capital spend</td>
<td>(45,361)</td>
<td>(54,989)</td>
<td>(68,321)</td>
<td>(72,411)</td>
<td>(70,808)</td>
</tr>
<tr>
<td>Net Loans Borrowings/(Repayments)</td>
<td>(2,697)</td>
<td>(2,600)</td>
<td>(2,611)</td>
<td>(2,611)</td>
<td></td>
</tr>
<tr>
<td>Net Funds Generated / (Used)</td>
<td>(12,149)</td>
<td>(5,256)</td>
<td>(3,594)</td>
<td>(10,110)</td>
<td>(9,171)</td>
</tr>
</tbody>
</table>

11 The $20.2m capital grants and contributions budgeted for 2015/16 is higher than the $6.7m forecast in the LTFP. The increase is driven by $10m of land and infrastructure contributions which are classified as capital revenue but provide no cash injection to support expenditure and are thus removed before calculating the funding available for capital. The additional $4m of capital grant income is associated with grants that Council has successfully achieved to support the capital works program, including Resources for Regions.

12 The capital works program budgeted for 2015/16 at $68.3m is less than the LTFP forecast of $72.4m for 2015/16. Expenditure on asset renewal makes up $32.8m of the total capital spend. This is $6.2m short of the LTFP forecast required to ensure the infrastructure backlog does not continue to increase. Capital expenditure in 2015/16 has been dominated by the requirement to construct an additional waste cell at Summerhill Waste Management Centre to provide sufficient capacity to meet operational requirements. Further resources will be applied to asset renewal works in 2016/17 to continue the increased focus on the infrastructure backlog.
COMMUNITY STRATEGIC PLAN ALIGNMENT

13 The revised 2013-17 Delivery Program, 2015/16 Operational Plan and 2015/16 Fees and Charges have been developed as a requirement of the Local Government Act 1993 and Local Government (General) Regulation 2005. These documents outline how Council will deliver on the seven strategic directions contained in the Newcastle 2030 Community Strategic Plan.

IMPLEMENTATION PLAN/IMPLICATIONS

14 The Delivery Program and the Operational Plan are required to be adopted by Council by 30 June 2015 following a 28 day public exhibition period.

RISK ASSESSMENT AND MITIGATION

15 The development of the Four Year Delivery Program is based on a number of assumptions, including assumptions that are outside of Council’s control. This may potentially affect the financial results. The risks associated with these assumptions include:

   a) Grant funding from State and Federal Governments is lower than anticipated.

   b) Investment returns are lower than assumed.

   c) Contributions, for example s94, do not materialise at the level predicted.

   d) Further cost shifting from other Government agencies without offsetting revenue.

   e) Inflation increase against costs higher than anticipated.

   f) Legislative changes that may lower income streams or increase expenditure.

   g) Natural disasters.

16 Implementation of the Delivery Program will need to be carefully monitored and further adjustments implemented as necessary.

17 In order to ensure the objective of financial sustainability is achieved further investigation of Council's current delivery methods including benchmarking of service costs and market testing will be ongoing.

RELATED PREVIOUS DECISIONS

18 Council endorsed the 2015-25 LTFP on the 24 February 2015.

20 Council adopted Budget Principles for the development of the 2013/14 Operational Plan, Four Year Delivery Program and 10 Year Financial Plan on 18 April 2013.

21 Council endorsed the Draft Newcastle Community Strategic Plan (Revised 2013) that went on public exhibition on 30 April 2013 and adopted the Plan on 25 June 2013.

CONSULTATION

22 Three Councillor Budget Workshops were held on 10 March, 17 March and 14 April 2015.

23 The 2013-17 draft Delivery Program, 2015/16 draft Operational Plan and 2015/16 draft Fees and Charges were placed on public exhibition for a period of 28 days from 30 April to 28 May 2015 as required under Essential Element 3.8 of the Division of Local Government Integrated Planning and Reporting Guidelines for local government in NSW March 2013. Council utilised a number of different media to ensure the community were informed of the public exhibition period including newspaper ads, media releases, radio ads, posters, direct mail, web pages and internal communications strategies. A copy of the Public Exhibition Feedback Report is included as Attachment D.

24 A print advertising campaign was held between 30 April and 28 May 2015 including specific media releases by the Lord Mayor and General Manager.

25 Fact Sheets and feedback forms were produced and made available on Council’s web site, as well as posters distributed at Council facilities and libraries.

26 A workshop on the draft Delivery Program, Operational Plan and Fees and Charges public exhibition feedback was held with Councillors on 9 June 2015.

27 In total, Council received 14 submissions in relation to the 2013-17 draft Delivery Program, 2015/16 draft Operational Plan and 2015/16 draft Fees and Charges. In order to provide some context around the number of submissions, it is noted 38 submissions were received from the public during last year’s Delivery Program Process, 123 during 2013/14, whilst the Sustainability Review in 2009/10 received 921 written submissions.
OPTIONS

Option 1

28 The recommendation as at Paragraph 1. This is the recommended option.

Option 2

29 Council resolves to vary the recommendations in the adoption of the report. This is not the recommended option.

BACKGROUND

30 The 2013-17 Delivery Program has been based on the outcomes of the Integrated Strategic Financial Analysis (ISFA) prepared in November 2012 and expert independent advice. The ISFA found that the current budget position and increasing deficit forecast at that time was not sustainable in the long term.

31 The Delivery Program is required to be prepared every four years following a local government general election. The Delivery Program and Operational Plan are subsequently required to be reviewed annually and adopted by 30 June of the relevant year.

REFERENCES

ATTACHMENTS

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<thead>
<tr>
<th>Attachment</th>
<th>Description</th>
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<tbody>
<tr>
<td>Attachment A</td>
<td>2013-17 Draft Delivery Program</td>
</tr>
<tr>
<td>Attachment B</td>
<td>2015/16 Draft Operational Plan</td>
</tr>
<tr>
<td>Attachment C</td>
<td>2015/16 Draft Fees and Charges Register</td>
</tr>
<tr>
<td>Attachment D</td>
<td>Public Exhibition Feedback Report</td>
</tr>
</tbody>
</table>
ITEM-44  CCL 16/06/15 - MAKING OF THE RATES AND CHARGES FOR 2015/16

REPORT BY: CORPORATE SERVICES
CONTACT: DIRECTOR CORPORATE SERVICES / MANAGER FINANCE

PURPOSE

Subject to the adoption of the 2015/16 Operational Plan, the provisions of sections 532 - 535 of the Local Government Act 1993 (Act) requires a Council resolution to make the rates and charges for the period 1 July 2015 to 30 June 2016.

RECOMMENDATION

1 Council makes the following rates and charges for the financial year 2015/16:

<table>
<thead>
<tr>
<th>RATE</th>
<th>MINIMUM RATE</th>
<th>AD Valorem Amount</th>
<th>BASE AMOUNT</th>
<th>ESTIMATED RATE YIELD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Cents in $</td>
<td></td>
<td>P.A. $'s</td>
</tr>
<tr>
<td>ORDINARY RATES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential</td>
<td>Nil</td>
<td>0.248078</td>
<td>578.16</td>
<td>50</td>
</tr>
<tr>
<td>Farmland</td>
<td>$768.40</td>
<td>0.362939</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Business</td>
<td>$768.40</td>
<td>1.77724</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Business Sub-Categories</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Major Commercial Shopping Centre - Kotara</td>
<td>$768.40</td>
<td>2.794778</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Major Commercial Shopping Centre - Jesmond</td>
<td>$768.40</td>
<td>3.828448</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Major Commercial Shopping Centre - Waratah</td>
<td>$768.40</td>
<td>4.239159</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Major Commercial Shopping Centre – Wallsend</td>
<td>$768.40</td>
<td>4.302056</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Major Commercial Shopping Centre – The Junction</td>
<td>$768.40</td>
<td>3.211115</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Major Commercial Shopping Centre – Inner City</td>
<td>$768.40</td>
<td>2.20036</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Suburban Shopping Centres.</td>
<td>$768.40</td>
<td>2.67045</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Suburban Shopping Centres – Inner City.</td>
<td>$768.40</td>
<td>2.423125</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Kotara – Homemaker’s Centre</td>
<td>$768.40</td>
<td>1.357076</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Kooragang Industrial Coal Zone</td>
<td>$768.40</td>
<td>1.325456</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Kooragang North Industrial Coal</td>
<td>$768.40</td>
<td>1.562737</td>
<td>Nil</td>
<td>Nil</td>
</tr>
</tbody>
</table>
2  An Ordinary Rate of zero point two four eight zero seven eight cents (0.248078c) in the dollar with a 50% base charge of five hundred and seventy eight dollars and sixteen cents ($578.16) named RESIDENTIAL, apply to all rateable land in The City of Newcastle Local Government Area (Newcastle LGA) categorised as Residential.

3  An Ordinary Rate of zero point three six two nine three nine cents (0.362939c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named FARMLAND, apply to all rateable land in the Newcastle LGA categorised as Farmland.
4 An Ordinary Rate of one point seven seven seven two four cents (1.77724c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS, apply to all rateable land in the Newcastle LGA categorised as Business except that rateable land determined to be in the Business Sub-Categories - Major Commercial Shopping Centres - Kotara, Major Commercial Shopping Centres – Jesmond, Major Commercial Shopping Centres – Waratah, Major Commercial Shopping Centres - Wallisend, Major Commercial Shopping Centres – The Junction, Major Commercial Centres (Inner City), Suburban Shopping Centres, Suburban Shopping Centres (Inner City), Kotara Homemaker’s Centre, Kooragang Industrial Coal Zone, Kooragang North Coal Zone, Kooragang Industrial Centre, Mayfield North Heavy Industrial Centre, Mayfield North Industrial Centre, Carrington Industrial Coal Zone, Carrington Industrial Centre, Broadmeadow Industrial Centre, Hexham Light Industrial Centre.

5 An Ordinary Rate of two point seven nine four seven seven eight cents (2.794778c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS - MAJOR COMMERCIAL SHOPPING CENTRE - KOTARA, apply to all rateable land in the Newcastle LGA, being utilised as a Major Commercial Shopping Centre. “Major Commercial Shopping Centre” being defined as a centre of commercial activity within the suburb of Kotara providing at least six thousand square metres (6,000m²) of floor space and which incorporates a major anchor tenant trading as a supermarket outlet together with a minimum of thirty (30) specialty stores and service outlets. This land is categorised as Sub-Category Business - Major Commercial Shopping Centre - Kotara.

6 An Ordinary Rate of three point eight two eight four four eight cents (3.828448c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS - MAJOR COMMERCIAL SHOPPING CENTRE - JESMOND, apply to all rateable land in the Newcastle LGA, being utilised as a Major Commercial Shopping Centre. “Major Commercial Shopping Centre” being defined as a centre of commercial activity within the suburb of Jesmond providing at least six thousand square metres (6,000m²) of floor space and which incorporates a major anchor tenant trading as a supermarket outlet together with a minimum of twenty (20) specialty stores and service outlets. This land is categorised as Sub-Category Business - Major Commercial Shopping Centre - Jesmond.

7 An Ordinary Rate of four point two three nine one five nine cents (4.239159c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS - MAJOR COMMERCIAL SHOPPING CENTRE - WARATAH, apply to all rateable land in the Newcastle LGA, being utilised as a Major Commercial Shopping Centre. “Major Commercial Shopping Centre” being defined as a centre of commercial activity within the suburb of Waratah providing at least six thousand square metres (6,000m²) of floor space and which incorporates a major anchor tenant trading as a supermarket outlet together with a minimum of twenty (20) specialty stores and
service outlets. This land is categorised as Sub-Category Business - Major Commercial Shopping Centre - Waratah.

8 An Ordinary Rate of four point three zero two zero five six cents (4.302056c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS - MAJOR COMMERCIAL SHOPPING CENTRE - WALLSEND, apply to all rateable land in the Newcastle LGA, being utilised as a Major Commercial Shopping Centre. "Major Commercial Shopping Centre" being defined as a centre of commercial activity within the suburb of Wallsend providing at least six thousand square metres (6,000m²) of floor space and which incorporates a major anchor tenant trading as a supermarket outlet together with a minimum of twenty (20) specialty stores and service outlets. This land is categorised as Sub-Category Business - Major COMMERCIAL SHOPPING CENTRE - WALLSEND.

9 An Ordinary Rate of three point two one one one one five cents (3.211115c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS - MAJOR COMMERCIAL SHOPPING CENTRE – THE JUNCTION, apply to all rateable land in the Newcastle LGA, being utilised as a Major Commercial Shopping Centre. "Major Commercial Shopping Centre" being defined as a centre of commercial activity within the suburb of The Junction providing at least six thousand square metres (6,000m²) of floor space and which incorporates a major anchor tenant trading as a supermarket outlet together with a minimum of twenty (20) specialty stores and service outlets. This land is categorised as Sub-Category Business - Major Commercial Shopping Centre – The Junction.

10 An Ordinary Rate of two point two zero zero three six cents (2.20036c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS - MAJOR COMMERCIAL SHOPPING CENTRES (INNER CITY), apply to all rateable land in the Newcastle LGA situated at Newcastle West within the centre of activity defined by Parry, National Park, King and Ravenshaw Streets, being utilised as a Major Commercial Centre (Inner City). "Major Commercial Centre – (Inner City)" being defined as a centre of commercial activity providing at least six thousand square metres (6,000m²) of floor space and which incorporates a major anchor tenant trading as a supermarket outlet together with a minimum of twenty (20) specialty stores and service outlets. This land is categorised as Sub-Category Business - Major Commercial Shopping Centres (Inner City).

11 An Ordinary Rate of two point six seven zero four five cents (2.67045c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – SUBURBAN SHOPPING CENTRES, apply to all rateable land in the Newcastle LGA, being utilised as a Suburban Shopping Centre. "Suburban Shopping Centre" being defined as a centre of commercial activity situated on a site of greater than 6,000m² which operates as a Supermarket excepting the land categorised as Major Commercial Shopping Centres - Kotara, Major Commercial Shopping Centres – Jesmond, Major Commercial Shopping Centres – Waratah, Major Commercial Shopping
Centres - Wallsend, Major Commercial Shopping Centres – The Junction, Major Commercial Centres (Inner City). This land is categorised as Sub-category Business - Suburban Shopping Centres.

12 An Ordinary Rate of two point four two three one two five cents (2.423125c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named \textbf{BUSINESS – SUBURBAN SHOPPING CENTRES – INNER CITY}, apply to all rateable land in the Newcastle LGA, being utilised as an Inner City Suburban Shopping Centre. “Inner City Suburban Shopping Centre” being defined as a centre of commercial activity within the suburb of Newcastle West or Hamilton situated on a site of greater than 4,900m$^2$ which operates as a Supermarket excepting the land categorised as Major Commercial Shopping Centres - Kotara, Major Commercial Shopping Centres – Jesmond, Major Commercial Shopping Centres – Waratah, Major Commercial Shopping Centres - Wallsend, Major Commercial Shopping Centres – The Junction, Major Commercial Centres (Inner City) and Suburban Shopping Centres. This land is categorised as Sub-category Business - Suburban Shopping Centres – Inner City.

13 An Ordinary Rate of one point three five seven zero seven six cents (1.357076c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named \textbf{BUSINESS – KOTARA HOMEMAKER’S CENTRE} apply to all rateable land in the Newcastle LGA situated at Kotara, used for commercial purposes, within the centre of activity defined by Northcott Drive, Bradford Close, the northern and western boundaries of Lot 501 DP 1174032, the northern and eastern boundaries of Lot 181 DP 850168 and the southern boundary of Lot 220 DP 1014716. This land is categorised as sub-category Business – Kotara Homemaker’s Centre.

14 An Ordinary Rate of one point three two five four five six cents (1.325456c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named \textbf{BUSINESS – KOORAGANG INDUSTRIAL COAL ZONE} apply to all rateable land in the Newcastle LGA within the centre of activity defined by Lot 11 DP 841542, Lot 121 DP 874949, Lot 1 DP 1097327, Lot 5 DP 1097327, Lots 2, 5, 7, 9 DP 775774, Lot 1 DP 775775, Lot 1 DP 869622, Lot 18 DP 1119752. This sub categorisation applies to all land categorised as Business in terms of section 518 of the Act within the defined area. This land is categorised as sub-category Business – Kooragang Industrial Coal Zone.
15 An Ordinary Rate of one point five six two seven three seven cents (1.562737c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – KOORAGANG NORTH INDUSTRIAL COAL ZONE apply to all rateable land in the Newcastle LGA within the centre of activity defined as Lots 1, 2, 3, 16 DP 1119752, Lot 61 DP 1184395, Lot 62 DP 1184943, Lot 16 DP 262783, Lots 6, 7, 8, 9, 10 11 DP 1119752, Lots 29, 30, 31, 32 and 33 DP 1184229 and Lot 22 DP 1155723. This sub categorisation applies to all land categorised as Business in terms of section 518 of the Act within the defined area. This land is categorised as sub-category Business – Kooragang North Industrial Coal Zone.

16 An Ordinary Rate of one point two two nine zero five one cents (1.229051c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – KOORAGANG INDUSTRIAL CENTRE apply to all ratable land in the Newcastle LGA within the centre of activity defined by the suburb of Kooragang. This sub categorisation applies to all land categorised as Business in terms of section 518 of the Act located in Kooragang which is not sub categorised as Business – Kooragang Industrial Coal Zone or not sub categorised as Business – Kooragang North Industrial Coal Zone. This land is categorised as sub-category Business – Kooragang Industrial Centre.

17 An Ordinary Rate of zero point seven three eight one two six cents (0.738126c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – MAYFIELD NORTH HEAVY INDUSTRIAL CENTRE apply to all rateable land in the Newcastle LGA within the centre of activity defined by all land contained within Lot 1DP 874109, Lot 225 DP 1013964, Lot 224 DP 101396, Lot 1 DP 1184257 and Lot 2 DP 1184257 and zoned SP1 – Special Activities under the State Environmental Planning Policy (Three Ports) 2009. This land is categorised as sub-category Business - Mayfield North Heavy Industrial Centre.

18 An Ordinary Rate of one point three zero six eight seven seven cents (1.306877c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – MAYFIELD NORTH INDUSTRIAL CENTRE apply to all rateable land in the Newcastle LGA within the centre of activity defined by Lot 10 DP 625019, Lot 1 DP 403544, Lot 1 DP 528411, Lot 2 DP 207307, Lot 2 DP 528411, Lot 3 DP 259009, Lot 1 DP 880225, Lots 1, 2 DP 1177466, Lots 36, 37, 38, 39, 40 DP 1191723 and Lot Pt 1 DP 207307. This land is categorised as sub-category Business - Mayfield North Industrial Centre.

19 An Ordinary Rate of two point one zero six seven nine seven cents (2.106797c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – CARRINGTON INDUSTRIAL COAL ZONE apply to all rateable land in the Newcastle LGA within the centre of activity defined by all land within Lot 1 DP 1044636 Lots 1, 2 DP 1104199 and the land contained within Railway Land Lease reference number 115/75/2261.
This land is categorised as sub-category Business - Carrington Industrial Coal Zone.

20 An Ordinary Rate of one point eight eight nine one one three cents (1.889113c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named **BUSINESS – CARRINGTON INDUSTRIAL CENTRE** apply to all rateable land in the Newcastle LGA within the centre of activity defined by all land with an area of greater than 600m$^2$ zoned SP1 – Special Activities under the State Environmental Planning Policy (Three Ports) 2009 and located within the suburb of Carrington and the land known as Lot 1 DP 1097368 excepting that land categorised as Business - Carrington Industrial Coal Zone. This sub categorisation applies to all land categorised as Business in terms of section 518 of the Act within the defined area. This land is categorised as sub-category Business – Carrington Industrial Centre.

21 An Ordinary Rate of two point four four nine three eight one cents (2.449381c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named **BUSINESS – BROADMEADOW INDUSTRIAL** apply to all rateable land in the Newcastle LGA within the centre of activity defined by all land within Lot 221 DP 1012345. This land is categorised as sub-category Business - Broadmeadow Industrial.

22 An Ordinary Rate of two point one four three six zero eight cents (2.143608c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named **BUSINESS – HEXHAM LIGHT INDUSTRIAL CENTRE** apply to all rateable land in the Newcastle LGA within the centre of activity defined by all land wholly or partly contained in a “parcel of land” as defined within the Valuation of Land Act NSW 1916, which is zoned IN3 Heavy Industrial under the Newcastle Local Environmental Plan 2012 and located within the suburb of Hexham. This sub categorisation applies to all land categorised as Business in terms of section 518 of the Act within the defined area. This land is categorised as sub-category Business - Hexham Light Industrial Centre.

23 A Special Rate of zero point three one five eight one eight cents (0.315818c) in the dollar named **HUNTER MALL**, apply to part of the rateable land within the Newcastle LGA constituted and known as the “Hunter Mall Town Improvement District” as defined in Attachment A for the purpose of defraying the cost of continuing additional horticultural and cleansing services and street furnishings determined to be of special benefit to the said Hunter Mall Town Improvement District.

24 A Special Rate of zero point one one one nine nine five cents (0.111995c) in the dollar named **MAYFIELD BUSINESS DISTRICT**, apply to part of the rateable land within the Newcastle LGA constituted and known as the “Mayfield Business District” as defined in Attachment B for the purpose of defraying the additional cost of promotion, beautification and development of the Mayfield Business District determined to be of special benefit to the said Mayfield Business District.
25 A Special Rate of zero point two four seven nine one six cents (0.247916c) in the dollar named HAMILTON BUSINESS DISTRICT - ZONE A, apply to part of the rateable land within the Newcastle LGA constituted and known as the “Hamilton Business District” as defined in Attachment C for the purpose of defraying the additional cost of promotion, beautification and development of the Hamilton Business District determined to be of special benefit to the said Hamilton Business District.

26 A Special Rate of zero point one two three nine five eight cents (0.123958c) in the dollar named HAMILTON BUSINESS DISTRICT - ZONE B, apply to part of the rateable land within the Newcastle LGA constituted and known as the “Hamilton Business District” as defined in Attachment D for the purpose of defraying the additional cost of promotion, beautification and development of the Hamilton Business District determined to be of special benefit to the said Hamilton Business District.

27 A Special Rate of zero point zero six one nine seven nine cents (0.061979c) in the dollar named HAMILTON BUSINESS DISTRICT - ZONE C, apply to part of the rateable land within the Newcastle LGA constituted and known as the “Hamilton Business District” as defined in Attachment E for the purpose of defraying the additional cost of promotion, beautification and development of the Hamilton Business District determined to be of special benefit to the said Hamilton Business District.

28 A Special Rate of zero point three nine three nine seven two cents (0.393972c) in the dollar named WALLSEND BUSINESS DISTRICT - ZONE A, apply to part of the rateable land within the Newcastle LGA constituted and known as the “Wallsend Business District” as defined in Attachment F for the purpose of defraying the additional cost of promotion, beautification and development of the Wallsend Business District determined to be of special benefit to the said Wallsend Business District.

29 A Special Rate of zero point one nine six nine eight six cents (0.196986c) in the dollar named WALLSEND BUSINESS DISTRICT - ZONE B, apply to part of the rateable land within the Newcastle LGA constituted and known as the “Wallsend Business District” as defined in Attachment G for the purpose of defraying the additional cost of promotion, beautification and development of the Wallsend Business District determined to be of special benefit to the said Wallsend Business District.

30 A Special Rate of zero point two nine five four seven nine cents (0.295479c) in the dollar named WALLSEND BUSINESS DISTRICT - ZONE C, apply to part of the rateable land within the Newcastle LGA constituted and known as the “Wallsend Business District” as defined in Attachment H for the purpose of defraying the additional cost of promotion, beautification and development of the Wallsend Business District determined to be of special benefit to the said Wallsend Business District.
31 A Special Rate of zero point one three eight one four three cents (0.138143c) in the dollar named **NEW LAMBTON BUSINESS DISTRICT**, apply to part of the rateable land within the Newcastle LGA constituted and known as the “New Lambton Business District” as defined in **Attachment I** for the purpose of defraying the additional cost of promotion, beautification and development of the New Lambton Business District determined to be of special benefit to the said New Lambton Business District.

32 A Special Rate of zero point three nine zero four six five cents (0.390465c) in the dollar named **CITY CENTRE - CITY EAST**, apply to part of the rateable land within the Newcastle LGA constituted and known as the “City centre Benefit Area - City East” as defined in **Attachment J** for the purpose of defraying the additional cost of promotion, beautification and development of the City centre Benefit Area - City East determined to be of special benefit to the said City centre Benefit Area - City East.

33 A Special Rate of zero point zero nine one six zero three cents (0.091603c) in the dollar named **CITY CENTRE - DARBY STREET**, apply to part of the rateable land within the Newcastle LGA constituted and known as the “City centre Benefit Area - Darby Street” as defined in **Attachment K** for the purpose of defraying the additional cost of promotion, beautification and development of the City centre Benefit Area - Darby Street determined to be of special benefit to the said City centre Benefit Area - Darby Street.

34 A Special Rate of zero point one six eight eight one eight cents (0.168818c) in the dollar named **CITY CENTRE - CITY WEST (CLOSE ZONE)**, apply to part of the rateable land within the Newcastle LGA constituted and known as the “City centre Benefit Area - City West” as defined in **Attachment L** for the purpose of defraying the additional cost of promotion, beautification and development of the City centre Benefit Area - City West(Close Zone) determined to be of special benefit to the said City centre Benefit Area - City West (Close Zone).

35 A Special Rate of zero point zero eight four four zero nine cents (0.084409c) in the dollar named **CITY CENTRE - CITY WEST (DISTANT ZONE)**, apply to part of the rateable land within the Newcastle LGA constituted and known as the “City centre Benefit Area -City West” as defined in **Attachment M** for the purpose of defraying the additional cost of promotion, beautification and development of the City centre Benefit Area - City West (Distant Zone) determined to be of special benefit to the said City centre Benefit Area - City West (Distant Zone).
36 A Special Rate of zero point three nine zero four six five cents (0.390465c) in the dollar named CITY CENTRE - TOWER apply to part of the rateable land within the Newcastle LGA constituted and known as the “City centre Benefit Area - Tower” as defined in Attachment N for the purpose of defraying the additional cost of promotion, beautification and development of the City centre Benefit Area - Tower determined to be of special benefit to the said City centre Benefit Area - Tower.

37 A Special Rate of zero point three nine zero four six five cents (0.390465c) in the dollar named CITY CENTRE – MALL, apply to part of the rateable land within the Newcastle LGA constituted and known as the “City centre Benefit Area - Mall” as defined in Attachment O for the purpose of defraying the additional cost of promotion, beautification and development of the City centre Benefit Area - Mall determined to be of special benefit to the said City centre Benefit Area - Mall.

38 A Special Rate of zero point two one nine nine zero six cents (0.219906c) in the dollar named CITY CENTRE - CIVIC (CLOSE ZONE), apply to part of the rateable land within the Newcastle LGA constituted and known as the “City centre Benefit Area – Civic (Close Zone)” as defined in Attachment P for the purpose of defraying the additional cost of promotion, beautification and development of the City centre Benefit Area – Civic (Close Zone) determined to be of special benefit to the said City centre Benefit Area – Civic (Close Zone).

39 A Special Rate of zero point one zero nine nine five three cents (0.109953c) in the dollar named CITY CENTRE - CIVIC (DISTANT ZONE), apply to part of the rateable land within the Newcastle LGA constituted and known as the “City centre Benefit Area – Civic (Distant Zone)” as defined in Attachment Q for the purpose of defraying the additional cost of promotion, beautification and development of the City centre Benefit Area – Civic (Distant Zone) determined to be of special benefit to the said City centre Benefit Area – Civic (Distant Zone).

40 A STORMWATER MANAGEMENT SERVICE CHARGE of $25.00 per non-strata property and $12.50 per Strata/Company Title unit for the provision of stormwater management services. This charge applies to all rateable land categorised as Residential not being an exclusion as outlined in section 496A (2) of the Act as amended.

41 A STORMWATER MANAGEMENT SERVICE CHARGE of $25.00 per 350m² or part thereof, of land area capped at a maximum of $1,000 for each non-strata property. This charge applies to all non-strata or non-company title rateable land categorised as Business not being an exclusion as outlined in section 496A (2) of the Act as amended.

42 A STORMWATER MANAGEMENT SERVICE CHARGE of $25.00 per 350m² or part thereof, of land area occupied by the strata scheme, capped at a maximum of $1,000, divided between each unit based on the unit entitlement of
each business lot divided by the total unit entitlement of strata lots within the scheme. This charge applies to all strata or company title rateable land categorised as Business where the dominant use of the strata development is for business purposes, not being an exclusion as outlined in section 496A(2) of the Act as amended.

43 A **DOMESTIC WASTE MANAGEMENT SERVICE CHARGE** of $340.09 for the provision of domestic waste management services for each parcel of rateable land for which the service is available in the Newcastle LGA.

44 A **BUSINESS WASTE MANAGEMENT SERVICE CHARGE** of $231.58 (GST inclusive) for the provision of waste management services (other than domestic waste management services), on each parcel of rateable land for which the service is provided or proposed to be provided in the Newcastle LGA.

**KEY ISSUES**

45 This report formalises the specific rates in the dollar amounts to apply to Council’s ordinary and special rates. Additionally specific charge amounts for waste and storm water management purposes are recommended for adoption.

**FINANCIAL IMPACT**

46 Making of the rates and charges is a statutory requirement to enable rates and charges revenue to be raised and levied as detailed in the 2015/16 Operational Plan. The estimated amount of levy to be raised is as per the totals shown in the table within paragraph one of this report.

**COMMUNITY STRATEGIC PLAN ALIGNMENT**

47 The levying of the 2015/16 ordinary and special rates and charges will enable revenue generation to assist in delivering the seven community strategic directions and associated objectives over the next year.

**IMPLICATIONS**

48 In accordance with section 405 of the Act, Council is required by 30 June each year, to adopt an Operational Plan incorporating Council’s Revenue Policy and Rating Structure. This Operational Plan must be adopted by Council prior to the making of the rates and charges.

49 Sections 532 and 535 of the Act, requires Council to make the rates and charges by resolution for the period 1 July 2015 to 30 June 2016. These rates and charges must be made by 1 August 2015.
CITY OF NEWCASTLE

Ordinary Council Meeting 16 June 2015

RISK ASSESSMENT AND MITIGATION

50 Failure to make the 2015/16 rates and charges by 1 August 2015 will place Council in breach of the Act (section 533) and delay the due date for payment of the current years Rates and Charges Notices.

RELATED PREVIOUS DECISIONS

51 On 28 April 2015, Council resolved to place the 2013-17 draft Delivery Program, draft 2015/16 Operational Plan and Fees and Charges on public exhibition from 30 April 2015 to 28 May 2015.

52 A briefing on the draft Delivery Program, Operational Plan and Fees and Charges public exhibition feedback was provided to Council on 9 June 2015.

53 The making of the rates and charges for the year 2015/16 is subject to the elected Council’s adoption of the 2015/16 Operational Plan. Should the Operational Plan not be adopted by Council, this report should lay on the table until such time as the 2015/16 Operational Plan is adopted.

CONSULTATION

54 It is a requirement of the Act that Council must not make a rate or charge until it has given public notice of the draft Operational Plan and has considered any submission made concerning that Plan.

55 The draft 2015/16 Operational Plan was placed on Public Exhibition from 30 April 2015 to 28 May 2015. This document incorporated details of the preferred rating structure for 2015/16.

56 Additional information about the Operational Plan and Delivery Program was the subject of a print advertising campaign held during the exhibition campaign. This included specific media releases by the Lord Mayor and General Manager.

57 Fact Sheets were produced and made available on Council’s web site, as well as posters distributed at Council facilities and libraries.
OPTIONS

Option 1

58 The recommendation as at Paragraphs 1 - 44. This is the recommended option.

Option 2

59 Council not adopt the rates and charges as detailed in this report. The making of the rates and charges for the year 2015/16 is subject to the elected Council's adoption of the 2015/16 Operational Plan. Should the recommended 2015/16 Operational Plan be adopted by Council, this report will formalise the specific rates in the dollar amounts to apply to Council's ordinary and special rates as referenced within the Operational Plan. Should the Operational Plan not be adopted by Council, this report should lay on the table until such time as the 2015/16 Operational Plan is adopted. Any delay in making the rates and charges may also delay the issuing of rate notices which may have a significant cashflow impact on Council. This also places Council in a position where they may breach the Act. This is not the recommended option.
BACKGROUND

60 Subject to Council’s adoption of Council’s revenue policy for the year within the 2015/16 Operational Plan, Council will satisfy the provisions of section 532 of the Act by making the rates and charges for the period 1 July 2015 to 30 June 2016.

REFERENCES

61 N/A

ATTACHMENTS

Attachment A: Schedule A - Hunter Mall
Attachment B: Schedule B - Mayfield Business District
Attachment C: Schedule C - Hamilton Business District Zone A
Attachment D: Schedule D - Hamilton Business District Zone B
Attachment E: Schedule E - Hamilton Business District Zone C
Attachment F: Schedule F – Wallsend Business District Zone A
Attachment G: Schedule G – Wallsend Business District Zone B
Attachment H: Schedule H – Wallsend Business District Zone C
Attachment I: Schedule I - New Lambton Business District Zone A
Attachment J: Schedule J – City centre City East
Attachment K: Schedule K – City centre Darby Street
Attachment L: Schedule L – City centre City West (Close)
Attachment M: Schedule M – City centre City West (Distant)
Attachment N: Schedule N - City centre Tower
Attachment O: Schedule O - City centre Mall
Attachment P: Schedule P – City centre Civic (Close Zone)
Attachment Q: Schedule Q – City centre Civic (Distant Zone)
SCHEDULE A

HUNTER MALL

All those pieces or parcels of land being categorised as Business, situate at Newcastle in the City of Newcastle, Parish of Newcastle, County of Northumberland, State of New South Wales, being the area bounded by Hunter, Perkins, King and Brown Streets, and

Also the land contained within the area bounded by Hunter, Wolfe, King and Perkins Streets excluding the land contained in Deposited Plan Number 336771.

Also the land contained within the area bounded by Wolfe, Hunter and Thorn Streets and the generally southern boundaries of Deposited Plans Numbers 64634 and 66888.

Also the land contained within the area bounded by Hunter, Morgan, Laing and Thorn Streets being Lot 3 Deposited Plan Number 600274.

Also the land contained within the area bounded by Laing, Morgan, King and Thorn Streets.

Also the land contained within the area bounded by Morgan Street, the southern side of Hunter and Newcomen Streets and the southern boundaries of part allotment 101 and Deposited Plans Numbers 77846 and 388647.

Also the land contained within the area bounded by Scott, Newcomen, Hunter, Morgan, Keightley and Market Streets excluding the land contained in Deposited Plan Number 81672.

Also the land commencing at the intersection of the southern side of Scott Street with the western side of Market Street and bounded thence by Market and Keightley Streets southerly and westerly to the southwestern corner of Deposited Plan Number 447806 by the western boundary of Deposited Plan Number 447806 northerly to Scott Street, thence by Scott Street easterly to the point of commencement being the land as shown in Deposited Plan Number 447806.

Also the land contained within the area bounded by Hunter, Morgan, Keightley and Market Streets being Lot 2 Deposited Plan Number 600274.

Also the land contained within the area bounded by Hunter, Market, Keightley and Thorn Streets being Lot 1 Deposited Plan Number 600274.

Also the land commencing at the intersection of the southern side of Scott Street with the eastern side of Wolfe Street and bounded by Scott Street easterly to the northeastern corner of Deposited Plan Number 926822 by part to the eastern boundary of Deposited Plan Number 926822 southerly to the northern side of Keightley Street, thence by Thorn, Hunter and Wolfe Streets southerly westerly and northerly to the point of commencement.

Also the land contained within the area bounded by Hunter, Wolfe, Scott and Perkins Streets.
SCHEDULE B

MAYFIELD BUSINESS DISTRICT

All those pieces or parcels of land, categorised as Business, situate at Mayfield in the City of Newcastle, Parish of Newcastle, County of Northumberland, State of New South Wales, being the area bounded by Maitland Road, Werribee Street, Buruda Street and Tourle Street, and

Also the land contained within the area bounded by Maitland Road, Tourle, Winchester and Wind eyer Streets.

Also the land contained within the area bounded by Maitland Road, Wind eyer, Winchester and Gamack Streets.

Also the land contained within the area bounded by Maitland Road, Gamack, John and Edmund Streets.

Also the land contained within the area bounded by Maitland Road, Edmund, John and Woodstock Streets.

Also the land contained within the area bounded by Maitland Road, Woodstock, Crebert and Elizabeth Streets.

Also the land contained within the area bounded by Maitland Road, Elizabeth, Crebert and Barton Streets.

Also the land contained within the area bounded by Maitland Road, Barton, Crebert and Kerr Streets with the exception of Lot 190 Deposited Plan (hereafter shown as DP 628826.)

Also the land contained within the area bounded by Maitland Road, Kerr, Regent and Hanbury Streets.

Also the land contained within the area bounded by Maitland Road, Hanbury, Dora and Victoria Streets.

Also the land contained within the area bounded by Maitland Road, Victoria, Dora and Church Streets.

Also the land contained within the area bounded by Maitland Road, Church, Thomas and Havelock Streets, with the exception of Lot 148 and Lot 149 DP 975643.

Also the land contained within the area bounded by Maitland Road, Havelock, Curtis and Fawcett Streets, with the exception of that southern part of Lot 75, Section L, DP 975643 now known as number 2 Fawcett Street, Mayfield.
Also the land contained within the area bounded by Maitland Road, Fawcett, Curtis and Carrington Streets, with the exception of Lot 3 DP 10502, Lot 4 DP 10502 and Lot 1 DP 952024.

Also the land contained within the area bounded by Maitland Road, Carrington, Park and Ingall Streets.

Also the land contained within the area bounded by Maitland Road, Ingall, Mounter and Tarin Streets, with the exception of Lot 1 DP 973066.

Also the land contained within the area bounded by Maitland Road, Tarin, Mounter and O'Mara Streets.

Also the land contained within the area bounded by Maitland Road, O'Mara, Mounter, Clara and Selwyn Streets, with the exception of Lot 3, Section A, DP 2703.

Also the land contained within the area bounded by Maitland Road, Burnett, Adrian and Stedman Streets.

Also the land contained within the area bounded by Maitland Road, Gordon, Adrian and Burnett Streets.

Also the land contained within the area bounded by Maitland Road, Frith, Adrian and Gordon Streets.

Also the land contained within the area bounded by Maitland Road, Wilson, Waratah and Frith Streets.

Also the land contained within the area bounded by Maitland Road, Fitzroy, Waratah and Wilson Streets.

Also the land contained within the area bounded by Maitland Road, Denison, Waratah and Fitzroy Streets, with the exception of Lot 2 DP 554930, Lot A DP 386717, Lot 1 DP 515060 and Lot 2 DP 515060.

Also the land contained within the area bounded by Maitland Road, Baker, Waratah and Denison Streets, with the exception of the northern part of Lot 102 DP 787973 now known as number 3 Baker Street Mayfield.

Also the land contained within the area bounded by Maitland Road, Hanbury, Waratah and Baker Streets.

Also the land contained within the area bounded by Maitland Road, Roe, James, Rawson and Hanbury Streets.

Also the land contained within the area bounded by Maitland Road, Valencia, Barclay and Roe Streets.
Also the land contained within the area bounded by Maitland Road, Nile, Newcastle and Valencia Streets.

Also the land contained within the area bounded by Maitland Road, Corona and Myola Streets, the western boundary of Lot 1 DP 737648 Villiers Street and Nile Street.

Also the land contained within the area bounded by Maitland Road, Silsoe, Myola and Corona Streets.

Also the land contained within the area bounded by Maitland Road, the north western side of the railway land known as the Port Waratah Branch Line, the northern side of Litchfield Park, the western side of Litchfield Park, Myola and Silsoe Streets.

Also the land contained within the area bounded by Hanbury, Macquarie, Baker and Waratah Streets.

Also the land contained within the area bounded by Hanbury, Silsoe, Sunnyside, York and Macquarie Streets.

Also the land contained within the area bounded by Hanbury, York and Sunnyside Streets.

Also the land contained within the area bounded by Hanbury, Rawson, May and Macquarie Streets.

Also the land contained within the area bounded by Hanbury, Macquarie, Rawson and Wilkinson Streets.

Also the land contained within the area bounded by Hanbury, Wilkinson, Rawson and Sunderland Streets.

Also the land contained within the area bounded by Hanbury, Sunderland, Rawson and Braye Streets.
SCHEDULE C

HAMILTON BUSINESS DISTRICT - ZONE A

All those pieces or parcels of land, categorised as Business, situate at Hamilton in the City of Newcastle, Parish of Newcastle, County of Northumberland, State of New South Wales, being land contained within Lot 1 DP 197426, Lot 1 DP 782441, Lot 1 DP 742567, Lot 1 DP 194617 and Lot 222 DP 711826.

Also the land contained within Lot 4 DP 584533, Lot 12 DP 554939, Lot 1 DP 195437, Lot A DP 163114, Lot B DP 163114, Part Lot 4 Section S DP 258906, Part Lots 4/5 Section S DP 258906 and Lot 5 DP 258906.

Also the land commencing at the intersection of the southern side of Donald Street and the eastern side of Beaumont Street and bounded thence by Beaumont and Cleary Streets southerly and easterly to the south eastern corner of Lot 1, Deposited Plan 195067 also being the western side of a lane 3.05m wide, by the western side of that lane northerly to the north eastern corner of Lot 1, Deposited Plan 744828, by the northern side of that lane and Lot 5, Deposited Plan 112686 easterly, by the eastern boundaries of Deposited Plans 583663, 74859, 744839, 599309 and 810933 northerly to Donald Street, by the southern side of Donald Street westerly to the point of commencement and also the land commencing at the intersection of the southern side of Cleary Street and the eastern side of Beaumont Street and bounded thence by Beaumont and Lindsay Streets southerly and easterly to the south eastern corner of Lot 10, Deposited Plan 730856, by the eastern boundary of Lot 10, Deposited Plan 730656 northerly, by the northern most boundary of Lot 10, Deposited Plan 730856 and the southern most boundary of a reserve for access westerly to the south eastern corner of Lot 1, Deposited Plan 742106, by the eastern boundary of Deposited Plan 742106, 718498 and 736999 generally northerly to Cleary Street, by the southern side of Cleary Street westerly to the point of commencement.

Also the land contained within the area bounded by Lindsay, Beaumont, James and Murray Streets excluding Deposited Plans 735441, 713317, 194444, 195277 and part 151701.

Also the land contained within the area bounded by James, Beaumont, Tudor and Murray Streets excluding, Deposited Plans 159807, 710235 and 600287.

Also the land contained within SP 62579 and Lot 100 DP 624615.

Also the land commencing at the intersection of the southern side of Donald Street and the western side of Beaumont Street and bounded thence by Beaumont and Cleary Streets, southerly and westerly to the south eastern corner of Lot 1, Deposited Plan 515659, by the eastern and northern boundary of Lot 1, Deposited Plan 515659 northerly and westerly, by the western most boundary of Lot 2, Deposited Plan 515659 and Lot 1, Deposited
Plan 745138 northerly, by part of the northern boundary of Lot 1, Deposited Plan 745138 easterly to the south west corner of Lot 111, Deposited Plan 803640 also being the eastern side of a passage or right of way, by the eastern side of that passage or right of way northerly to the north western corner of Lot 1, Deposited Plan 780954 also being the southern side of Donald Street, by the southern side of Donald Street easterly to the point of commencement.

Also the land commencing at the intersection of the southern side of Cleary Street and the western side of Beaumont Street and bounded thence by Beaumont and Lindsay Streets southerly and westerly to the southern eastern corner of Lot 112, Deposited Plan 813877, by the eastern and northern boundary of Lot 112, Deposited Plan 813877 northerly and westerly, by the westernmost and northernmost boundaries of Lot 121, Deposited Plan 789989 northerly and easterly to the western side of a Reserve for Access 3.05 wide, by part of the western and southern side of that Reserve for Access also being boundaries of Lot 121, Deposited Plan 789989 southerly and easterly to the south east corner of that Reserve for Access, by the eastern side of that Reserve for Access also being western boundaries of Deposited Plans 789989, 544553, Lots 45 and 46, Deposited Plan 192673, Deposited Plan 710794 and 739091 northerly to the southern side of Cleary Street, by the southern side of Cleary Street easterly to the point of commencement.

Also the land commencing at the intersection of the southern side of Lindsay Street and the western side of Beaumont Street and bounded thence by Beaumont Street and James Street southerly and westerly to the south western corner of Lot 77, Deposited Plan 700187, by the western boundary of Lot 77, Deposited Plan 700187 northerly, by part of the northern boundary of the abovementioned lot easterly to the south western corner of Part Lot 6, Section B, Deposited Plan 192809 currently known as House No. 100 Beaumont Street, by the western boundaries of No. 100 Beaumont Street, Deposited Plans 799752, 780749 and 797858 northerly to Lindsay Street, by the southern side of Lindsay Street easterly to the point of commencement.

Also the land commencing at the intersection of the southern side of James Street and the western side of Beaumont Street and bounded thence by Beaumont Street and Tudor Street southerly and westerly to the south western corner of Deposited Plan, 82254, by the western boundaries of Parts Deposited Plan 192809, Deposited Plans 82254, 799981, 195662, 604860, 607058, 207918 and 227306 northerly to James Street, by the southern side of James Street to the point of commencement.
SCHEDULE D

HAMILTON BUSINESS DISTRICT - ZONE B

All those pieces or parcels of land, categorised as Business, situate at Hamilton in the City of Newcastle, Parish of Newcastle, County of Northumberland, State of New South Wales, being the area bounded by Hudson Street, Swan Street, The Esplanade, Great Northern Railway and Beaumont Street.

Also the land contained within the area partly bounded by Fern and Beaumont Streets being Lot 1 Deposited Plan 75464.

Also the land contained within the area partly bounded by Fern and Beaumont Streets to the north eastern boundary of Part Lot 6 Section F DP 192801 thence to southern boundary of the unnamed laneway.

Also the land contained within the area partly bounded by Fern and Beaumont Streets to the north eastern boundary of Lot B DP 153014 thence to part of the northern boundary of the Lot 1 DP 600440 and to the northern boundary of lot 1 DP 783168.

Also the land contained within the area bounded by Donald, Swan, Hudson and Bennett Streets.

Also the land contained within the area bounded by Donald, Bennett, Hudson and Beaumont Streets excluding the land described in Zone A.

Also the land contained within the area bounded by Donald, Beaumont and Hudson Streets, Public Reserve and Eva Street excluding the land described in Zone A.

Also the land contained within the area bounded by Donald and Eva Streets and Public Reserve.

Also the land contained within the area bounded by Donald, Beaumont, Cleary and Bennett Streets excluding the land described in Zone A.

Also the land contained within the area bounded by Donald, Devon, Cleary and Beaumont Streets excluding the land described in Zone A.

Also the land contained within the area bounded by Beaumont Street, the southern side of Cleary Street to the north western corner of Lot 1 Dp 194848 thence by the western boundary of DP 194848 to the northern boundary of Lot D DP 447913 thence by the western boundary of DP 447913 to the northern side of Lindsay Street thence easterly to the intersection of Beaumont Street excluding the land described in Zone A.
Also the land contained within the area bounded by Cleary, Cameron, Lindsay and Beaumont Streets excluding the land described in Zone A.

Also the land contained within the area bounded by Beaumont Street, the southern side of Lindsay Street to the north western boundary of Lot 1 DP 995927 thence by the western boundary of DP 995927 to the northern boundary of Lot 1 DP 782007 thence by the western boundary of DP 782007 to the northern side of James Street thence easterly to the intersection of Beaumont Street.;

Also the land contained within the area bounded by Lindsay, Murray, James and Beaumont Streets excluding the land described in Zone A.

Also the land contained within the area bounded by James, William, Tudor and Milton Streets.

Also the land contained within the area bounded by James, Beaumont, Tudor and William Streets excluding the land described in Zone A.

Also the land contained within the area bounded by James, Murray, Tudor and Beaumont Streets excluding the land described in Zone A.

Also the land contained within the area bounded by James, Cameron, Tudor and Murray Streets.

Also the land contained within the area bounded by James, Lawson, Tudor and Cameron Streets.

Also the land contained within the area bounded by Tudor, William, Denison and Milton Streets.

Also the land contained within the area bounded by Tudor, Beaumont, Denison and William Streets excluding the land described in Zone A.

Also the land contained within the area bounded by Tudor, Murray, Denison and Beaumont Streets excluding the land described in Zone A.

Also the land contained within the area bounded by Tudor, Webster, Denison and Murray Streets.

Also the land contained within the area bounded by Tudor, Crompton, Denison and Webster Streets.

Also the land contained within the area bounded by Tudor, Lawson, Denison and Crompton Streets.
SCHEDULE E

HAMeILTON BUSINESS DISTRICT - ZONE C

All those pieces or parcels of land, categorised as Business, situate at Hamilton in the City of Newcastle, Parish of Newcastle, County of Northumberland, State of New South Wales, being the area bounded by Gordon Avenue, Denison, Turner and Tudor Streets.

Also the land contained within the area bounded by Turner, Denison, Lawson and Tudor Streets.

Also the land contained within the area bounded by Milton, Denison, Chaucer and Tudor Streets.

Also the land contained within the area bounded by Chaucer, Denison, Bridge and Tudor Streets.

Also the land contained within the area bounded by Bridge, Denison, Steel and Tudor Streets.

Also the land contained within the area bounded by Tudor, Steel, James and Bridge Streets.

Also the land contained within the area bounded by Tudor, Bridge, James and Chaucer Streets.

Also the land contained within the area bounded by Tudor, Chaucer, James and Milton Streets.

Also the land contained within the area bounded by Tudor, Lawson, James and Elcho Streets.

Also the land contained within the area bounded by Tudor, Elcho, James Streets and Gordon Avenue.

Also the land contained within the area bounded by Parry Street, Gordon Avenue and Tudor Street.

Also the land contained within the area bounded by James, Elcho, Lindsay Streets and Gordon Avenue.

Also the land contained within the area bounded by James, Lawson, Lindsay and Elcho Streets.

Also the land contained within the area bounded by Steel Street the eastern boundary of Lot DP and Lots A and B DP and in a westerly direction to the intersection of Lindsay and Steel Streets.
Also the land contained within the area bounded by Lindsay Lawson, Cleary and Elcho Streets.

Also the land contained within the area bounded by Lindsay, Elcho Cleary Streets, Gordon Avenue and Donald Street.

Also the land contained within the area bounded by Cleary, Wilson and Donald Streets.

Also the land contained within the area bounded by Cleary, Lawson, Donald and Wilson Street.
SCHEDULE F

WALLSEND BUSINESS DISTRICT - ZONE A

All those pieces or parcels of land being Business as defined in Section 518 of the Local Government Act, 1993, situate at Wallsend in the City of Newcastle, Parish of Newcastle, County of Northumberland, State of New South Wales, being such Business land contained within the centre of activity being the area bounded by Tyrrell Street, Nelson Street, Kemp Street and Low Street, and.

Also the land contained within the area bounded by Tyrrell, Nelson, Dan Rees and Council Streets.

Also the land contained within the area bounded by Tyrrell, Council, Dan Rees Streets and the eastern boundary of the area resumed for storm water channel purposes with the exception of all that part of Lot 51 DP 843945 which is bounded by Council Street, the southern boundary of Lot 1 DP 18215, part of the eastern boundary of the said stormwater channel and the northern boundary of Lot 13 DP 554147.

Also the land contained within the area bounded by Cowper, Brooks, Metcalfe and Campbell Streets.

Also the land contained within the area bounded by Cowper, Metcalfe, Campbell and Murmin Streets.

Also the land contained within the area bounded by Cowper, Irving, Murmin and Campbell Streets.

Also the land contained within Lot 107 DP 813129.

Also the land contained within the area bounded by Dan Rees, Kemp, Low and Cowper Streets and the eastern boundary of Lot 107 DP 813129.

Also the land contained within the area bounded by Low, Kemp and Cowper Streets and the southern and eastern boundaries of Lot 1 DP 232822.

Also the land contained within the area bounded by Robert, George, Kemp and Low Streets.

Also the land contained within the area bounded by Robert, Low and George Streets.

Also the land contained within the area bounded by Charles, Harris and Tyrrell Streets and the western boundaries of Lots 107, 109 and 110 DP 238198.
Also the land contained within the area bounded by Charles, Harris and William Streets and the eastern and northern boundaries of Lot 33 Sec C and the northern and part of the western boundary of Lot 8 Sec C.

Also the land contained within the area bounded by William and Harris Streets and the northern boundaries of part Lots 1, 2 and 3 Sec C DP 111245.

Also the land contained within the area bounded by Tyrrell, Nelson, Boscawen and Harris Streets.

Also the land contained within Lot 20 DP 63875 and Lot 1 DP 738503 known as number 68 Nelson Street Wallsend.

Also the land contained within the area bounded by Cross, Clark and Nelson Streets and the splayed northern boundary of the area resumed for stormwater channel purposes with the exception of Lot 100 DP 825711 known as number 3 Cross Street Wallsend and Lot 6 Sec E DP 977871 known as number 7 Cross Street Wallsend.

Also the land contained within the area bounded by Tyrrell, Council and Nelson Streets and the western boundary of Lot 8 Sec A DP 977871.

Also the land contained within the area bounded by Bunn, Nelson, Council and the eastern boundary of Lot 5 Sec A DP 770396.

Also the land contained within the area bounded by Bunn, Council, Tyrrell Streets and the eastern boundaries of Lot 12 Sec A DP 111245 and Lot 71 DP 551112.

All of the land contained within Lots 1 and 2 Sec A DP 111245 and Lots 1 and 2 DP 212934.
SCHEDULE G

WALLSEND SPECIAL RATE - ZONE B

All those pieces or parcels of land being Business as defined in Section 518 of the Local Government Act, 1993, situate at Wallsend in the City of Newcastle, Parish of Newcastle, County of Northumberland, State of New South Wales, being such Business land contained within the centre of activity being the area bounded by Bunn, Kokera, Bousfield and Boundary Streets.

Also the land contained within the area bounded by Boundary, Devon, Tyrrell and Bunn Streets.

Also the land contained within the area bounded by Tyrrell, Bunn, Nelson and Devon Streets.

Also the land contained within the area bounded by Nelson, Devon, Ranclaud and Clark Streets.

Also the land contained within Lot 100 DP 825711 and Lot 6 Sec E DP 977871.

Also the land contained within Lots 20, 22 and 26 DP 21951 Lot 122 DP 619031 Lots 1 and 2 DP 394152 Lot 1 DP 249006 and Pt Lot 12 DP 518075.

Also the land contained within the area bounded by George, James, John and the western boundaries of Lots 100 DP 890522 and Lot 1 DP 215847.

Also the land contained within the area bounded by George, Robert, James and John Streets.

Also the land contained within the area bounded by John and Robert Streets and the northern boundaries of Lot B DP 215067 Lot 1 DP 785573 and Lot 2 DP 227626 and the western boundary of Lot 2 DP 227626.
SCHEDULE H

WALLSEND SPECIAL RATE - ZONE C

All those pieces or parcels of land being Business as defined in Section 518 of the Local Government Act, 1993, situate at Wallsend in the City of Newcastle, Parish of Newcastle, County of Northumberland, State of New South Wales, being such Business land contained within the centre of activity being all the land contained within Lot 51 DP 843945.
NEW LAMBTON BUSINESS DISTRICT - ZONE A

All those pieces or parcels of land categorised as being Business as defined in Section 518 of the Local Government Act, 1993, situate at New Lambton in the City of Newcastle, Parish of Newcastle, County of Northumberland, State of New South Wales, being such Business land contained within the centre of activity being the area bounded by Victoria Street, Regent Street, Portland Place and Evescourt Road, and

Also the land contained within the area bounded by Victoria Street, Cromwell Street, Portland Place and Regent Street.

Also the land contained within the area bounded by Victoria Street, Evescourt Road, Regent Street and Russell Road.

Also the land contained within the area bounded by Victoria Street, Cromwell Street, Regent Street and Russell Road.

Also the land contained within the area bounded by Alma Lane, Cromwell Street, Regent Street and Russell Road.

Also the land contained within the area bounded by Alma Lane, Cromwell Street, Regent Street and Alma Road.

Also the land contained within the area bounded by Lambton Lane, Rugby Road, Regent Street and Alma Road.

Also the land contained within the area bounded by Lambton Lane, Rugby Road, Lambton Road and Alma Road.
SCHEDULE J

CITY CENTRE - CITY EAST

All those pieces or parcels of land, categorised as Business, situate at Newcastle in the City of Newcastle, Parish of Newcastle, County of Northumberland, State of New South Wales, being the area bounded by Hunter, Newcomen, Scott and Bolton Streets.

Also the land contained within the area bounded by Hunter, Bolton, Scott and Watt Streets being the area bounded by Hunter, Watt, Scott and Pacific Streets, and also the land contained within the area bounded by Hunter, Bolton, King and Newcomen Streets.

Also the land contained within the area bounded by Hunter, Watt, King and Bolton Streets.

Also the land contained within the area bounded by Hunter, Pacific, King and Watt Streets.

Also the land contained within the area bounded by King, Bolton, Church and Newcomen Streets with the exception of Lot 1 Deposited Plan 709455, Part Lot 73 DP 63392 and the land in DP 301960.

Also the land contained within the area bounded by King, Watt, Church and Bolton Streets.

Also the land contained within the area bounded by Hunter, Perkins, Scott and Wolfe Streets.

Also the land contained within the area bounded by Hunter, Wolfe, Scott, Market, Keightley and Thorn Streets.

Also the land contained within the area bounded by Hunter, Thorn, Keightley and Market Streets.

Also the land contained within the area bounded by Hunter, Market, Keightley and Morgan Streets.

Also the land contained within the area bounded by Hunter, Morgan, Keightley, Market, Scott and Newcomen Streets.

Also the land contained within the area bounded by Hunter, Wolfe, King and Perkins Streets.

Also the land contained within the area bounded by Hunter, Thorn, King and Wolfe Streets.
Also the land contained within the area bounded by Hunter, Morgan, Laing and Thorn Streets.

Also the land contained within the area bounded by Hunter, Newcomen, King and Morgan Streets.

Also the land contained within the area bounded by King, Thorn, Laing, and Morgan Streets.

Also the land commencing at the intersection of the eastern side of Perkins Street with the southern side of King Street and bounded thence easterly by the southern side of King Street to Wolfe Street, thence southerly by the western side of Wolfe Street to the northern side of a Right of Way known as Noster Place, thence westerly by the northern side of Noster Place to the eastern boundary of Lot 100 Deposited Plan 812931, thence westerly by the southern boundary of Lot 100 Deposited Plan 812931 to the eastern boundary of Lot 4 Deposited Plan 511096, thence northerly by the eastern boundary to the northern boundary of Lot 4 Deposited Plan 511096, thence westerly by the northern boundary of Lot 4 Deposited Plan 511096 to the eastern side of Perkins Street thence northerly by the eastern side of Perkins Street to the point of commencement.

Also the land commencing at the intersection of the southern side of King Street with the western side of Newcomen Street and bounded thence southerly by the western side of Newcomen Street to the north east corner of Lot 4 Deposited Plan 594939, thence westerly by the northern boundary of Lot 4 Deposited Plan 594939, thence northerly by the western boundaries of Part Allotment 90, Allotments 91,92, 93 and 95 City of Newcastle (Deposited Plan 54152) to the southern side of King Street, thence easterly by the southern side of King Street to the point of commencement.

Also the land contained within Strata Plan 21188 being known as No 342 Hunter Street.

Also the land contained within Lot 1 Deposited Plan 615094 being No 336 Hunter Street.

Also the land contained within the area bounded by Wharf Road, the eastern boundary of Lot 1 Deposited Plan 747803, the Great Northern Railway and Argyle Street.

Also the land contained within the area bounded by Hunter, Crown, King and Darby Streets.

Also the land contained within the area bounded by Hunter, Brown, King and Crown Streets.

Also the land contained within the area bounded by Hunter, Perkins, King and Brown Streets.
Also the land commencing at the intersection of the southern side of King Street with the western side of Brown Street and bounded thence southerly by the western side of Brown Street to the northern side of a private lane known as Congregational Lane, thence westerly by the northern side of Congregational Lane, thence southerly by the eastern boundaries of Strata Plan 14504 and Lot 1012 Deposited Plan 577948, thence westerly by part of the southern boundary of Lot 1012 Deposited Plan 577948, thence southerly by the eastern most boundary of Lot 1 Deposited Plan 531497, thence westerly by the southern boundary of Lot 1 Deposited Plan 531497, thence southerly by part of the eastern boundary of Lot 25 Deposited Plan 786533, thence westerly by the southern boundary of Lot 25 Deposited Plan 786533, thence northerly by the western boundary of Lot 25 Deposited Plan 786533 to the southern side of King Street, thence generally easterly by the southern side of King Street to the point of commencement.

Also the land commencing at the intersection of the eastern side of Brown Street with the southern side of King Street and bounded thence easterly by the southern side of King Street to Perkins Street, thence southerly by the western side of Perkins Street to the southern boundary of Lot 2 Deposited Plan 565144, thence, westerly by the northern side of Carlton Street, thence northerly by the eastern most boundary of Lot 1 Deposited Plan 822197, thence westerly by part of the southern boundary of Deposited Plan 64364 to the eastern side of Brown Street, thence northerly by the eastern side of Brown Street to the point of commencement.
CITY CENTRE - DARBY STREET

All those pieces or parcels of land, categorised as Business, situate at Newcastle in the City of Newcastle, Parish of Newcastle, County of Northumberland, State of New South Wales, being the land commencing at the intersection of the eastern side of Darby Street with the southern side of King Street and bounded thence easterly by the southern side of King Street, part of the northern boundary of Lot 2 Deposited Plan S14776 and Lot 1 Deposited Plan 120163, thence southerly by the eastern boundaries of Lots 1 and 2 Deposited Plan 120163 and Part Lot A Deposited Plan 402271, thence westerly by the northern boundary of Lot 150 Deposited Plan 582406, thence southerly by the western boundary of Lot 150 Deposited Plan 582406 to the northern side of Tyrrell Street, thence westerly by the northern side of Tyrrell Street, thence northerly by the eastern side of Darby Street to the point of commencement.

Also the land contained within the area bounded by Darby Street, Tyrrell Street, the western boundary of Lot 102 Deposited Plan 786055 and Queen Street.

Also the land commencing at the intersection of the northern side of Bull Street with the eastern side of Darby Street and bounded thence northerly by the eastern side of Darby Street, thence westerly by the southern side of Queen Street to the western boundary of the private lane, thence generally southerly by the western boundary of that private lane and the western boundary of a private lane as shown on Deposited Plan 95076, thence easterly by the northern boundary of Lot 114 Deposited Plan 702624, thence southerly by the western boundary of Railway Street, thence westerly by the southern most boundary of Lot 2 Deposited Plan 346454, thence southerly by the eastern boundaries of Lot 1 Deposited Plan 741902 and Lot 1 Deposited Plan 740217, thence easterly by a northern boundary of Lot 1 Deposited Plan 740217, thence southerly by the western side of Railway Street, thence westerly by the southern boundary of Lot 1 Deposited Plan 740217, thence southerly by the eastern boundaries of Lots 262, 263, 264 and 265 Deposited Plan 615688 and Lot 1 Deposited Plan 60745, thence easterly by the northern boundary of Lot 1 Deposited Plan 732964, thence southerly by the eastern boundary of Lot 1 Deposited Plan 732964, thence easterly by the southern boundary of Lot 1 Deposited Plan 711571, thence southerly by the western side of Railway Street, thence westerly by the southern boundary of Lot 1 Deposited Plan 779210, thence southerly by the western boundary of Deposited Plan 321534, thence easterly by the northern boundary of Lot 2 Deposited Plan 112771, thence southerly by the western side of Railway Street, thence westerly by the northern boundary of Lot 1 Deposited Plan 780544, thence southerly by the eastern boundaries of Lot 1 Deposited Plan 780544, Part Lot 30 Deposited Plan 978941, Lot 1 Deposited Plan 738549 and the western side of a private lane to Bull Street, thence westerly by the northern side of Bull Street to the point of commencement.

Also the land commencing at the intersection of the southern side of Queen Street with the western side of Darby Street and bounded thence southerly by the western side of Darby Street, thence westerly by the northern side of...
Council Street, thence northerly by the western boundaries of Lot 1 Deposited Plan 784154 and Lot 1 Deposited Plan 741680, thence westerly by the southern boundary of Lot 1 Deposited Plan 742501 thence northerly by the western boundaries of Lot 1 Deposited Plan 742501 and Lot 70 Deposited Plan 706980, thence easterly by the southern boundary of Strata Plan 20224, thence northerly by the eastern boundaries of Strata Plan 20224 and Lot 13 Deposited Plan 251602, the western boundaries of Lot 8 Deposited Plan 251602, Lot 1 Deposited Plan 745048 and Lot 204 Deposited Plan 631586, thence easterly by the northern boundary of Lot 203 Deposited Plan 631586, thence northerly by the western boundary of Lot 3 Deposited Plan 741688, thence easterly by the northern boundary Lot 3 Deposited Plan 741688, thence northerly by the eastern most boundary of Deposited Plan 798130 to the southern side of Queen Street, thence easterly by the southern side of Queen Street to the point of commencement.

Also the land commencing at the intersection of the southern side of Council Street with the western side of Darby Street and bounded thence southerly by the western side of Darby Street, thence westerly by the northern side of Bull Street, thence northerly by the eastern boundary of No 28 Bull Street being Part Lot 16 Section G Deposited Plan 978941, thence westerly by the southern boundary of Lot 1 Deposited Plan 714722, thence northerly by the western boundaries of Lot 1 Deposited Plan 741722 and Lots 142 and 141 Deposited Plan 740376, thence westerly by a southern boundary of Lot 141 Deposited Plan 740376, thence northerly by the eastern side of Dawson Street, thence easterly by the northern boundary of Lot 141 Deposited Plan 740376, thence northerly by the western boundaries of Lot 2 Deposited Plan 779300, Lot 1 Deposited Plan 780696, Part Lot 12 Section G Deposited Plan 978941 and Lots 1 and 2 Deposited Plan 741985 to Council Street, thence easterly by the southern boundary of Council Street to the point of commencement.
SCHEDULE L

CITY CENTRE - CITYWEST (CLOSE ZONE)

All those pieces and parcels of land, categorised as Business, situate at Newcastle in the City of Newcastle, Parish of Newcastle, County of Northumberland, State of New South Wales, being the area bounded by Hunter Street, Worth Place, Lane adjoining the Great Northern Railway and the eastern boundary of Lot 8 Deposited Plan 18256.

Also the land contained within the area bounded by Hunter Street, the western boundary of Lot 100 Deposited Plan 809262, the Great Northern Railway and Merewether Street.

Also the land contained within the area bounded by Hunter Street, Merewether Street, The Great Northern Railway and the eastern boundary of Lot 101 Deposited Plan 546335.

Also the land contained within the area bounded by Merewether Street, Centenary Road, Argyle Street and the Great Northern Railway.

Also the land contained within the area bounded by Hunter Street, Union Lane, King Street and Union Street.

Also the land contained within the area bounded by Hunter Street, Auckland Street, King Street and Union Lane.

Also the land commencing at the intersection of the eastern side of Auckland Street with the southern side of Hunter Street and bounded thence on the southern side of Hunter Street easterly to the western boundary of a private road known as Wheeler Place, thence southerly by that western side of Wheeler Place to the northern boundary of a private road known as Christie Street, thence westerly by that northern side of Christie Street, a northern boundary of Lot 1 Deposited Plan 225689 and the northern boundary of Lot 2 Deposited Plan 225689 to the eastern side of Auckland Street, thence northerly by that eastern side of Auckland Street to the point of commencement.

Also the land contained within the area bounded by Hunter, Burwood and King Streets and the private road known as Wheeler Place.

Also the land contained within the area bounded by Hunter, Darby, King and Burwood Streets.

Also the land commencing at the intersection of the eastern side of Union Street with the southern side of King Street and bounded thence easterly to the eastern boundary of No 265 King Street being Part Lot 71 Section C Deposited Plan 978941, thence southerly by the eastern boundary of No 265 King Street,
thence westerly by the northern boundary of Gibson Street, thence southerly by 
an eastern boundary of Lot 1 Deposited Plan 611971, thence westerly by the 
southern boundaries of Lot 1 Deposited Plan 611971 and Lot 2 Deposited Plan 
224999 to the eastern side of Union Street, thence northerly by the eastern side 
of Union Street to the point of commencement.

Also the land contained within the area bounded by King, Auckland and Gibson 
Streets, and the western boundary of Lot 451 DP 748689.

Also the land contained within the area bounded by Hunter Street, (also known 
as Mailand Road) to the Northern prolongation of Selma Street, The Great 
Northern Railway and Railway Street.

Also the land contained within the area bounded by Hunter Street, Railway 
Street, Tighes Street, The Great Northern Railway, Stewart Avenue, Beresford 
Lane and Cooper Street.

Also the land contained within the area bounded by Hunter Street, Cooper 
Street, Beresford Lane and Stewart Avenue.

Also the land contained within the area bounded by Hunter Street, Stewart 
Avenue, Beresford Lane and Florence Street.

Also the land contained within the area bounded by Beresford Street, Hannell 
Street; Beresford Lane and Stewart Avenue.

Also the land contained within the area bounded by Hunter Street, Florence 
Street, Beresford Lane and Hannell Street.

Also the land contained within the area bounded by Hunter Street, Hannell 
Street, The Great Northern Railway and Worth Place.

Also the land contained within the area bounded by Hunter, Denison, Parry and 
Tudor Streets.

Also the land contained within the area bounded by Hunter, Wood, Parry and 
Denison Streets.

Also the land contained within the area bounded by Hunter Street, Stewart 
Avenue, Parry Street and Wood Street.

Also the land contained within the area bounded by Hunter Street, National 
Park Street, King Street and Stewart Avenue.

Also the land contained within the area bounded by Hunter, Steel, King and 
National Park Streets.

Also the land contained within the area bounded by Hunter Street, Devonshire 
Street, King Street and Steel Street.

Also the land contained within the area bounded by Hunter Street, Union 
Street, King Street and Devonshire Street.
Also the land contained within the area bounded by King, National Park and Parry Streets.

Also the land commencing at the intersection of the eastern side of Stewart Avenue with the southern side of Parry Street and bounded thence easterly by the southern side of Parry Street to the western boundary of Lot A DP 158805, thence southerly by the western boundary of Lot A DP 158805, thence westerly by the southern boundaries of Deposited Plans 32614, 741790, 797031 and 736327 to the eastern side of Stewart Avenue, thence northerly by the eastern side of Stewart Avenue to the point of commencement.

Also the land contained within the area bounded by King, Steel, Parry and National Park Streets.

Also the land contained within the area bounded by King, Ravenshaw, Parry and Steel Streets.

Also the land contained within the area bounded by King, Union, Bull and Ravenshaw Streets with the exceptions of the land in Deposited Plan 95195.
SCHEDULE M

CITY CENTRE - CITY WEST (DISTANT ZONE)

All those pieces or parcels of land, categorised as Business, situate at Newcastle in the City of Newcastle, Parish of Newcastle, County of Northumberland, State of New South Wales, being the area bounded by Parry, Arnott, Bull and Union Streets.

Also the land contained within the area bounded by Parry, Ravenshaw, Hall and Arnott Streets.

Also the land contained within the area bounded by Ravenshaw, Bull, Dick and Hall Streets.

Also the land contained within the area bounded by Wharf Road, Argyle Street, Centenary Road and Merewether Street.
SCHEDULE N

CITY CENTRE - TOWER

All those pieces or parcels of land, categorised as Business, situate at Newcastle in the City of Newcastle, Parish of Newcastle, County of Northumberland, State of New South Wales, being the land contained within Strata Plan 21188 being known as No 342 Hunter Street.

Also the land contained within Lot 1 Deposited Plan 615094 being No 336 Hunter Street.

Also the land contained within the area bounded by Wharf Road, the eastern boundary of Lot 1 Deposited Plan 747803, the Great Northern Railway and Argyle Street.

Also the land contained within the area bounded by Hunter, Crown, King and Darby Streets.

Also the land contained within the area bounded by Hunter, Brown, King and Crown Streets.

Also the land contained within the area bounded by Hunter, Perkins, King and Brown Streets.

Also the land commencing at the intersection of the southern side of King Street with the western side of Brown Street and bounded thence southerly by the western side of Brown Street to the northern side of a private lane known as Congregational Lane, thence westerly by the northern side of Congregational Lane, thence southerly by the eastern boundaries of Strata Plan 14504 and Lot 1012 Deposited Plan 577948, thence westerly by part of the southern boundary of Lot 1012 Deposited Plan 577948, thence southerly by the eastern most boundary of Lot 1 Deposited Plan 531497, thence westerly by the southern boundary of Lot 1 Deposited Plan 531497, thence southerly by part of the eastern boundary of Lot 25 Deposited Plan 786533, thence westerly by the southern boundary of Lot 25 Deposited Plan 786533, thence northerly by the western boundary of Lot 25 Deposited Plan 786533 to the southern side of King Street, thence generally easterly by the southern side of King Street to the point of commencement.

Also the land commencing at the intersection of the eastern side of Brown Street with the southern side of King Street and bounded thence easterly by the southern side of King Street to Perkins Street, thence southerly by the western side of Perkins Street to the southern boundary of Lot 2 Deposited Plan 565144, thence, westerly by the northern side of Carlton Street, thence northerly by the eastern most boundary of Lot 1 Deposited Plan 822197, thence westerly by part of the southern boundary of Deposited Plan 64384 to the eastern side of Brown Street, thence northerly by the eastern side of Brown Street to the point of commencement.
CITY OF NEWCASTLE

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SCHEDULE O

CITY CENTRE - MALL

All those pieces or parcels of land, categorised as Business, situate at Newcastle in the City of Newcastle, Parish of Newcastle, County of Northumberland, State of New South Wales, being the land contained within the area bounded by Hunter, Perkins, Scott and Wolfe Streets.

Also the land contained within the area bounded by Hunter, Wolfe, Scott, Market, Keightley and Thorn Streets.

Also the land contained within the area bounded by Hunter, Thorn, Keightley and Market Streets.

Also the land contained within the area bounded by Hunter, Market, Keightley and Morgan Streets.

Also the land contained within the area bounded by Hunter, Morgan, Keightley, Market, Scott and Newcomen Streets.

Also the land contained within the area bounded by Hunter, Wolfe, King and Perkins Streets.

Also the land contained within the area bounded by Hunter, Thorn, King and Wolfe Streets.

Also the land contained within the area bounded by Hunter, Morgan, Laing and Thorn Streets.

Also the land contained within the area bounded by Hunter, Newcomen, King and Morgan Streets.

Also the land contained within the area bounded by King, Thorn, Laing, and Morgan Streets.

Also the land commencing at the intersection of the eastern side of Perkins Street with the southern side of King Street and bounded thence easterly by the southern side of King Street to Wolfe Street, thence southerly by the western side of Wolfe Street to the northern side of a Right of Way known as Noster Place, thence westerly by the northern side of Noster Place to the eastern boundary of Lot 100 Deposited Plan 812931, thence westerly by the southern boundary of Lot 100 Deposited Plan 812931 to the eastern boundary of Lot 4 Deposited Plan 511096, thence northerly by the eastern boundary to the northern boundary of Lot 4 Deposited Plan 511096, thence westerly by the northern boundary of Lot 4 Deposited Plan 511096 to the eastern side of Perkins Street thence northerly by the eastern side of Perkins Street to the point of commencement.
Also the land commencing at the intersection of the southern side of King Street with the western side of Newcomen Street and bounded thence southerly by the western side of Newcomen Street to the north east corner of Lot 4 Deposited Plan 594939, thence westerly by the northern boundary of Lot 4 Deposited Plan 594939, thence northerly by the western boundaries of Part Allotment 90, Allotments 91,92, 93 and 95 City of Newcastle (Deposited Plan 54152) to the southern side of King Street, thence easterly by the southern side of King Street to the point of commencement.
SCHEDULE P

CITY CENTRE - CIVIC (CLOSE ZONE)

All those pieces and parcels of land, categorised as Business, situate at
Newcastle in the City of Newcastle, Parish of Newcastle, County of
Northumberland, State of New South Wales, being the area bounded by Hunter
Street, Worth Place, Lane adjoining the Great Northern Railway and the
eastern boundary of Lot 8 Deposited Plan 18256.

Also the land contained within the area bounded by Hunter Street, the western
boundary of Lot 100 Deposited Plan 809262, the Great Northern Railway and
Merewether Street.

Also the land contained within the area bounded by Hunter Street, Merewether
Street, The Great Northern Railway and the eastern boundary of Lot 101
Deposited Plan 546335.

Also the land contained within the area bounded by Merewether Street,
Centenary Road, Argyle Street and the Great Northern Railway.

Also the land contained within the area bounded by Hunter Street, Union Lane,
King Street and Union Street.

Also the land contained within the area bounded by Hunter Street, Auckland
Street, King Street and Union Lane.

Also the land commencing at the intersection of the eastern side of Auckland
Street with the southern side of Hunter Street and bounded thence on the
southern side of Hunter Street easterly to the western boundary of a private
road known as Wheeler Place, thence southerly by that western side of
Wheeler Place to the northern boundary of a private road known as Christie
Street, thence westerly by that northern side of Christie Street, a northern
boundary of Lot 1 Deposited Plan 225689 and the northern boundary of Lot 2
Deposited Plan 225689 to the eastern side of Auckland Street, thence northerly
by that eastern side of Auckland Street to the point of commencement.

Also the land contained within the area bounded by Hunter, Burwood and King
Streets and the private road known as Wheeler Place.

Also the land contained within the area bounded by Hunter, Darby, King and
Burwood Streets.

Also the land commencing at the intersection of the eastern side of Union
Street with the southern side of King Street and bounded thence easterly to the
eastern boundary of No 265 King Street being Part Lot 71 Section C Deposited
Plan 978941, thence southerly by the eastern boundary of No 265 King Street,
thence westerly by the northern boundary of Gibson Street, thence southerly by an eastern boundary of Lot 1 Deposited Plan 611971, thence westerly by the southern boundaries of Lot 1 Deposited Plan 611971 and Lot 2 Deposited Plan 224999 to the eastern side of Union Street, thence northerly by the eastern side of Union Street to the point of commencement.

Also the land contained within the area bounded by King, Auckland and Gibson Streets, and the western boundary of Lot 451 DP 748689.
SCHEDULE Q

CITY CENTRE - CIVIC (DISTANT ZONE)

All those pieces and parcels of land, categorised as Business situate at Newcastle in the City of Newcastle, Parish of Newcastle, County of Northumberland, State of New South Wales, being the land contained within the area bounded by Wharf Road, Argyle Street, Centenary Road and Merewether Street.
ITEM-45  CCL 16/06/15 - MAKING OF THE RATE - HCRCMA CONTRIBUTION AND COMMISSION FOR THE YEAR COMMENCING 1 JULY 2015

REPORT BY: CORPORATE SERVICES
CONTACT: DIRECTOR CORPORATE SERVICES / MANAGER FINANCE

PURPOSE

Council endorses the rate in the dollar that will apply to those rateable assessments liable to be charged the Hunter Catchment Contribution and the rate of commission applicable to the collections for 2015/16.

RECOMMENDATION

1 The catchment contribution rate for the 2015/16 rating year is 0.013100 of a cent in the dollar on all relevant properties within the Newcastle Local Government Area (LGA) with a land value in excess of $300.

2 The rate of commission for the collection of the 2015/16 Catchment Contribution be endorsed at 5% of monies collected.

KEY ISSUES

3 Council, on behalf of Hunter Local Land Services, is obliged to levy the catchment contribution on all relevant properties within the LGA with a land value in excess of $300. Hunter Local Land Services have set the rate in the dollar that will apply to those rateable assessments liable to be charged the catchment contribution at 0.013100 for 2015/16.

4 The proposed rate of commission, payable to Council for acting on Hunter Local Land Services’ behalf, in the levying and collection of the 2015/16 Catchment Contribution is 5% of all monies collected.

5 In order to comply with legislation, Council must continue to levy the catchment contribution on its annual Rates and Charges Notices. The levy less the commission payable to the Council is passed on to Hunter Local Land Services.

FINANCIAL IMPACT

6 The estimated total levy to be collected from the catchment contribution is $1.82 million. Estimated commission earned by Council and withheld from this levy for the 2015/16 financial year is $91,000.
COMMUNITY STRATEGIC PLAN ALIGNMENT

7 N/A.

IMPLEMENTATION PLANNING / IMPLICATIONS

8 The provisions of the Local Land Services Regulation 2014 require Council to levy this rate. Information relating to the catchment contribution is outlined each year on the annual Rates and Charges Notices.

RISK ASSESSMENT AND MITIGATION

9 Failure to make the 2015/16 Hunter Catchment Contribution by 1 August 2015 will place Council in breach of the Local Government Act 1993 and may delay the levying of Council’s rates and charges.

RELATED PREVIOUS DECISIONS

10 N/A.

OPTIONS

Option 1

11 The recommendations as at Paragraphs 1 and 2. This is the recommended option.

Option 2

12 Council resolves not to levy the rate in accordance with the Local Land Services Regulation 2014. Failure to make the 2015/16 Hunter Catchment Contribution by 1 August 2015 will place Council in breach of the Local Government Act 1993. This is not the recommended option.

BACKGROUND

13 In accordance with the provisions of the Local Land Services Regulation 2014, Council is required to levy and collect the Hunter Catchment Contribution on behalf of Hunter Local Land Services.

14 By written advice dated 3 June 2015, Hunter Local Land Services confirms that the 2015/16 Catchment Contribution will be 0.013100 of a cent in the dollar. The rate of commission, set by Hunter Local Land Services, payable to Council for the levying and collection of the Catchment Contribution, remains at 5%.
15 The funds collected by Council on behalf of Hunter Local Land Services are used by this Authority for managing the land, vegetation and water resources within the Hunter Catchment Area. This is done via various rehabilitation and flood mitigation projects.

REFERENCES

ATTACHMENTS

Nil
ITEM-46 CCL 16/06/15 - INTEREST ON OVERDUE RATES AND CHARGES FOR 2015/16

REPORT BY: CORPORATE SERVICES
CONTACT: DIRECTOR CORPORATE SERVICES / MANAGER FINANCE

PURPOSE

Council has the discretion to set the rate of interest in respect of overdue rates and charges each year. However, it must not exceed the limit specified by the Minister for Local Government. The Minister has advised that the maximum rate of interest payable on overdue rates and charges for the 2015/16 rating year is 8.5% per annum.

RECOMMENDATION

1 The rate of interest on overdue rates and charges is the maximum allowable by the Minister of 8.5% per annum for the 2015/16 rating year.

2 The rate of interest on overdue rates and charges that are deferred against an eligible ratepayer’s estate for the 2015/16 rating year be fixed at 4.1% per annum.

3 The practice of waiving interest charges for eligible pensioners who make arrangements to pay their rate obligation remains unchanged.

KEY ISSUES

4 In order to maintain a sufficient deterrent to the late payment of rates and charges it is proposed the maximum rate of interest allowable by the Minister apply to overdue rates and charges. This rate is 8.5% per annum. By comparison the maximum rate for the 2014/15 year was also 8.5% per annum with this rate resolved for use by Council on 24 June 2014.

5 Council also continues to provide a discounted interest rate on overdue rates and charges deferred against a ratepayer’s estate. The 2014/15 discount rate was 4.4% pa. For the 2015/16 rating year the discounted rate has been determined at 4.1% pa. Council has previously resolved that the deferral of rates and charges against a ratepayer’s estate should attract a lower rate of interest commensurate with Council’s investment weighted average rate.

FINANCIAL IMPACT

6 Imposition of interest on overdue rates and charges will ensure cash flow is maintained and will deter the late payment of debts. Estimated annual income from interest charges is $270,000 based on historical levels of arrears.
COMMUNITY PLAN STRATEGIC ALIGNMENT

7 N/A.

IMPLEMENTATION PLANNING / IMPLICATIONS

8 The collection of overdue rates and charges is accommodated within the current service level activity.

RISK ASSESSMENT AND MITIGATION

9 The Local Government Act 1993 (Act) provides for interest charges to accrue on unpaid rates and charges at the interest rate resolved by Council. Provision is also made within the Act to allow special payment arrangements where ratepayer hardship exists.

10 If the rate of interest is set too low there is a risk that it may be considered as a relatively cheap form of finance thereby resulting in an increase in arrears. This situation would disadvantage the majority of ratepayers who pay their rates by the due date. Setting the interest rate at the maximum rate allowable by the minister mitigates this risk. (Noting that there are specific provisions available to pensioners and any ratepayers experiencing genuine financial hardship).

RELATED PREVIOUS DECISIONS

11 This report proposes confirmation of existing practice and follows the adoption of the rate and practice within Council Report dated 24 June 2014.

CONSULTATION

12 The Minister annually establishes the maximum interest rate on overdue rates and charges in accordance with section 566 of the Act. All ratepayers are advised of the applicable rate of interest on their annual Rates and Charges and Instalment Notices. Negotiation of interest free payment periods and waiving of interest charges are options available and were advertised within Council’s 2015/16 Draft Operational Plan.

OPTIONS

Option 1

13 The recommendation as at Paragraphs 1 - 3. This is the recommended option.

Option 2

14 Council resolves not to adopt the recommendations set out in paragraphs 1-3 and adopts alternate interest rates and different practices for waiving of interest charges for eligible pensioners. This is not the recommended option.
BACKGROUND

Interest Charges

15 In respect of eligible pensioners, the current practice provides that interest on overdue rates and charges shall:

- Not be applied where the net rates and charges are paid in full in the current year or suitable arrangements to pay are entered into; and

- Be waived where arrears of net rates and charges are paid in accordance with an arrangement in subsequent years, except as provided for postponement of rates and charges under section 585 of the Act.

Writing off Accrued Interest

16 The Act provides that special payment arrangements may be implemented and interest charges be waived where these charges cause hardship to the ratepayer, or where circumstances exist that the late payment of the outstanding rates and charges was caused by reason beyond the control of the ratepayer. Council’s policy is consistent with these requirements.

Defer Rates and Charges Against Estate

17 Ratepayers may, subject to annual written applications and assessment, be eligible to defer the payment of rates and charges, allowing them to accrue against their estates.

18 Council previously resolved on 24 June 2014 that the deferral of rates and charges against the estate should attract a lower rate of interest somewhat commensurate with Council’s investment rate.

19 The benchmark used and considered appropriate is Council’s investment weighted average rate. This is currently 4.1% as at 30 April 2015.

20 Where the applicant is an eligible pensioner they are required to submit an annual application for the mandatory pensioner rebate, thereby, reducing the amount outstanding by up to $250.00 per year.

REFERENCES

ATTACHMENTS

Nil
MOTION
Moved by Lord Mayor, Cr Nelmes, seconded by Cr Posniak


The General Manager recommended to the Lord Mayor that the motions should be addressed sequentially to ensure that the process of adopting the budget and making the rates was consistent with the process implicit with the Local Government Act.

The Lord Mayor informed Council that with exception last year, the consistent past practice of Council has been to deal with these interrelated matters simultaneously.

The General Manager reiterated his previous advice reading advice that he had been provided by senior rates staff and advising that he was not aware of it being dealt with as a single resolution in the past.

The motion was put and carried.

For the Motion: Lord Mayor, Cr Nelmes and Councillors Clausen, Crakanthorp, Doyle, Dunn, Osborne and Posniak

Against the Motion: Councillors Compton, Waterhouse and Robinson

Carried
ITEM-43  CCL 16/06/15 - ADOPTON OF 2013-17 DRAFT DELIVERY PROGRAM, 2015/16 DRAFT OPERATIONAL PLAN AND 2015/16 DRAFT FEES AND CHARGES

ITEM-44  CCL 16/06/15 - MAKING OF THE RATES AND CHARGES FOR 2015/16

ITEM-45  CCL 16/06/15 - MAKING OF THE RATE - HCRCMA CONTRIBUTION AND COMMISSION FOR THE YEAR COMMENCING 1 JULY 2015

ITEM-46  CCL 16/06/15 - INTEREST ON OVERDUE RATES AND CHARGES FOR 2015/16
MOTION

Moved by Lord Mayor, Cr Nelmes, seconded by Cr Posniak

A To adopt the revised 2013-17 Delivery Program (as set out in Attachment A), the 2015/16 Operational Plan (as set out in Attachment B) and the 2015/16 Fees and Charges (as set out in Attachment C).

B Council makes the following rates and charges for the financial year 2015/16:

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<tr>
<th>RATE</th>
<th>MINIMUM RATE</th>
<th>AD Valorem Amount Cents in $</th>
<th>BASE AMOUNT</th>
<th>ESTIMATED RATE YIELD P.A. $'s</th>
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1 An Ordinary Rate of zero point two four eight zero seven eight cents (0.248078c) in the dollar with a 50% base charge of five hundred and seventy eight dollars and sixteen cents ($578.16) named RESIDENTIAL, apply to all rateable land in The City of Newcastle Local Government Area (Newcastle LGA) categorised as Residential.

2 An Ordinary Rate of zero point three six two nine three nine cents (0.362939c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named FARMLAND, apply to all rateable land in the Newcastle LGA categorised as Farmland.

3 An Ordinary Rate of one point seven seven seven two four cents (1.77724c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS, apply to all rateable land in the Newcastle LGA categorised as Business except that rateable land determined to be in the Business Sub-Categories - Major Commercial Shopping Centres - Kotara, Major Commercial Shopping Centres – Jesmond, Major Commercial Shopping Centres – Waratah, Major Commercial Shopping Centres - Wallsend, Major Commercial Shopping Centres – The Junction, Major Commercial Centres (Inner City), Suburban Shopping Centres, Suburban Shopping Centres (Inner City), Kotara Homemaker’s Centre, Kooragang Industrial Coal Zone, Kooragang North Coal Zone, Kooragang Industrial Centre, Mayfield North Heavy Industrial Centre, Mayfield North Industrial Centre, Carrington Industrial Coal Zone, Carrington Industrial Centre, Broadmeadow Industrial Centre, Hexham Light Industrial Centre.

4 An Ordinary Rate of two point seven nine four seven seven eight cents (2.794778c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS - MAJOR COMMERCIAL SHOPPING CENTRE - KOTARA, apply to all rateable land in the Newcastle LGA, being utilised as a Major Commercial Shopping Centre. “Major Commercial Shopping Centre” being defined as a centre of commercial activity within the suburb of Kotara providing at least six thousand square metres (6,000m²) of floor space and which incorporates a major anchor tenant trading as a supermarket outlet together with a minimum of thirty (30) specialty stores and service outlets. This land is categorised as Sub-Category Business - Major Commercial Shopping Centre - Kotara.

5 An Ordinary Rate of three point eight two eight four four eight cents (3.828448c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS - MAJOR COMMERCIAL SHOPPING CENTRE - JESMOND, apply to all rateable land in the Newcastle LGA, being utilised as a Major Commercial Shopping Centre. “Major Commercial Shopping Centre” being defined as a centre of commercial activity within the suburb of Jesmond providing at least six thousand square metres (6,000m²) of floor space and which incorporates a major anchor tenant trading as a supermarket outlet together with a minimum of twenty (20) specialty stores and service outlets. This land is categorised as Sub-Category Business - Major Commercial Shopping Centre - Jesmond.
6 An Ordinary Rate of four point two three nine one five nine cents (4.239159c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named **BUSINESS - MAJOR COMMERCIAL SHOPPING CENTRE - WARATAH**, apply to all rateable land in the Newcastle LGA, being utilised as a Major Commercial Shopping Centre. "Major Commercial Shopping Centre" being defined as a centre of commercial activity within the suburb of Waratah providing at least six thousand square metres (6,000m²) of floor space and which incorporates a major anchor tenant trading as a supermarket outlet together with a minimum of twenty (20) specialty stores and service outlets. This land is categorised as Sub-Category Business - Major Commercial Shopping Centre - Waratah.

7 An Ordinary Rate of four point three zero two zero five six cents (4.302056c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named **BUSINESS - MAJOR COMMERCIAL SHOPPING CENTRE - WALLSEND**, apply to all rateable land in the Newcastle LGA, being utilised as a Major Commercial Shopping Centre. "Major Commercial Shopping Centre" being defined as a centre of commercial activity within the suburb of Wallsend providing at least six thousand square metres (6,000m²) of floor space and which incorporates a major anchor tenant trading as a supermarket outlet together with a minimum of twenty (20) specialty stores and service outlets. This land is categorised as Sub-Category Business - Major COMMERCIAL SHOPPING CENTRE - WALLSEND.

8 An Ordinary Rate of three point two one one one one five cents (3.211115c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named **BUSINESS - MAJOR COMMERCIAL SHOPPING CENTRE – THE JUNCTION**, apply to all rateable land in the Newcastle LGA, being utilised as a Major Commercial Shopping Centre. "Major Commercial Shopping Centre" being defined as a centre of commercial activity within the suburb of The Junction providing at least six thousand square metres (6,000m²) of floor space and which incorporates a major anchor tenant trading as a supermarket outlet together with a minimum of twenty (20) specialty stores and service outlets. This land is categorised as Sub-Category Business - Major COMMERCIAL SHOPPING CENTRE – The Junction.

9 An Ordinary Rate of two point two zero zero three six cents (2.20036c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named **BUSINESS - MAJOR COMMERCIAL SHOPPING CENTRES (INNER CITY)**, apply to all rateable land in the Newcastle LGA situated at Newcastle West within the centre of activity defined by Parry, National Park, King and Ravenshaw Streets, being utilised as a Major Commercial Centre (Inner City). "Major Commercial Centre – (Inner City)" being defined as a centre of commercial activity providing at least six thousand square metres (6,000m²) of floor space and which incorporates a major anchor tenant trading as a supermarket outlet together with a minimum of twenty (20) specialty stores and service outlets. This land is categorised as Sub-Category Business - Major Commercial Shopping Centres (Inner City).
10 An Ordinary Rate of two point six seven zero four five cents (2.67045c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – SUBURBAN SHOPPING CENTRES, apply to all rateable land in the Newcastle LGA, being utilised as a Suburban Shopping Centre. “Suburban Shopping Centre” being defined as a centre of commercial activity situated on a site of greater than 6,000m² which operates as a Supermarket excepting the land categorised as Major Commercial Shopping Centres - Kotara, Major Commercial Shopping Centres – Jesmond, Major Commercial Shopping Centres – Waratah, Major Commercial Shopping Centres - Wallsend, Major Commercial Shopping Centres – The Junction, Major Commercial Centres (Inner City). This land is categorised as Sub-category Business - Suburban Shopping Centres.

11 An Ordinary Rate of two point four two three one two five cents (2.423125c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – SUBURBAN SHOPPING CENTRES – INNER CITY, apply to all rateable land in the Newcastle LGA, being utilised as an Inner City Suburban Shopping Centre. "Inner City Suburban Shopping Centre” being defined as a centre of commercial activity within the suburb of Newcastle West or Hamilton situated on a site of greater than 4,900m² which operates as a Supermarket excepting the land categorised as Major Commercial Shopping Centres - Kotara, Major Commercial Shopping Centres – Jesmond, Major Commercial Shopping Centres – Waratah, Major Commercial Shopping Centres - Wallsend, Major Commercial Shopping Centres – The Junction, Major Commercial Centres (Inner City) and Suburban Shopping Centres. This land is categorised as Sub-category Business - Suburban Shopping Centres – Inner City.

12 An Ordinary Rate of one point three five seven zero seven six cents (1.357076c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – KOTARA HOMEMAKER’S CENTRE apply to all rateable land in the Newcastle LGA situated at Kotara, used for commercial purposes, within the centre of activity defined by Northcott Drive, Bradford Close, the northern and western boundaries of Lot 501 DP 1174032, the northern and eastern boundaries of Lot 181 DP 850168 and the southern boundary of Lot 220 DP 1014716. This land is categorised as sub-category Business – Kotara Homemaker’s Centre.

13 An Ordinary Rate of one point three two five four five six cents (1.325456c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – Kooragang Industrial Coal Zone apply to all rateable land in the Newcastle LGA within the centre of activity defined by Lot 11 DP 841542, Lot 121 DP 874949, Lot 1 DP 1097327, Lot 5 DP 1097327, Lots 2, 5, 7, 9 DP 775774, Lot 1 DP 775775, Lot 1 DP 869622, Lot 18 DP 1119752. This sub categorisation applies to all land categorised as Business in terms of section 518 of the Act within the defined area. This land is categorised as sub-category Business – Kooragang Industrial Coal Zone.
14 An Ordinary Rate of one point five six two seven three seven cents (1.562737c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – KOORAGANG NORTH INDUSTRIAL COAL ZONE apply to all rateable land in the Newcastle LGA within the centre of activity defined as Lots 1, 2, 3, 16 DP 1119752, Lot 61 DP 1184395, Lot 62 DP 1184943, Lot 16 DP 262783, Lots 6, 7, 8, 9, 10 11 DP 1119752, Lots 29, 30, 31, 32 and 33 DP 1184229 and Lot 22 DP 1155723. This sub categorisation applies to all land categorised as Business in terms of section 518 of the Act within the defined area. This land is categorised as sub-category Business – Kooragang North Industrial Coal Zone.

15 An Ordinary Rate of one point two two nine zero five one cents (1.229051c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – KOORAGANG INDUSTRIAL CENTRE apply to all rateable land in the Newcastle LGA within the centre of activity defined by the suburb of Kooragang. This sub categorisation applies to all land categorised as Business in terms of section 518 of the Act located in Kooragang which is not sub categorised as Business – Kooragang Industrial Coal Zone or not sub categorised as Business – Kooragang North Industrial Coal Zone. This land is categorised as sub-category Business – Kooragang Industrial Centre.

16 An Ordinary Rate of zero point seven three eight one two six cents (0.738126c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – MAYFIELD NORTH HEAVY INDUSTRIAL CENTRE apply to all rateable land in the Newcastle LGA within the centre of activity defined by all land contained within Lot 1DP 874109, Lot 225 DP 101396, Lot 224 DP 101396, Lot 1 DP 1184257 and Lot 2 DP 1184257 and zoned SP1 – Special Activities under the State Environmental Planning Policy (Three Ports) 2009. This land is categorised as sub-category Business - Mayfield North Heavy Industrial Centre.

17 An Ordinary Rate of one point three zero six eight seven seven cents (1.306877c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – MAYFIELD NORTH INDUSTRIAL CENTRE apply to all rateable land in the Newcastle LGA within the centre of activity defined by Lot 10 DP 625019, Lot 1 DP 403544, Lot 1 DP 528411, Lot 2 DP 207307, Lot 2 DP 528411, Lot 3 DP 259009, Lot 1 DP 880225, Lots 1, 2 DP 1177466, Lots 36, 37, 38, 39, 40 DP 1191723 and Lot Pt 1 DP 207307. This land is categorized as sub-category Business - Mayfield North Industrial Centre.

18 An Ordinary Rate of two point one zero six seven nine seven cents (2.106797c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – CARRINGTON INDUSTRIAL COAL ZONE apply to all rateable land in the Newcastle LGA within the centre of activity defined by all land within Lot 1 DP 1044636 Lots 1, 2 DP 1104199 and the land contained within Railway Land Lease reference number 115/75/2261.
This land is categorised as sub-category Business - Carrington Industrial Coal Zone.

19 An Ordinary Rate of one point eight eight nine one one three cents (1.889113c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – CARRINGTON INDUSTRIAL CENTRE apply to all rateable land in the Newcastle LGA within the centre of activity defined by all land with an area of greater than 600m² zoned SP1 – Special Activities under the State Environmental Planning Policy (Three Ports) 2009 and located within the suburb of Carrington and the land known as Lot 1 DP 1097368 excepting that land categorised as Business - Carrington Industrial Coal Zone. This sub categorisation applies to all land categorised as Business in terms of section 518 of the Act within the defined area. This land is categorised as sub-category Business – Carrington Industrial Centre.

20 An Ordinary Rate of two point four four nine three eight one cents (2.449381c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – BROADMEADOW INDUSTRIAL apply to all rateable land in the Newcastle LGA within the centre of activity defined by all land within Lot 221 DP 1012345. This land is categorised as sub-category Business - Broadmeadow Industrial.

21 An Ordinary Rate of two point one four three six zero eight cents (2.143608c) in the dollar with a minimum rate of seven hundred and sixty eight dollars and forty cents ($768.40) named BUSINESS – HEXHAM LIGHT INDUSTRIAL CENTRE apply to all rateable land in the Newcastle LGA within the centre of activity defined by all land wholly or partly contained in a “parcel of land” as defined within the Valuation of Land Act NSW 1916, which is zoned IN3 Heavy Industrial under the Newcastle Local Environmental Plan 2012 and located within the suburb of Hexham. This sub categorisation applies to all land categorised as Business in terms of section 518 of the Act within the defined area. This land is categorised as sub-category Business - Hexham Light Industrial Centre.

22 A Special Rate of zero point three one five eight one eight cents (0.315818c) in the dollar named HUNTER MALL, apply to part of the rateable land within the Newcastle LGA constituted and known as the “Hunter Mall Town Improvement District” as defined in Attachment A for the purpose of defraying the cost of continuing additional horticultural and cleansing services and street furnishings determined to be of special benefit to the said Hunter Mall Town Improvement District.

23 A Special Rate of zero point one one one nine nine five cents (0.111995c) in the dollar named MAYFIELD BUSINESS DISTRICT, apply to part of the rateable land within the Newcastle LGA constituted and known as the "Mayfield Business District" as defined in Attachment B for the purpose of defraying the additional cost of promotion, beautification and development of the Mayfield Business District determined to be of special benefit to the said Mayfield Business District.
24 A Special Rate of zero point two four seven nine one six cents (0.247916c) in the dollar named HAMILTON BUSINESS DISTRICT - ZONE A, apply to part of the rateable land within the Newcastle LGA constituted and known as the “Hamilton Business District” as defined in Attachment C for the purpose of defraying the additional cost of promotion, beautification and development of the Hamilton Business District determined to be of special benefit to the said Hamilton Business District.

25 A Special Rate of zero point one two three nine five eight cents (0.123958c) in the dollar named HAMILTON BUSINESS DISTRICT - ZONE B, apply to part of the rateable land within the Newcastle LGA constituted and known as the “Hamilton Business District” as defined in Attachment D for the purpose of defraying the additional cost promotion, beautification and development of the Hamilton Business District determined to be of special benefit to the said Hamilton Business District.

26 A Special Rate of zero point zero six one nine seven nine cents (0.061979c) in the dollar named HAMILTON BUSINESS DISTRICT - ZONE C, apply to part of the rateable land within the Newcastle LGA constituted and known as the “Hamilton Business District” as defined in Attachment E for the purpose of defraying the additional cost promotion, beautification and development of the Hamilton Business District determined to be of special benefit to the said Hamilton Business District.

27 A Special Rate of zero point three nine three nine seven two cents (0.393972c) in the dollar named WALLSEND BUSINESS DISTRICT - ZONE A, apply to part of the rateable land within the Newcastle LGA constituted and known as the “Wallsend Business District” as defined in Attachment F for the purpose of defraying the additional cost promotion, beautification and development of the Wallsend Business District determined to be of special benefit to the said Wallsend Business District.

28 A Special Rate of zero point one nine six nine eight six cents (0.196986c) in the dollar named WALLSEND BUSINESS DISTRICT - ZONE B, apply to part of the rateable land within the Newcastle LGA constituted and known as the “Wallsend Business District” as defined in Attachment G for the purpose of defraying the additional cost promotion, beautification and development of the Wallsend Business District determined to be of special benefit to the said Wallsend Business District.

29 A Special Rate of zero point two nine five four seven nine cents (0.295479c) in the dollar named WALLSEND BUSINESS DISTRICT - ZONE C, apply to part of the rateable land within the Newcastle LGA constituted and known as the “Wallsend Business District” as defined in Attachment H for the purpose of defraying the additional cost of promotion, beautification and development of the Wallsend Business District determined to be of special benefit to the said Wallsend Business District.
30 A Special Rate of zero point one three eight one four three cents (0.138143c) in the dollar named **NEW LAMBTON BUSINESS DISTRICT**, apply to part of the rateable land within the Newcastle LGA constituted and known as the “New Lambton Business District” as defined in Attachment I for the purpose of defraying the additional cost of promotion, beautification and development of the New Lambton Business District determined to be of special benefit to the said New Lambton Business District.

31 A Special Rate of zero point three nine zero four six five cents (0.390465c) in the dollar named **CITY CENTRE - CITY EAST**, apply to part of the rateable land within the Newcastle LGA constituted and known as the “City centre Benefit Area - City East” as defined in Attachment J for the purpose of defraying the additional cost of promotion, beautification and development of the City centre Benefit Area - City East determined to be of special benefit to the said City centre Benefit Area - City East.

32 A Special Rate of zero point zero nine one six zero three cents (0.091603c) in the dollar named **CITY CENTRE - DARBY STREET**, apply to part of the rateable land within the Newcastle LGA constituted and known as the “City centre Benefit Area - Darby Street” as defined in Attachment K for the purpose of defraying the additional cost of promotion, beautification and development of the City centre Benefit Area - Darby Street determined to be of special benefit to the said City centre Benefit Area - Darby Street.

33 A Special Rate of zero point one six eight eight one eight cents (0.168818c) in the dollar named **CITY CENTRE - CITY WEST (CLOSE ZONE)**, apply to part of the rateable land within the Newcastle LGA constituted and known as the “City centre Benefit Area - City West” as defined in Attachment L for the purpose of defraying the additional cost of promotion, beautification and development of the City centre Benefit Area - City West(Close Zone) determined to be of special benefit to the said City centre Benefit Area - City West (Close Zone).

34 A Special Rate of zero point zero eight four four zero nine cents (0.084409c) in the dollar named **CITY CENTRE - CITY WEST (DISTANT ZONE)**, apply to part of the rateable land within the Newcastle LGA constituted and known as the “City centre Benefit Area -City West” as defined in Attachment M for the purpose of defraying the additional cost of promotion, beautification and development of the City centre Benefit Area - City West (Distant Zone) determined to be of special benefit to the said City centre Benefit Area - City West (Distant Zone).
35 A Special Rate of zero point three nine zero four six five cents (0.390465c) in the dollar named CITY CENTRE - TOWER apply to part of the rateable land within the Newcastle LGA constituted and known as the “City centre Benefit Area - Tower” as defined in Attachment N for the purpose of defraying the additional cost of promotion, beautification and development of the City centre Benefit Area - Tower determined to be of special benefit to the said City centre Benefit Area - Tower.

36 A Special Rate of zero point three nine zero four six five cents (0.390465c) in the dollar named CITY CENTRE – MALL, apply to part of the rateable land within the Newcastle LGA constituted and known as the “City centre Benefit Area - Mall” as defined in Attachment O for the purpose of defraying the additional cost of promotion, beautification and development of the City centre Benefit Area - Mall determined to be of special benefit to the said City centre Benefit Area - Mall.

37 A Special Rate of zero point two one nine nine zero six cents (0.219906c) in the dollar named CITY CENTRE - CIVIC (CLOSE ZONE), apply to part of the rateable land within the Newcastle LGA constituted and known as the “City centre Benefit Area – Civic (Close Zone)” as defined in Attachment P for the purpose of defraying the additional cost of promotion, beautification and development of the City centre Benefit Area – Civic (Close Zone) determined to be of special benefit to the said City centre Benefit Area – Civic (Close Zone).

38 A Special Rate of zero point one zero nine nine five three cents (0.109953c) in the dollar named CITY CENTRE - CIVIC (DISTANT ZONE), apply to part of the rateable land within the Newcastle LGA constituted and known as the “City centre Benefit Area – Civic (Distant Zone)” as defined in Attachment Q for the purpose of defraying the additional cost of promotion, beautification and development of the City centre Benefit Area – Civic (Distant Zone) determined to be of special benefit to the said City centre Benefit Area – Civic (Distant Zone).

39 A STORMWATER MANAGEMENT SERVICE CHARGE of $25.00 per non-strata property and $12.50 per Strata/Company Title unit for the provision of stormwater management services. This charge applies to all rateable land categorised as Residential not being an exclusion as outlined in section 496A (2) of the Act as amended.

40 A STORMWATER MANAGEMENT SERVICE CHARGE of $25.00 per 350m² or part thereof, of land area capped at a maximum of $1,000 for each non-strata property. This charge applies to all non-strata or non-company title rateable land categorised as Business not being an exclusion as outlined in section 496A (2) of the Act as amended.

41 A STORMWATER MANAGEMENT SERVICE CHARGE of $25.00 per 350m² or part thereof, of land area occupied by the strata scheme, capped at a maximum of $1,000, divided between each unit based on the unit entitlement of
each business lot divided by the total unit entitlement of strata lots within the scheme. This charge applies to all strata or company title rateable land categorised as Business where the dominant use of the strata development is for business purposes, not being an exclusion as outlined in section 496A(2) of the Act as amended.

42 A DOMESTIC WASTE MANAGEMENT SERVICE CHARGE of $340.09 for the provision of domestic waste management services for each parcel of rateable land for which the service is available in the Newcastle LGA.

43 A BUSINESS WASTE MANAGEMENT SERVICE CHARGE of $231.58 (GST inclusive) for the provision of waste management services (other than domestic waste management services), on each parcel of rateable land for which the service is provided or proposed to be provided in the Newcastle LGA.

C The catchment contribution rate for the 2015/16 rating year is 0.013100 of a cent in the dollar on all relevant properties within the Newcastle Local Government Area (LGA) with a land value in excess of $300.

D The rate of commission for the collection of the 2015/16 Catchment Contribution be endorsed at 5% of monies collected.

E The rate of interest on overdue rates and charges is the maximum allowable by the Minister of 8.5% per annum for the 2015/16 rating year.

F The rate of interest on overdue rates and charges that are deferred against an eligible ratepayer’s estate for the 2015/16 rating year be fixed at 4.1% per annum.

G The practice of waiving interest charges for eligible pensioners who make arrangements to pay their rate obligation remains unchanged.

For the Motion: Lord Mayor, Cr Nelmes and Councillors Clausen, Crakanthorp, Doyle, Dunn, Osborne and Posniak

Against the Motion: Councillors Compton, Robinson and Waterhouse. Carried
ITEM-47  
CCL 16/06/15 - FIT FOR THE FUTURE SUBMISSION

REPORT BY:  CORPORATE SERVICES
CONTACT:   DIRECTOR CORPORATE SERVICES

PURPOSE

To recommend that Council endorses the submission of a Fit for the Future (FftF) Improvement Proposal (Template 2) to the Independent Pricing and Regulatory Tribunal (IPART).

RECOMMENDATION

1 Council endorses the submission of Template 2 (Newcastle City Council’s FftF Improvement Proposal) to IPART by 30 June 2015. This proposal aims to demonstrate that the Council, on a stand-alone basis, can meet the targets for the four FftF criteria established by IPART as detailed in their Methodology for Assessment of Council Fit for the Future Proposals.

KEY ISSUES

2 The NSW Government has implemented the FftF initiative which is aimed at reforming Local Government. The package provides support and incentive to voluntarily undertake reform and to help each council become FftF. The Government has established four criteria it considers are necessary for a council to be considered FftF:

- scale and capacity to engage effectively across the community, industry and government;
- sustainability;
- effectively managing infrastructure and delivering services for communities; and
- efficiency.

3 Under the Office of Local Government (OLG) FftF guidelines those councils that choose to pursue a merger, where that is the NSW Independent Local Government Review Panel’s (ILGRP) recommended option, are required to prepare and submit a Council Merger Proposal (Template 1). All other metropolitan and regional councils are required to submit a Council Improvement Proposal (Template 2) and rural councils are required to submit a Rural Council Proposal (Template 3). All proposals must be submitted by 30 June 2015. The OLG guidelines indicate that a Council Merger Proposal (Template 1) can only be submitted if all proposed merger parties agree to a merger. As neither Lake Macquarie City Council (LMCC) nor Newcastle City Council (NCC) have agreed to a merger, the OLG guidelines require NCC to submit Template 2.
4 IPART has been appointed to the role of the Expert Panel to assess each council's FftF proposal against the four criteria detailed above. IPART released a consultation paper in April 2015 - Methodology for Assessment of Council Fit for the Future Proposals (Methodology). Submissions regarding the paper were due by 25 May 2015. Council submitted comments by the due date. These comments are published on the IPART website. The final Methodology was made available to councils on 5 June 2015. Councils are required to submit their FftF proposals by 30 June 2015.

5 The final report of the ILGRP on Revitalising Local Government was completed in October 2013. The OLG has indicated that this report (including its recommendations) is to be the starting point for each council's proposal on how it plans to become FftF.

6 The ILGRP Report made the following assessment of NCC and other councils within the Lower Hunter and concluded that NCC and LMCC should be amalgamated:

>> The Lower Hunter presents a range of issues needing attention. The financial positions of Newcastle and Cessnock give some grounds for concern, and there are complex patterns of socio-economic linkages, urban development and council boundaries. The quality and stability of governance has also been an issue in some councils.

>> The City of Newcastle faces significant challenges including forecast operating deficits, large capital works requirements and demanding issues associated with urban renewal. Its southern suburbs merge seamlessly into the Lake Macquarie area to form a single metropolis that needs to be planned and managed as an integrated whole. The Panel sees this as a fundamental factor in determining the future strength and capacity of local government in the region. It has therefore concluded that Newcastle and Lake Macquarie should be amalgamated to form a new council with a projected population of around 390,000 in 2031. At the same time, there may well be a case for the southern area of Lake Macquarie around Morisset to be added to Wyong or a new Central Coast council, reflecting expected patterns of urban growth and an orientation towards Sydney. Also, the Beresfield area of Newcastle, which is separated by a major wetland from the rest of the city, could be transferred to Maitland.

7 Councils that submit Template 2 proposals will be rated by IPART based on their Methodology as either 'fit' or 'not fit', based on the four criteria outlined in paragraph 2 above, with reasons given for the assessment. IPART have indicated that councils which do not submit a proposal during the submission process cannot be properly assessed and will therefore be deemed 'not fit'.
8 The OLG has established the scale and capacity criterion as the threshold criterion. In preparing their FfTF proposals councils must first assess their scale and capacity and must demonstrate that they either currently have, or will have, sufficient scale and capacity with their proposed approach, consistent with the objectives identified by the ILGRP for their region, and the features of strategic capacity (listed below). IPART will consider first the ILGRP’s preferred option for each council regarding scale and capacity and whether the council’s proposed option is broadly consistent with this option. The key elements of strategic capacity which IPART will use to assess a council’s scale and capacity are:

- More robust revenue base and increased discretionary spending capacity.
- Scope to undertake new functions and major projects.
- Ability to employ wider range of skilled staff.
- Knowledge, creativity and innovation.
- Advanced skills in strategic planning and policy development.
- Effective regional collaboration.
- Credibility for more effective advocacy.
- Capable partner for State and Federal agencies.
- Resources to cope with complex and unexpected change.
- High quality political and managerial leadership.

9 IPART has indicated in its Methodology that if the ILGRP recommended a merger as the preferred option and the council did not propose one (as noted the ILGRP recommendation is for NCC and LMCC to amalgamate), the council will be assessed as ‘not fit’, unless it presents either:

- a sound argument (eg using a business case) that demonstrates that the proposed approach is superior to the recommended merger, or
- a merger option broadly consistent with the ILGRP recommendation to merge councils (eg with three rather than four councils), supported by a sound argument.
10 If IPART determines that a council does not meet the threshold scale and capacity criterion they will be rated as 'not fit' regardless of how they perform against the other criteria. If IPART determine that a council does meet the scale and capacity criterion the three other criteria will be assessed using the specific measures and benchmarks established by the OLG. These are as follows:

a) Sustainability
   – Operating performance
   – Own source revenue
   – Building and asset renewal.

b) Infrastructure and Service Management
   – Infrastructure backlog
   – Asset maintenance
   – Debt service.

c) Efficiency
   – Real operating expenditure (ROE).

11 IPART has stated in its Methodology the scaling applied to each benchmark indicates the importance of councils achieving operational sustainability over the medium term and having plans to improve capital sustainability performance over this same period. A council’s performance against each of the individual benchmarks will inform IPART’s overall assessment of whether a council meets the criteria.

12 The Improvement Proposal (Template 2) will include the following sections:

   1.1 Executive Summary
   1.2 Scale & Capacity
   2. Council’s current position
      2.1 About your local government area
      2.2 Key challenges and opportunities
      2.3 Performance against FFTF benchmarks
   3. How will your council become/remain FFTF?
      3.1 Sustainability
      3.2 Infrastructure and service management
      3.3 Efficiency
      3.4 Improvement Action Plan
      3.5 Other Actions Considered
   4. How will your plan improve performance?
      4.1 Expected improvement in performance
   5. Putting your plan into action.
13 The proposed reform program outlined in section 3 of the Improvement Proposal comprises both the Road to Recovery initiatives which are the backbone of Council's progress to financial sustainability as well as a number of improvement initiatives undertaken in response to the FftF program and aimed at achieving further incremental increases to operational efficiency.

14 Council can demonstrate that it meets all of the elements of strategic capacity outlined in paragraph 8 and satisfies the scale and capacity criterion. Council's submission will also demonstrate that it will meet all of the other FftF criteria targets as specified in the IPART Methodology.

FINANCIAL IMPACT

15 Percy Allen & Associates were engaged to assist with the preparation of the Council's Template 2 Council Improvement Proposal. Their fee for this assignment was $36,875 (ex GST). In addition the preparation of the proposal has required significant input from the Finance Manager and the Director of Corporate Services, with support from various members of the finance team. The development of the improvement initiatives has also required significant consultation with and input from a wide selection of staff across the organisation. These internal costs are difficult to quantify precisely but would be substantial.

16 An assessment will be made by IPART on whether Council is FftF. The OLG has provided no details on what the implications of the assessment of a council as either 'fit' or 'not fit' may be, as a result, it is not yet possible to determine any potential financial implications.

COMMUNITY STRATEGIC PLAN ALIGNMENT

17 Not applicable.

IMPLEMENTATION PLAN/IMPLICATIONS

18 IPART has provided the following timetable for submissions and the assessment of the FftF submissions.

<table>
<thead>
<tr>
<th>Date</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 June 2015</td>
<td>Council submit Template 2 to IPART.</td>
</tr>
<tr>
<td>31 July 2015</td>
<td>Close of public submissions on council FftF proposals.</td>
</tr>
<tr>
<td>16 October 2015</td>
<td>IPART provides the Minister for Local Government and the Premier with a final report identifying whether or not each council is FftF and the reasons for this assessment, to be publicly released following Cabinet approval.</td>
</tr>
</tbody>
</table>
RISK ASSESSMENT AND MITIGATION

19 The risk of not lodging a FtF submission with IPART is that Council will be assessed as “not fit”. The OLG has provided no details on what the ramifications of such an assessment will be.

RELATED PREVIOUS DECISIONS

20 In a Notice of Motion dated 28 May 2013 Council resolved the following:

That Newcastle City Council:

1 Commit to continue to strongly support local government as the level of government with the greatest grassroots participation and closest connection to people.

2 Maintain the right of local residents in local councils to determine the future of their councils and their local representation.

3 Work with our community and other councils to implement those recommendations of the Local Government Review Panel that increase the financial autonomy of local councils by ending rate pegging; and

4 Oppose the long-term agenda of the Local Government Review Panel to merge metropolitan and regional councils regardless of the wishes of local residents.

5 Notes that:

a) It has strong concerns that the Local Government Review Panel is proposing the merger of Newcastle City Council with Lake Macquarie council without consulting the residents in either of these local government areas.

b) Newcastle City Council has strong community support and that there is no clear case for it to be merged with neighbouring councils; and

c) That any merger of Newcastle City Council with neighbouring councils will inevitably reduce the level of local representation and strength of local democracy in the Hunter.

6 A workshop be held for Councillors to better inform them of the status of the Panel’s work and its latest report. Council can develop a set of principles, upon which a submission can be written by Council Officers and submitted to the Panel.
CONSULTATION

21 A briefing was provided to Council on 19 May 2015 on the FftF process and the status of Council's Template 2 submission. A workshop on the FftF submission was undertaken with Councillors on 9 of June 2015.

22 As no substantial changes are involved in the Council Improvement Proposal (Template 2) no specific consultation with the community has been required. However it should be noted that extensive community consultation has been undertaken during the Council's "Road to Recovery" campaign leading up to the recently successful Special Rate Variation application. Both of these initiatives were critical in ensuring that the Council can demonstrate that it meets IPARTS targets for each of the FftF criteria.

OPTIONS

Option 1

23 The recommendation as at Paragraph 1. This is the recommended option.

Option 2

24 Submit a Council Merger Proposal (Template 1). This would not comply with the OLG FftF guidelines which require both merger parties to support a merger in order to submit Template 1. This is not the recommended option.

Option 3

24 Not submit any FftF proposal to IPART. The IPART Methodology indicates this would mean the Council could not be properly assessed and will be 'deemed not fit'. This is not the recommended option.

BACKGROUND

25 LMCC decided early in the process not to support a voluntary merger with NCC and communicated this position to NCC. NCC in its resolution of 28 May 2013 had also noted that NCC has strong community support and that there is no clear case for it to be merged with neighbouring councils.

26 Prior to the State Government’s announcement of “Fit for the Future”, the Council through its “Road to Recovery” strategy had already commenced its own "Fit for the Future" process and taken decisive action to achieve financial sustainability. This included both expenditure reduction and revenue improvement measures which were implemented in three phases:

- The first phase commenced in 2012/13 and focused on reversing Council’s operating deficit and constraining its capital expenditure to ensure solvency in the medium to long term. These measures,
The second phase of the “Road to Recovery” strategy saw Council gain approval for an 8% Special Rate Variation to not only uphold the current rate of capital spending, but also to increase it to achieve “Fit for the Future” infrastructure benchmarks within the required timelines.

The third phase of this strategy which is currently underway involves addressing the significant backlog of building and infrastructure asset maintenance and renewals. This will see both the Asset Renewal and Maintenance Ratios achieve “Fit for the Future” benchmarks by 2016/17. With an infrastructure maintenance and renewal backlog of $90.4m, Council needs to exceed its normal annual maintenance and renewals expenditure to reduce the backlog of worn out assets to an acceptable level. This will have a negative impact on Council’s operating result in the short term due to the necessary increase in operational maintenance expenditure in addition to the required capital program.

REFERENCES

ATTACHMENTS

Nil
MOTION
Moved by Cr Posniak, seconded by Cr Osborne

1. Council endorses the preparation and submission of Template 2 (Newcastle City Council's Fit for the Future Improvement Proposal (Template 2)) for the Independent Pricing and Regulatory Tribunal (IPART). The proposal aims to demonstrate that the Council, on a stand-alone basis, can meet the targets for the four FftF criteria establishment by IPART as detailed in their Methodology for Assessment of Council Fit for the Future Proposals.

2. Councillors be provided a copy of the draft FftF submission 5 days prior to lodgment.

Councillor Doyle foreshadowed a further motion.

The Lord Mayor called for a five minute recess in order to give Councillors time to consider the motion moved by Councillor Doyle.

PROCEDURAL MOTION
Moved by Lord Mayor, Cr Nelmes, seconded by Cr Clausen

Council adjourn for a five minute recess at 6.20pm.

Carried

Council reconvened at 6.29pm.

The motion moved by Councillor Posniak and seconded by Councillor Crakanthorp was put to the meeting and declared carried.

Carried

The motion moved by Councillor Doyle was put to the meeting and declared carried.

MOTION
Moved by Cr Doyle, seconded Cr Crakanthorp

Council expresses its concern through a formal submission to State Government and the Upper House Inquiry into Local Government (NSW Legislative Council General Purpose Standing Committee No.6) that the process of fulfilling the requirements for Fit for the Future demanded by the State Government have been onerous and not conducive to open, transparent and accountable governance.

Carried
ITEM-48  CCL 16/06/15 - MEREWETHER GOLF CLUB - ADOPTION OF AMENDMENT TO NEWCASTLE LEP 2012

REPORT BY: PLANNING AND REGULATORY
CONTACT: DIRECTOR PLANNING AND REGULATORY / MANAGER STRATEGIC PLANNING SERVICES

PURPOSE

To inform Council of the outcomes of community consultation carried out for the planning proposal to rezone land owned by the Merewether Golf Club and seek Council endorsement to an amendment to Newcastle Local Environmental Plan (LEP) 2012 to rezone the land on the Ella Street frontage of Merewether Golf Course, Part Lot 902, DP 1032728 from RE2 Private Recreation to R2 Low Density Residential.

RECOMMENDATION

1 Council resolves to:
   a) Endorse the attached planning proposal PP_2015_NEWCA_001_00 to:
      i) amend the Land Zoning Map to rezone the land from Zone RE2 Private Recreation to zone R2 Low Density Residential;
      ii) amend the Height of Buildings Map to include a maximum permissible height of 8.5 metres over the land;
      iii) amend the Floor Space Ratio Map to include a maximum permissible FSR of 0.6; and
      iv) amend the Minimum Lot Size Map to reduce the minimum lot size to 400m²
      as outlined in Attachment A.
   b) Forward Planning Proposal PP_2015_NEWCA_001_00 to the Department of Planning and Environment requesting that a draft Local Environmental Plan be prepared and made pursuant to Section 59(1) of the Environmental Planning and Assessment Act 1979 (EP&A Act).
   c) Advise the Director-General of the Department of Planning and Environment that Council does not seek to exercise delegations for undertaking Section 59(1) of the EP&A Act.

KEY ISSUES

2 The planning proposal was initiated by the Merewether Golf Club to enable future residential development on the land.
3 The Department of Planning and Environment (DPE) issued a gateway determination on 13 January 2015 in support of the planning proposal proceeding to community consultation. The gateway determination required a public exhibition period of 14 days and consultation with the Mine Subsidence Board. The Mine Subsidence Board has been consulted and advises that it has no objections to the amendment.

4 The planning proposal was exhibited from 23 February 2015 to 9 March 2015. Council received eight written submissions. A summary of the issues raised within the submissions and Council's response to the issues are included in Attachment B of this report.

FINANCIAL IMPACT

5 The costs involved in carrying out the recommendation are covered by Council’s LEP Amendment (Stage C) Fee, which was paid by the applicant. These fees are based on Council not exercising delegations under Section 59(1) of the EP&A Act.

6 Strategic Planning staff recommend Council not seek delegations under Section 59(1) of the EP&A Act given the added impost on Council resources without any additional influence on the outcomes. These delegations obligate Council to prepare the final reporting, drafting and mapping in order for the Minister of Planning and Infrastructure to ‘make’ the proposed amendments to Newcastle LEP 2012. Where Council does not exercise these delegations, the Department of Planning and Infrastructure undertakes these requirements.

COMMUNITY STRATEGIC PLAN ALIGNMENT

7 The preparation and processing of the attached planning proposal aligns to the strategic direction ‘Open and Collaborative Leadership’ identified within the Newcastle 2030 Community Strategic Plan.

8 Compliance with the LEP amendment process, in particular Section 57 of the EP&A Act, will assist in achieving the strategic objective: “Consider decision-making based on collaborative, transparent and accountable leadership” and the identified strategy 7.2b, which states: “Provide opportunities for genuine and representative community engagement in local decision making”.

IMPLEMENTATION PLAN/IMPLICATIONS

9 The preparation of the attached planning proposal was undertaken in accordance with Council’s LEP Amendment Policy (2012). This policy identifies Council’s processes and responsibilities in applying the requirements of Part 3 of the EP&A Act for amending an LEP.
CITY OF NEWCASTLE
Ordinary Council Meeting 16 June 2015

RISK ASSESSMENT AND MITIGATION

10 The process of amending an LEP is prescribed by Part 3 of the EP&A Act. Adherence to the legislative framework reduces the risk to both applicant and Council by ensuring that planning proposals are considered with regard to relevant strategic planning documents and are determined in an appropriate timeframe.

RELATED PREVIOUS DECISIONS

11 Pursuant to Section 55 of the EP&A Act, Council at its meeting of 9 December 2014, resolved to endorse the planning proposal and forward it to DPE for gateway determination. This resolution was implemented as outlined in this report.

CONSULTATION

12 The planning proposal was exhibited for a period of 14 days as required by the Department of Planning and Environment’s gateway determination from 23 February 2015 to 9 March 2015.

13 Council received eight written submissions objecting to the proposal and Friends of the Merewether Golf Club applied to Council for a Public Voice which was scheduled for 21 April 2015. This was cancelled due to the April storm and was heard on 19 May 2015.

14 A Public Voice Committee meeting was held on 19 May 2015 and presentations were provided to Councillors by representatives of a number of submitters and representatives of the Golf Club. The information provided by the submitters is outlined in Attachment B - Issues raised in submissions.

OPTIONS

Option 1

15 The recommendation as at Paragraph 1. This is the recommended option.

Option 2

16 Council resolves not to proceed with Planning Proposal PP_2015_NEWCA_001_00 in Attachment A and thereby not amend Newcastle LEP 2012. This is not the recommended option.

17 The intent of the planning proposal is to enable development of the land for low density residential development and assist the golf club with ongoing financial sustainability and improvements at the club. If the amendment is not made then the club will not have access to these funds and land for additional residential development will not be made available. The location of the land for
residential development is consistent with Council's residential development strategy.

18 As this planning proposal received a gateway determination, if this option is pursued, Council will need to request that the Minister for Planning allow Council to discontinue the proposed amendment.

BACKGROUND

19 Council received a request to amend Newcastle LEP 2012 to enable land at Merewether Golf Course (land fronting Ella Street) to rezone land for residential purposes in October 2014.

20 The request was considered by Council's internal LEP Advisory Panel (Panel), as per Council's 'Local Environmental Plan – Request for Amendment Policy'. The Panel consists of a range of experts in various fields who advise on potential issues to be addressed and identify studies required to support the proposal. Matters raised by the Panel have been satisfactorily addressed.

21 Council resolved to submit the planning proposal for a gateway determination at its meeting held on 9 December 2014. The gateway determination was issued on 13 January 2015, requiring Council to complete the amendment within nine months.

22 Public exhibition of the proposal concluded on 9 March 2015. Should Council resolve to support the planning proposal it will be submitted to DPE with a request for the Minister to make the amendment.

ATTACHMENTS

Attachment A: Planning Proposal - Merewether Golf Course
Attachment B: Issues raised in submissions

Attachments distributed under separate cover.
MOTION
Moved by Cr Clausen, seconded by Cr Posniak

Council resolves to:

a) Endorse the attached planning proposal PP_2015_NEWCA_001_00 to:
   i) amend the Land Zoning Map to rezone the land from Zone RE2 Private Recreation to zone R2 Low Density Residential;
   ii) amend the Height of Buildings Map to include a maximum permissible height of 8.5 metres over the land;
   iii) amend the Floor Space Ratio Map to include a maximum permissible FSR of 0.6; and
   iv) amend the Minimum Lot Size Map to reduce the minimum lot size to 400m² as outlined in Attachment A.

b) Forward Planning Proposal PP_2015_NEWCA_001_00 to the Department of Planning and Environment requesting that a draft Local Environmental Plan be prepared and made pursuant to Section 59(1) of the Environmental Planning and Assessment Act 1979 (EP&A Act).

c) Advise the Director-General of the Department of Planning and Environment that Council does not seek to exercise delegations for undertaking Section 59(1) of the EP&A Act.

For the Motion: Lord Mayor, Cr Nelmes and Councillors Clausen, Compton, Crakanthorp, Dunn, Posniak, Robinson and Waterhouse

Against the Motion: Councillors Doyle and Osborne.

Carried

Councillor Dunn left the Chamber at 6.52pm and returned at 6.53pm.
ITEM-49  CCL 16/06/15 - EXHIBITION OF DRAFT PLANNING AGREEMENT - HEXHAM TRAIN SUPPORT FACILITY

REPORT BY: PLANNING AND REGULATORY
CONTACT: DIRECTOR PLANNING AND REGULATORY / MANAGER STRATEGIC PLANNING

PURPOSE

The purpose of this report is to obtain a Council resolution to give public notice of the draft planning agreement (Attachment A) pursuant to section 93G of the Environmental Planning and Assessment Act 1979.

RECOMMENDATION

1 Council resolve to publicly notify the draft planning agreement in respect of the Hexham Train Support Facility for 28 days.

KEY ISSUES

2 The construction and operation of the Train Support Facility at Hexham was approved by the Department of Planning and Infrastructure on 10 October 2013 pursuant to section 115ZB of the Environmental Planning and Assessment Act 1979 (EPA ACT). The infrastructure approval includes the construction of seven new train lines, provisioning building, maintenance building and service vehicle garage. The Train Support Facility will provide for the relocation of fuelling, provisioning and inspection activities currently located at Kooragang Island and Carrington.

3 Although the site is included within the catchment area of Council’s Section 94A Development Contributions Plan, the infrastructure approval did not include a requirement for the payment of a development contribution to Council, and instead included the following condition:

*The proponent must ensure that any voluntary agreement it enters into with the City of Newcastle, in relation to the provision of a monetary contribution or other material public benefit, which is to be applied to a public purpose, is the subject of a Planning Agreement with the meaning of section 93F of the EP&A Act. Upon execution of any Planning Agreement, the Proponent shall inform the Director-General on the outcomes of such an agreement.*

4 The above condition does not give Council authority to require Aurizon to make a monetary contribution or any other kind of development contribution to Council. It merely sets out the requirements to follow if Aurizon offers to make a development contribution to Council. Aurizon have offered to enter into a planning agreement with Council to make a voluntary contribution of $260,000 towards the upgrade of the sporting facilities at Tuxford Park, Shortland.
5 The draft agreement proposes that, following its execution, Council submit to Aurizon a draft work plan detailing the proposed works that will be undertaken by Council at Tuxford Park. These works will include an upgrade to flood lighting and additional fencing. Council officers will prepare a Project Charter to formally authorise the project and document initial requirements that satisfy both Council and Aurizon's needs and expectations. The Project Charter includes the project purpose and objectives, constraints, assumptions, scope/deliverables, budget and risk minimisation strategies, if required. The Project Charter will be signed off by Aurizon and Council's Director of Infrastructure.

6 Following approval of the Project Charter, Aurizon will (within 10 days) transfer to Council the monetary contribution for completion of the nominated works. Council will be liable for any future upgrades or maintenance required to the infrastructure provided under this agreement.

FINANCIAL IMPACT

7 The works identified in the project charter will be completed with the monetary contribution provided by Aurizon and will not require any additional funding. Monetary contributions collected under a planning agreement are only to be used for the purpose stated in the agreement and therefore cannot be used to fund any other Council projects.

8 Council has previously written to the Department of Planning and Infrastructure raising concerns with the Department's approach to applying Council's development contribution plans to developments of state environmental planning significance. The section 94A levy is applied very inconsistently which makes it hard for Council to predict future income and plan for the delivery of community infrastructure. The Department of Planning and Environment lists the capital investment value of the Hexham Train Support Facility as $126 million. Had Council's section 94A Plan been imposed on the development, the development contribution required to be paid to Council would have been approximately $1,260,000.

COMMUNITY STRATEGIC PLAN ALIGNMENT

10 Development contributions provided under planning agreements and Council's development contribution plans assist Council in the provision of community infrastructure that supports the establishment and functioning of business, industrial and urban housing development across the LGA. As such it supports all seven strategic directions of the Community Strategic Plan.
IMPLEMENTATION PLAN/IMPLICATIONS

11 The Draft planning agreement has been prepared by Aurizon in accordance with Section 93F of the *EPA Act* and Department of Planning and Environment Practice Notes. Adherence to the legislative framework reduces the risk to Council by ensuring development contributions are levied, collected, spent and accounted for in the correct manner.

RISK ASSESSMENT AND MITIGATION

12 Risks will be identified as part of the project charter and a risk minimisation strategy prepared if required. The project will be managed using Council's Project Management Framework to ensure the project is delivered effectively and transparently.

RELATED PREVIOUS DECISIONS

13 There are no previous Council decisions related to this project.

CONSULTATION

14 Consultation has occurred with relevant internal stakeholders including Council's legal team and Facilities and Recreation business unit. The draft planning agreement will be publicly notified for 28 days pursuant to section 93G of the *EPA Act*.

15 Should submissions be received on the draft planning agreement, the matter will be reported back to Council for further consideration.

OPTIONS

Option 1

16 The recommendation as at Paragraph 1

Option 2

17 Council resolves not to proceed with the public notification of the draft planning agreement. This option is not recommended as it will not allow Aurizon to make a voluntary monetary contribution towards the upgrade of sporting facilities at Tuxford Park, Shortland. This is not the recommended option.

BACKGROUND

18 Aurizon was granted Approval for the Hexham Train Support Facility by the Minister for Planning and Infrastructure on 10 October 2013 pursuant to section 115ZB of the *EPA Act*. 
19 There were no conditions on the approval requiring Aurizon to pay a development contribution to Council.

20 Aurizon offered to enter into a planning agreement pursuant to section 93F of the EPA Act to provide a voluntary monetary contribution towards the upgrades of sporting facilities at Tuxford Park, Shortland.

ATTACHMENTS

Attachment A: Draft Planning Agreement

Attachment distributed under separate cover.

MOTION

Moved by Cr Osborne, seconded by Cr Doyle

1. Item lay on the table and Council delegate to the Lord Mayor and General Manager to negotiate the planning agreement to achieve a development contribution outcome closer to the $1.26 Million (1% of capital value).

2. Council write to the Premier requesting that the State Government develop a clear policy on development contributions from projects of this nature.

For the Motion: Lord Mayor, Cr Nelmes and Councillors Clausen, Crakanthorp, Doyle, Dunn, Osborne and Posniak

Against the Motion: Councillors Compton, Robinson and Waterhouse. Carried
ITEM-50 CCL 16/06/15 - NEWCASTLE CITY WALKING TOURS

REPORT BY: PLANNING AND REGULATORY
CONTACT: DIRECTOR PLANNING AND REGULATORY / CULTURAL DIRECTOR

PURPOSE

To advise Councillors of the publication of a series of Newcastle City walking tour brochures/website updates/smart device applications and outline the first stage of a public art policy.

RECOMMENDATION

1 Council notes the publication of the Newcastle City walking tour brochures:
   a) The Artist's City
   b) Newcastle At War
   c) Convict and Industry
   d) Newcastle Architecture
   e) The Shoreline
   f) Muloobinba

2 Council authorise the development of a public art program focused on the walking trials and themes listed in 1 above.

KEY ISSUES

3 Council is the custodian of 107 monuments and over 40 pieces of public art and maintains a register together funding routine maintenance as required and programmed.

4 The development of walking tours responds to the need to promote Newcastle’s cultural history and to provide ready access and understanding of the many valuable public art pieces across the city for both locals and visitors.

5 The walking tours link key facilities and promote existing monuments and public Art. There is an opportunity to improve these trials through enhancing Newcastle’s public space, promoting public art and creating community connection.

6 Council's Public Art Strategy was first developed in 1997 and has not been revisited since 2002.
7 Development of public art through external sponsorships, commissions and/or other collaborative means provides a further opportunity for council to expand on its public art and enhance Newcastle’s public space and creating community connection.

FINANCIAL IMPACT

8 The draft 2014/15 budget and delivery plan includes limited funding to promote existing monuments and public art as part of Council's Cultural program.

9 It is anticipated that part of the proposed public art program will seek to enable benefaction, encourage public donation and obtain grant funding to support the development and provision of public art across the LGA.

COMMUNITY STRATEGIC PLAN ALIGNMENT

10 The development of the walking tours and public art aligns with the following strategic directions for Newcastle:

   a) Vibrant and Activated Public Places
   b) Caring and Inclusive Community
   c) Livable and Distinctive Building Environment
   d) Smart and Innovative City

IMPLEMENTATION PLAN/IMPLICATIONS

11 Nil.

RISK ASSESSMENT AND MITIGATION

12 Nil.

RELATED PREVIOUS DECISIONS

13 Nil.

CONSULTATION

14 While there has been no broad community engagement in developing the walking tours, consultation with individual subject matter specialists was undertaken including engaging with the Resource Coordinator - Guraki Committee and Dr John Maynard, Director and Chair Indigenous History, Wollotuka Institute, in the development of Muloobinba.
OPTIONS

Option 1

15 The recommendation as at Paragraph 1 – This is the recommended option.

Option 2

16 Council not support the Walking Trials associated publications or development of a public art program. This is not the recommended option.

BACKGROUND

17 A series of six walking tours:

   a) The Artist's City
   b) Newcastle At War
   c) Convict and Industry
   d) Newcastle Architecture
   e) The Shoreline
   f) Muloobinba

   are designed to tell the unique stories of Newcastle city in the context of its public art, architecture and other sites of interest, and provide the public, both locals and visitors insights into our city.

18 The tours have been made available as printed brochures, downloadable PDFs from the Visit Newcastle website, as well as directly useable from the Visit Newcastle (mobile friendly) website with the addition of an audio extension. A mobile phone app is being investigated in order to release the tours on a fourth platform. The design is standardised to enable the series to expand to encompass additional themes and be easily kept up to date.

19 Distribution of the brochures is through our cultural institutions, tourist outlets including hotels and each of the tours finishes as one of Council’s cultural institutions.
20 The walking tours are the first stage of a plan for public art in the city. They are a simple mechanism for highlighting the city’s public art and enabling the public to better understand the works in relation to our city’s stories and enhancing the city’s vibrancy.

21 In addition the walking tours provide a platform to expand public art trails. A public art plan is in development and will identify opportunities for public and private partnerships, public space for the location of new artwork and models for development.

REFERENCES

ATTACHMENTS

Nil.

MOTION
Moved by Cr Posniak, seconded by Cr Clausen

1. Council notes the publication of the Newcastle City walking tour brochures:
   a) The Artist's City
   b) Newcastle At War
   c) Convict and Industry
   d) Newcastle Architecture
   e) The Shoreline
   f) Muloobinba

2. Council receives a report on the reestablishment of the Public Art Advisory Committee and receives a report on the development of a public art program focused on the walking trails and themes listed in 1 above. This Report is to include a draft Committee Charter, proposed membership and strategic objectives that provide Council with an expert Newcastle-based vision and advice on Public Art, and improving the professional practice of the arts in Newcastle’s public life.

  Carried
PURPOSE

To obtain Council's approval to the terms of the proposed Supplementary Deed of Trust requested by the Newcastle Art Gallery Foundation, subject to the incorporation of the amendment of two clauses as previously requested by Council and as detailed below in Paragraph 1 of the Recommendation.

RECOMMENDATION

1 Council endorses the granting of its approval, pursuant to the terms of Clause 12.01 of the current Trust Deed, to the terms of the Supplemental Deed of Trust, in the form as attached to this report at Attachment K, subject to the following two amendments being further incorporated into the Supplemental Deed of Trust:

(a) the definition of "Eligible Entity" in clause 2.1 being deleted in its entirety and the following definition substituted in its place:

(i) "Eligible Entity" means the Art Gallery, provided that if:

(a) the Art Gallery is unwilling or unable to accept money, property or benefits from the Trust; and

(b) as a result of (a) above, the Trust is unable to make sufficient distributions to meet the minimum annual distribution requirement under the Public Ancillary Fund Guidelines in a Financial Year,

then for that Financial Year only, both (c) and (d) below apply:

(c) Eligible Entity means:

   (i) an Approved Entity; or

   (ii) if there is no Approved Entity, a fund, authority or institution:

      (A) which is Charitible, or would be a charity within the meaning of the Charities Act 2013 (Cth) if it were not a 'government entity' as defined in that Act; and

      (B) gifts to which are deductible under item 1 of the table in section 30-15 of the ITAA 97; and

      (C) where the provision of money, property or benefits to the fund, authority or institution is for the benefit of the Art Gallery; and
(d) any distribution to an Eligible Entity under (c) above must not exceed the amount required for the Trust to meet the minimum distribution requirement under the Public Ancillary Fund Guidelines for that Financial Year after taking into account any other distribution made with respect to the Financial Year."

(b) Clause 14.1 being amended by the deletion of the words "and providing that such approval is not unreasonably withheld or delayed," immediately following the word "Council," in line 1.

so as to enable the Newcastle Art Gallery Foundation to proceed to execute the Supplemental Deed of Trust (which, subject to paragraph 1(a) above, incorporates all of the amendments requested on behalf of Council) by 30 June 2015.

2 Authority be granted for the General Manager, or his delegate, to execute all documentation on behalf of Council that conveys the above Council approval to the Foundation prior to 30 June 2015.

KEY ISSUES

3 On 25 May 2015, the Chairman of the Newcastle Art Gallery Foundation (Foundation) wrote to Council requesting Council's approval to the copy of the Supplemental Deed of Trust Newcastle Art Gallery Foundation Trust. (Supplemental Deed of Trust) that was attached to the covering letter (refer to the Foundation letter attached to this report as Attachment A and the accompanying Supplemental Deed of Trust attached as Attachment B). This request was both unexpected and urgent. The urgency was that the Foundation needed to put the Supplementary Deed of Trust, which, once executed by the Foundation, will replace the current Trust Deed that was originally entered into in 1984 and amended in 2005. The urgency is due to the Newcastle Art Gallery Foundation Trust (Trust), being a pre-1 January 2012 Public Ancillary Fund, needing to update its governing rules consistent with the regulatory requirements of the Public Ancillary Fund Guidelines that were published by the then Assistant Treasurer, Bill Shorten, MP on 9 December 2011 (PuAF Guidelines).

4 The PuAF Guidelines include Guideline 54.3 which relevantly states as follows:

"The trustee must seek to have the governing rules of the fund amended to comply with Part 2 to these guidelines by 1 July 2015."

5 The Foundation Board should have, in accordance with its duties as directors of the Foundation, which acts as the corporate trustee of the Trust, taken prompt and immediate steps to implement the necessary changes to the Trust's Deed to ensure that they were fully compliant with the PuAF Guidelines well before the 1 July 2015 deadline. It would appear that the Foundation finally initiated the necessary remedial action upon receiving a reminder notice from the Australian Taxation Office (ATO) dated 21 May 2015.

6 The Foundation letter clearly states that:
"Any failure to meeting the 30 June 2015 compliance deadline can potentially result in -

- the Trust losing its Deductible Gift Recipient (DGR) and Income Tax Exempt Status and having to be compulsorily wound up; and
- the Trustee, and directors of the Trustee, incurring administrative monetary penalties.

Because of the non-compliance referred to above, in practice it is imperative that he existing Trust Deed should be brought into line with the PuAF Guidelines, and by 30 June 2015."

7 The Foundation has admitted to a fundamental failure to take appropriate and timely action to update its governing rules so that it fully complies with the PuAF Guidelines by the requisite deadline. Such an admission is an acknowledgement that its governance processes are not working and that it has left making the necessary changes to the last possible minute, having been duly alerted to the need to do so by a reminder notice from the ATO on 21 May 2015.

8 The Foundation letter appears to have expected Council to rubber stamp the Supplemental Deed of Trust without any background briefing, information or consultation other than the provision of the information that was included in the Foundation covering letter dated 25 May 2015 and the accompanying draft Supplemental Deed of Trust.

9 The Foundation letter does not specify what changes to the current Trust Deed are required in order to conform with the requirements of the PuAF Guidelines. It merely states that:

"The current Trust Deed governing the Trust does not comply with the Guidelines in a number of material respects."

Council has not been informed by the Foundation as to what the material changes required are. This non-compliance will have existed since the coming into the effect of the PuAF Guidelines on 1 January 2012. Nor has the Foundation confirmed whether the Supplementary Deed of Trust, that has been prepared on the Foundation's behalf by Prolegis Lawyers, is materially consistent with the terms of the current Trust Deed and whether it is appropriate for Council approval. This review and analysis has been left to Council to undertake on its own behalf and to determine whether the proposed Supplementary Deed of Trust is in the best interests of the Newcastle Art Gallery and, therefore, Council, as owner and operator of the Newcastle Art Gallery, and hence whether Council should grant its approval in accordance with Clause 12.01 of the current Trust Deed.

10 In reviewing the terms of the Supplemental Deed of Trust, it quickly became apparent to Council that the need to update the current Trust Deed from a legal compliance viewpoint has been used as an opportunity to effectively rewrite the Trust Deed such that the Newcastle Art Gallery is no longer the sole beneficiary of the Trust. Since establishment of the Trust in 1984, the sole purpose of the Trust has been to direct all gifts and donations received by the Trust to benefit
the Newcastle Art Gallery. This is made unambiguously clear by the Clause 1.12 of the current Trust Deed:

"Principal Purpose The provision of money, property or benefit to or for:

(a) the Gallery [defined as the Newcastle Regional Art Gallery ie the Newcastle Art Gallery owned by Newcastle City Council] while and only for so long as the Gallery is and remains a public art gallery endorsed or recognized as a deductible gift recipient as by the Australian Taxation Office under the [Income Tax Assessment] Act;"

Clause 3.01 of the current Trust Deed goes on to reinforce this intention by relevantly stating that:

"3.01 The Trustee must:

(a) hold the Trust Fund upon Trust exclusively for the Principal Purpose; and
(b) maintain the Trust Fund for the Principal Purpose; and
(c) deposit and/or credit to the Trust Fund any gifts of money or property made to the Trustee for the Principal Purpose;

(h) not use the Trust Fund for any purpose other than the Principal Purpose."

11 Accordingly, having regard to the terms of Clause 3.01 of the current Trust Deed, there can be no doubt that the Newcastle Art Gallery is intended to be the sole beneficiary of the Trust.

12 Yet the draft Supplemental Trust Deed which accompanied the Foundation letter dated 25 May 2015 attempted to change the status quo by providing in the definition of "Eligible Entity" that the term includes the Newcastle Art Gallery or:

"a fund, authority or institution;

"(a) which is Charitable, or would be a charity within the meaning of the Charities Act 2013 (Cth) if it were not a "government entity" as defined in that Act; and
(b) gifts to which are deductible under item 1 of the table in section 30-15 of the ITAA 97."

13 The definition of "Eligible Entity" proposed by the Foundation combined with the operation of Clause 4.1(a) which provides:

"The Trustee must pay or apply the Trust Fund solely for the purpose of providing money, property or benefits to or for the Eligible Entities [sic] or the establishment of Eligible Entities for the advancement of the arts and/or culture as the Trustee decides, in accordance with the Public Ancillary Guidelines"

would have the clear effect of enabling the Trust to unilaterally decide to provide money to other Deductible Gift Recipients (DGRs) within or outside the Newcastle Local Government Area (LGA) and to not be limited to the giving all of the monies collected by the Trust to the Newcastle Art Gallery as it is required under the terms of the current Trust Deed. This is a substantial change to the current Trust Deed which is being proposed without any explanation or
justification by the Foundation. Such an amendment would put at risk the existing $2,058,437 funds, including the amount of $1,038,569.15 transferred by Council to the Trust in 2013 (plus the interest income of $57,724.11 generated since on the funds transferred by Council), plus any future funds raised by the Foundation by being directed outside the Newcastle LGA.

14 Because of the obvious and unacceptable adverse financial consequences such a proposed change to the current Trust Deed would have on the Newcastle Art Gallery, Council requested three sets of amendments be made by the Foundation to the draft Supplemental Deed of Trust in Council's letter dated 29 May 2015, which is attached to this report as Attachment C. The first set of key amendments are intended to ensure that the Supplemental Deed of Trust continues to make the Newcastle Art Gallery the sole beneficiary of the Trust:

(i) the definition of Eligible Entity in clause 2.1 is amended by the deletion of the words "or fund, authority or institution" that immediately follow the words "Art Gallery". The purpose of this change is to ensure that only the Newcastle Art Gallery can qualify as the only Eligible Entity in the ordinary course, providing that it maintains its relevant tax status;

(ii) Clause 4.1(a) to be amended to read "The Trustee must pay or apply the Trust Fund solely for the purpose of providing money, property or benefits to or for the Eligible Entity, in accordance with the Public Ancillary Fund Guidelines".

15 Clause 15.02 of the current Trust Deed provides that in the event that the Trust is wound up or dissolved, any surplus assets remaining after the payment of liabilities, shall be transferred to a fund, authority or institution nominated and appointed by Council to which income tax deductible gifts can be made. In simple terms, Council determines the ultimate beneficiary of the Trust's surplus funds in the event of a winding up of the Trust. Clause 10.3 and 17(a) of the Supplemental Deed of Trust are inconsistent with, and manifestly alters, the substance of Clause 15.02 of the current Trust Deed.

16 Accordingly, with a view to reversing this adverse change, Council requested the Foundation that it amend the Supplemental Deed of Trust as follows:

(i) Clause 3(a), last line, to be amended to read "transferred to the Eligible Entity, as Council decides" in lieu of the words "transferred to one or more Eligible Entities as the Trustee decides"; and

(ii) Clause 17(a), last line, to be amended to read "to or for the Eligible Entity, as the Council decides" in lieu of ", to or for Eligible Entities, as the Trustee decides.".

17 Finally, Clause 12.01 of the current Trust Deed provides that Council's approval is a necessary pre-requisite to any variation of the Trust Deed. Hence the reason why the Foundation has written to Council. As originally drafted, the Supplemental Deed of Trust proposed by the Foundation no longer required
Council's approval to any future prospective amendment to the Supplemental Deed of Trust. Accordingly, in order to properly re-align the Supplemental Deed of Trust with the current provisions in clause 12.01 of the current Trust Deed, Council requested that the Foundation amend Clause 14.1 by the insertion of the words "Subject to the prior written approval of Council," immediately before "the Trustee may by deed.....". In addition, Clause 14.1(a) is requested to be amended to read "no part of the Trust Fund becomes subject to any trust other than the trust for the provision of money property or benefits to or for the Eligible Entity". This will ensure that all surplus funds go to the Newcastle Art Gallery.

18 Council's review of the of the relevant PuAF Guidelines, relevant provisions of the Income Tax Assessment Act, 1997 and the ATO's Model Trust Deed, and its consultation with PwC Legal indicate that the above Council requested amendments are compatible with the compliance requirements of the PuAF Guidelines and should be acceptable to the Foundation both technically, from a legal compliance viewpoint, and also from a discretionary viewpoint. In other words, if the Foundation wishes to carry on the same role as it has consistently done so for the last 31 years then it should be amenable to agreeing to Council's requested amendments. The Foundation had not made a case for any substantive changes to the current Trust Deed being warranted.

19 The Foundation's interim response, per the Foundation letter dated 31 May 2015, is attached to this report as Attachment D does not attempt to explain, nor justify, the reasons why the Foundation is embarking on wholesale changes to the current Trust Deed under the guise of implementing required legal compliance amendments that should have been implemented several years before, if it was vigilant and serious about complying with its governance and tax compliance obligations.

20 The Foundation's substantive letter of response dated 3 June 2015 is attached to this report as Attachment E together with the accompanying amended and marked up Supplemental Deed of Trust attached to this report as Attachment F which incorporated some of Council's requested amendments. The Foundation's letter highlights, for the first time, the Foundation's apparent need for a so-called "safety valve" provision to ensure that the Trust/Foundation is able to meet the need for a minimum annual distribution of 4% of the market value of the Trust's net assets during the course of each financial year in accordance with the requirements of Guideline 19 of the PuAF Guidelines.

21 Whilst Council recognises such a compliance need as being genuine, and is reasonably prepared to accommodate a suitable amendment to the definition of "Eligible Entity", Council at the same time reiterated some of the drafting deficiencies in the revised draft Supplemental Deed of Trust that put at risk the pre-eminent position of the Newcastle Art Gallery as the intended sole beneficiary of the Trust.

22 It appears from a literal reading of the provisions in the Supplemental Deed of Trust that the Foundation was effectively seeking to have the uninhibited ability to make donations to third party institutions that have no connection with
Newcastle - refer to the definition of "Eligible Entity" in Clause 2.1 of the revised draft Supplemental Deed of Trust.

23 Accordingly, in order to finally resolve the "safety valve" issue to the Foundation's satisfaction as well as Council's, and to put the matter totally beyond any doubt that the Newcastle Art Gallery is to continue to remain the sole beneficiary of the Trust, consistent with the 31 year history of the Trust, Council wrote back to the Foundation, per Council's latter dated 4 June 2015, which is attached to this report as Attachment G, requesting a number of further amendments, including an amendment to the definition of "Eligible Entity" (refer to pages 2-3 of Council's letter dated 4 June 2015) and the addition of a related definition of "Approved Entity" being an entity approved by Council in the circumstances where, for whatever reason, the Newcastle Art Gallery ceases to exist.

24 Council met with three Foundation Board representatives on 5 June 2015: including the Foundation Chairman and Foundation Treasurer. Council was represented by the Lord Mayor, the General Manager and the Manager, Council and Legal Services. The contents of Council letter dated 4 June 2015 was discussed at the meeting. Council staff reiterated that the interests of the Foundation and that of Council were fully in alignment and that it was in the best interests of both the Trust/Foundation and Council to ensure that the Newcastle Art Gallery remained the sole beneficiary of the Trust. Council would not be able to approve the Supplemental Deed of Trust unless the definition of "Eligible Entity" was amended as requested by Council so as to remove the possibility that the Foundation could make donations to other third party institutions outside the Newcastle Local Government Area (LGA). For this reason, it was imperative that the Foundation accepts the definition of "Eligible Entity" as proposed by Council in its letter dated 4 June 2015.

25 The Foundation wrote back to Council per the Foundation letter dated 5 June 2015. A copy is attached to the report as Attachment H. The Foundation confirmed its acceptance of all of the Council requested amendments except for two: namely, Council's request that any future amendments to the Supplemental Deed of Trust would be subject to Council prior written approval and the second request in respect of Council's definition of "Eligible Entity" which was dependent upon the receipt of advice from the Foundation's legal adviser, Prolegis Lawyers.

26 Council's further letter of response dated 9 June 2015 is attached to this report as Attachment I. Council again made it clear that the two requested outstanding amendments were key to ensuring that the Foundation received Council's approval to the proposed revised Supplemental Deed of Trust. Failure by the Foundation to accept these two remaining amendments would mean that Council could not grant its approval. Council explained the criticality of quickly turning around its final response in order for the matter to be considered at the scheduled Ordinary Council meeting to be held on 16 June 2015 and in advance of the PuAF Guidelines' compliance deadline of 30 June 2015.
27 The Foundation's final letter was received on 10 June 2015. This is attached to this report as Attachment J. A copy of the further revised draft Supplemental Deed of Trust that accompanied the Foundation letter is attached as Attachment K. The Foundation letter confirms that it has not accepted two of the Council requested amendments, namely,

(i) the insertion of the words "Subject to the prior written approval of the Council," in Clause 14.1, without qualification, as a pre-requisite for any future amendments to the Supplemental Deed of Trust, consistent with the existing requirement in Clause 12.01 of the current Deed of Trust; and

(ii) an amended definition of "Eligible Entity" that ensures that it is either the Newcastle Art Gallery, or in the event that it is unwilling or unable to accept a donation from the Trust, and because of the foregoing, the Trust is unable to make sufficient distributions to meet the minimum distribution requirement under the PuAF Guidelines in a financial year, then, if there is no Approved Entity, ie an entity approved by Council, then a fund provided the donation is for the benefit of the Newcastle Art Gallery, and the amount of the donation must not exceed the amount required for the Trust to meet the minimum distribution requirement under the PuAF Guidelines.

28 It is because of the existing unqualified approval right that Council has been able to request drafting changes to the draft Supplemental Deed of Trust with the Foundation. The Foundation's insistence as to the insertion of the qualifying words "and providing that such approval is not unreasonably withheld or delayed" is only normally relevant in the context where the relevant requirement is the giving of a simple and basic consent right, not an approval right, as is the case in the existing Trust Deed. This qualification was introduced by the Foundation for the first time in its letter dated 3 June 2015 and in the accompanying revised draft version of the Supplemental Deed of Trust in the context where the Foundation had introduced the concept of the need for a Council consent, rather than Council approval, such consent not being unreasonably withheld or delayed. The proposed change to now impose a conditional right of approval which must not be unreasonably withheld or delayed and constitutes a substantial weakening of Council's position and therefore is a retrograde step that cannot be justified nor should it be supported by Council. The unconditional right of approval under the current Trust Deed has operated well to-date and has never been a practical issue or problem. No sufficient justification is offered, nor is a case made, by the Foundation for this substantial and unsatisfactory proposed change. The introduction of such a change can lead to potential litigation between the Foundation and Council at some future point in time, if ever there is a disagreement as to any future prospective changes to the Supplemental Deed of Trust and whether any of the qualifying words in the proviso are in fact triggered.

29 The other amendment requested by Council that has not been accepted by the Foundation is in respect of the definition of "Eligible Entity". As presently drafted, the Supplemental Deed of Trust derogates from the present existing position under the current Trust Deed whereby the Newcastle Art Gallery is the sole
beneficiary of the Trust. The Foundation, has, for the very first time, acknowledged and admitted in its letter dated 10 June 2015 at page 2, that:

"the Foundation believes that the [Newcastle] Art Gallery cannot be the sole beneficiary of the Trust [emphasis added]. We consider it to be in the best interests of both the [Newcastle] Art Gallery and the Foundation that some flexibility is maintained regarding those DGRs to which the Foundation can grant funds".

30 This statement is fundamentally flawed and totally illogical. It is not possible for such a change to be in the best interests of both the Newcastle Art Gallery and the Foundation if the Foundation has the ability to donate funds to other institutions outside the Newcastle LGA. Anything that can be done to for the benefit of the Newcastle Art Gallery can be done directly through the Newcastle Art Gallery. The sole explanation given for this substantial downgrading of the Newcastle Art Gallery is that:

"the Foundation wishes to retain some flexibility to fund major art and cultural collaborations and events."

31 The Foundation can already do this in collaboration with the Newcastle Art Gallery and has recently done so successfully. Specifically, the Foundation recently sponsored the Patricia Piccinini exhibition in collaboration with the Newcastle Art Gallery. As presently proposed by the Foundation, the definition of "Eligible Entity" will enable the Trust/Foundation to provide donations to other institutions outside of the Newcastle LGA totally unrelated to Newcastle. Council cannot place any legal reliance on the statement in the Foundation letter. In years to come, what will be decisive and determinative of any legal question, will be a proper interpretation of the definition of "Eligible Entity" in the Supplemental Deed of Trust. As proposed by the Foundation, the term is defined to mean the Art Gallery or a fund, authority or institution that satisfies the requisite requirements for being a charity, has the requisite DGR status and where the provision of money is "for the benefit of the [Newcastle] Art Gallery." This definition will be able to be satisfied in the circumstances where even a remote, incidental benefit to the Newcastle Art Gallery will suffice. The Newcastle Art Gallery's current status as the sole beneficiary of the Trust is being downgraded to:

"the intended primary recipient of money, property or benefits by or out of the Trust Fund".

32 Cumulatively, the two changes constitute a substantial diminution in the status of the Newcastle Art Gallery which cannot, and should not, be approved by Council. Moreover, these two changes are incompatible with the objects clause (Clause 3) of the Foundation's Constitution and are similarly incompatible with the Foundation's name ie Newcastle Art Gallery Foundation; and the name of the Trust: Newcastle Art Gallery Foundation Trust.

FINANCIAL IMPACT

33 The funds of over $2 million currently held by the Trust could potentially be directed to other institutions outside the Newcastle LGA as indeed could future
monies received in donations from the public. In the Foundation’s letter to Council dated 28 September 2014, the Foundation relevantly stated at page 8:

"The [Foundation] Board resolved at its meeting on 7 July 2014 that "no further donations would be made at this stage to the Brett Whiteley Foundation".

The Board has no present intention of reconsidering the issue in the foreseeable future.

However, in the unlikely event that the matter came up for reconsideration, the Board envisages that no decision would be made or action would be taken without first obtaining expert advice, and also without prior consultation with the Council."

The Supplemental Deed of Trust’s definition of "Eligible Entity", as presently proposed by the Foundation, will enable the Trust to make donations to the Brett Whiteley Foundation without reference to, or without any prior consultation with, Council.

COMMUNITY STRATEGIC PLAN ALIGNMENT

34 The Supplemental Deed of Trust, if all amendments requested by Council are implemented, will continue to deliver to the Newcastle local community, being the residents and ratepayers of the Newcastle LGA with the arts and cultural interests service function that has been pursued by Council on its behalf for the last three decades.

IMPLEMENTATION PLAN/IMPLICATIONS

35 The entirety of Council’s requested amendments to the Supplemental Deed of Trust need to be agreed to by the Foundation as a necessary prerequisite to Council granting its written approval to the Foundation proceeding to execute the Supplementary Deed of Trust. Once executed, the Supplemental Deed of Trust will wholly supercede the current Trust Deed. These changes are therefore irreversible.

RISK ASSESSMENT AND MITIGATION

36 Unless the Foundation agrees to all of Council's requested amendments, Council cannot, and should not, proceed to grant its approval to the Supplementary Deed of Trust in its unamended form (as per the form attached to this report at Attachment K) because the Supplementary Deed of Trust, in its present form, has detrimental and financially disadvantageous consequences for the Newcastle Art Gallery in that will no longer be the Trust's sole beneficiary going forward. Whilst s. 24 of the Local Government Act 1993 (the Act) provides that Council can engage in the provision, management and operation of cultural, educational and information services and facilities, such as the Newcastle Art Gallery in the case of Newcastle City Council, as part of its service functions to the local community, s. 232 (1) of the Act provides that, inter alia, the role of councillors as members of the governing body of the council is "to direct and control the affairs
of the council in accordance with the Act"; "to participate in the optimum allocation of the council's resources for the benefit of the area" [emphasis added] and s. 232(2) provides that the role of a councillor as an elected person is "to represent the interests of the residents and ratepayers". The reference to "residents and ratepayers" must be interpreted to mean the residents and ratepayers of the Newcastle LGA.

37 Accordingly, it follows that the elected Councillors must ensure that the Foundation adopts a Supplemental Deed of Trust that continues to have the Newcastle Art Gallery as the sole beneficiary of the Trust, or, at the very least, an institution based within the Newcastle LGA. For Councillors to accept anything less could result in a breach of their statutory obligations under the Act. To allow the Trust/Foundation to make donations to, for example, other institutions outside the Newcastle LGA at the Foundation's discretion is clearly not in the best interests of the Newcastle Art Gallery and hence Newcastle City Council as the owner and operator of the Newcastle Art Gallery. Furthermore, it is also contrary to the objectives of the Foundation's Constitution and the Foundation has acknowledged that if the Trust Deed is amended as per its proposal, it will also subsequently need to amend its Constitution. Insisting on the Foundation accepting Council's requested amendments will also facilitate the Foundation meeting its governance/legal compliance obligations under the PuAF Guidelines and the Model Trust Deed.

RELATED PREVIOUS DECISIONS

38 At the Council meeting held on 28 October 2014, Council resolved to lift the suspension on conducting any further transactions with the Foundation without the imposition of any conditions. This Council decision reversed the earlier decision made by Council at the Extraordinary Council Meeting held on 24 February 2014 which voted to impose the suspension in the first instance.

39 At the Council meeting held 27 August 2013, Council, inter alia, resolved to transfer the amount of $1,038,569.15 to the Foundation to be held in trust for the specific purpose of the Newcastle Art Gallery Redevelopment improvements consequential upon the termination of the Commonwealth Funding Agreement.

CONSULTATION

40 The Foundation letter dated 25 May 2015, which raised the need for the Supplemental Deed of Trust for the first time, arrived without any prior notice and requested Council's urgent attention and approval to the matter without explaining the substantive proposed changes that operated to effectively resettle the Trust by creating new potential beneficiaries. As far as Council is aware, this matter has not been previously dealt with, nor approved, by the Foundation Board. The Foundation should have complied with the PuAF Guidelines in early 2012, not at the last minute as the Foundation needs to execute the agreed Supplemental Deed of Trust by 30 June 2015 which is in a form that is consistent with the PuAF Guidelines and the ATO's Model Trust Deed. The Foundation did not consult with Council until the meeting with Council representatives held on 5
June 2015. The Foundation only belatedly raised the so-called "safety valve" issue in passing for the first time in its letter to Council dated 31 May 2015 and in a more substantive sense in its letter dated 3 June 2015. It is only in the Foundation's letter dated 10 June 2015 that the Foundation has finally conceded that "the Foundation believes that the [Newcastle] Art Gallery cannot be the sole beneficiary of the Trust." This concession constitutes a total contradiction of the settlor's intention for which the Trust was originally established in 1984. The present Trust unequivocally states that the principal purpose of the Trust is the provision of money for the Newcastle Art Gallery. Indeed, Clause 3.01(h) states that the Foundation must not use the Trust Fund for any purpose other than the principal purpose.

OPTIONS

Option 1

41 The recommendation as at Paragraphs 1 – 2.

Option 2

42 That Council resolve to agree to the terms of the Supplementary Deed of Trust without incorporation of the two remaining and outstanding amendments requested by Council. This alternative course of action will result in the Newcastle Art Gallery effectively losing its sole beneficiary status under the Trust. This is not necessary for ensuring that the Supplementary Deed of Trust complies with the PuAF Guidelines given that the alternative definition of "Eligible Entity" requested by Council is reasonable, fully addresses the Foundation's "safety valve" concern, retains the Newcastle Art Gallery as the sole beneficiary of Trust and is in the best interests of both the Foundation and the Council and fully complies with the PuAF Guidelines and the ATO's Model Trust Deed. This is not the recommended option as it will result in the elected Councillors not complying with their statutory obligations under s. 232 of the Act. If Council were to give consideration to this option, it should first consider whether doing so meets the statutory responsibilities of Councillors as per s. 232 of the Act. Given that this proposal would constitute a substantive change to the existing Trust Deed, advice would also need to be sought in respect of Council's obligations under s. 358 of the Act to obtain Ministerial consent:

358 Restrictions on formation of corporations and other entities

(1) A council must not form or participate in the formation of a corporation or other entity, or acquire a controlling interest in a corporation or other entity, except:
(a) with the consent of the Minister and subject to such conditions, if any, as the Minister may specify, or
(b) as provided by this Act.
(2) This section does not prevent a council from being a member of a co-operative society or a company limited by guarantee and licensed not to use the word "Limited" in its name.
(3) In applying for the Minister's consent under subsection (1) (a), the council is required to demonstrate, to the Minister’s satisfaction, that the formation of, or the
acquisition of the controlling interest in, the corporation or entity is in the public interest.

(3A) The regulations may make provision for or with respect to the matters to be taken into account by the Minister in deciding whether to grant consent under this section and the conditions that may or must be specified by the Minister under this section.

(4) In this section, "entity" means any partnership, trust, joint venture, syndicate or other body (whether or not incorporated), but does not include any such entity that is of a class prescribed by the regulations as not being within this definition.

BACKGROUND

43 There is no further relevant background to the Foundation's position other than as set out in the Foundation's letters dated 25 and 31 May 2015, and 3, 5 and 10 June 2015.

ATTACHMENTS

Attachment B: Draft Supplementary Deed of Trust
Attachment C: Council letter dated 29 May 2015
Attachment D: Foundation letter dated 31 May 2015
Attachment E: Foundation Letter dated 3 June 2015
Attachment F: Revised draft Supplemental Deed of Trust
Attachment G: Council letter dated 4 June 2015
Attachment H: Foundation letter dated 5 June 2015
Attachment I: Council letter dated 9 June 2015
Attachment J: Foundation letter dated 10 June 2015
Attachment K: Further revised draft Supplemental Deed of Trust

three amendments being further incorporated into the Supplemental Deed of Trust:

(a) the definition of Eligible Entity in Clause 2.1 (b) iii being amended by deleting the word ‘benefit’ and adding the words ‘promotion, advancement and development’.
MOTION
Moved by Lord Mayor, Cr Nelmes, seconded by Cr Posniak

1. Council grants approval of the Newcastle Art Gallery Foundation Supplemental Deed of Trust in the form as per attached Attachment K of the Officer’s report, pursuant to the terms of Clause 12.01 of the current Trust Deed subject to the

(b) Clause 4.1 is amended by deletion of all words in 4.1(a) and replaced in its entirety with the following:

“4.1
(a) The Trustees must pay or apply the Trust Fund solely for the purpose of providing money, property or benefits for the promotion, advancement and development of the Art Gallery in all forms and in such manner as the Trustees think fit, provided it is in accordance with the Public Ancillary Fund Guidelines and provided to an Eligible Entity.”

(c) Clause 14.1 being amended by the deletion of the words "and providing that such approval is not unreasonably withheld or delayed," immediately following the word "Council," in line 1.

2. The General Manager, or delegate, execute all documentation on behalf of Council that conveys the above Council approval to the Foundation prior to 30 June 2015.

3. Council prepares a draft Memorandum of Understanding (MoU) in consultation with the Newcastle Art Gallery Foundation Board which:

- establishes expectations and responsibilities of the executive and foundation in regard to the execution of the Trust Deed,
- promotes a harmonious relationship, and
- includes best practice dispute resolution processes.

That the draft MoU to be presented to Councillors at a briefing with Officers involved in the process in August, for final presentation for endorsement to the September Ordinary Council Meeting.

For the Motion: Lord Mayor, Cr Nelmes and Councillors Crakanthorp, Clausen, Doyle, Dunn, Osborne and Posniak

Against the Motion: Councillors Compton, Robinson and Waterhouse.

Carried

Councillor Waterhouse gave notice of a rescission motion.
NOTICES OF MOTION

ITEM-17 NOM 16/06/15 - OPEN AND TRANSPARENT GOVERNANCE - COMMUNICATIONS AND COMMUNITY ENGAGEMENT

COUNCILLORS: CLAUSEN, POSNIAK, DUNN AND CRAKANTHORP

PURPOSE

The following Notice of Motion was received on 4 June 2015 from the abovementioned Councillor:

MOTION

1. That Council’s organisational structure and staff establishment be amended to include a stand-alone communications and public affairs unit led by a senior staff officer, reporting directly to the General Manager, with the total approved staff establishment remaining the same (i.e. the change be absorbed within the existing approved organisational staff levels).

2. That a report be provided to Council at the July meeting reviewing the current media policy and guidelines, in line with the adopted delegations, to break down internal information silos and improve the effectiveness, consistency and clarity of information provided by Council to the community.

BACKGROUND

Council needs to be able to provide effective, consistent, clear and accurate communications to the community. This is achieved through a strong online presence including both the official website, and social media streams; accurate information at the call centre (including up-to-date on-hold messaging); relevant information with rates notices, mail outs and letterbox drops (including the ‘Council News’ newsletters and other flyers); strong community consultation with projects and events; and outcome driven relationships with local media.

To achieve this, Council’s communications unit needs to have engagement across Council, breaking down internal silos and understanding operations between the Divisions, Executive Management, Councillors and the Lord Mayor’s Office.

Council needs to continue to enhance existing relationships with the media to provide opportunities to further our reputation and inform the public about services, activities and events.

The scope of the updated media policy and/or guidelines should:

- Outline the role of the restructured Communications and Public Affairs Unit
• Promote the principles of Open and Transparent Governance
• Encourage an open information exchange between Newcastle City Council and the community (including online, in print publications and via the media)
• Ensure all communications are consistent, accurate, timely and appropriate
• Ensure consistency across the organisation when dealing with external communication, including via the media
• Identify Newcastle City Council's authorised spokespersons for operational, administrative, strategic and policy issues, in line with the delegations of Council
• Provide provision for issues to be escalated as appropriate to senior executive management and the Lord Mayor
• Outline the role of the Communications Manager, Council staff, Executive Management, Councillors and the Lord Mayor
• Engage the Communications Unit Manager as part of the executive decision making process, to raise and address communication constraints, and provide feedback to Council

Most City Councils of Newcastle's size have a separate Communications Unit led by an individual that is part of the Senior Management Team. Newcastle City Council's approach to date has been to maintain a communications section within the Customer Services Unit. With Council's intent to establish an integrated Customer Services approach and improve openness and transparency, it is appropriate that NCC establish an appropriately resourced unit to implement this intent.

ATTACHMENTS

Nil

MOTION
Moved by Cr Clausen, seconded by Cr Osborne

1 That Council's organisational structure and staff establishment be amended to include a stand-alone communications and engagement unit led by a senior staff officer, with the total approved staff establishment remaining the same (i.e. the change be absorbed within the existing approved organisational staff levels).

2 That a report be provided to Council at the July meeting reviewing the current media policy and guidelines, in line with the adopted delegations, to improve the effectiveness, consistency and clarity of information provided by Council to the community.

Carried
CONFIDENTIAL REPORTS

ITEM-13 CON 16/06/15 - TABLING OF FRNSW REQUEST FOR INSPECTION AND REPORT FOR THE PREMISES DATED 5 MAY 2015 IN ACCORDANCE WITH SECTION 118L(4) OF THE ACT

REASON FOR CONFIDENTIALITY

This report has been classified confidential in accordance with the provisions of the Local Government Act 1993 as follows:

Section 10A(2)(g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege.

Section 10B(1)(a) and (b) the discussion of the item in a closed meeting:

a only as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security.

and

b the Council or Committee concerned is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest.

GROUNDS FOR CLOSING PART OF THE MEETING

In respect to Section 10D(2) the grounds on which part of a meeting is to be closed for the discussion of the particular item must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting. Accordingly an appropriate resolution to proceed is required first.
MOTION TO PROCEED

The discussion of the confidential report take place in a closed session, with the press and public excluded, for the following reasons:

A The matter relates to

Section 10A(2)(g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege.

B The closed session involves:

- only as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security.
- the Council is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest.

C The information contained in the report may have serious adverse commercial impacts upon the business to which it relates

1 Council note the Fire and Rescue NSW (FRNSW) Request for Inspection and Report for the Premises dated 5 May 2015 in accordance with Section 118L(4) of the Act.

2 Council note that a further report will be presented to Council outlining the proposed action to be taken by Council Officers in accordance with section 121ZD of the Act.
ITEM-14 CON 16/06/2015 - PROVISION OF INTERNAL AUDIT SERVICES - CONTRACT 2015/326T

REASON FOR CONFIDENTIALITY

This report has been classified confidential in accordance with the provisions of the Local Government Act 1993 (Act) as follows:

- Section 10A(2)(d) of the Act provides that Council can close a meeting to consider commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.

- Section 10B (1) (a) and (b) the discussion of the item in a closed meeting must only:
  (a) include as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security; and
  (b) occur if the Council is satisfied that discussion of the matter in an open meeting would, on balance; be contrary to the public interest.

GROUND FOR CLOSING PART OF THE MEETING

In respect to Section 10D(2) the grounds on which part of a meeting is to be closed for the discussion of the particular item must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting. Accordingly an appropriate resolution to proceed is required first.

MOTION TO PROCEED

The discussion of the confidential report take place in a closed session, with the press and public excluded, for the following reasons:

A The matter relates to tenders for the Provision of internal audit services under contract 2015/326T

B It is contrary to the public interest to discuss tenders in an open meeting because the information provided to Council by tenderers is provided on the basis that it will be treated by Council as commercial-in-confidence. A practice of disclosing sensitive commercial information to the public, including competitors, could result in the withholding of such information by tenderers. This would lead to a reduction in the supply of information relevant to Council's decision.

C The closed session involves only as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security.
1 Council accept the schedule of hourly rates tender of O'Connor Marsden & Associates Pty Limited to perform internal audit services from July 2015 under the terms of contract 2015/326T for a period of three years with an option for Council to extend the period of the agreement for one year by written agreement.

2 This confidential report relating to the matters specified in s10A (2) (d) of the Local Government Act 1993 be treated as confidential and remain confidential until Council determines otherwise.
ITEM-15 CON 16/06/15 - COUNCIL CHAMBER AUDIO VISUAL AND WECASTING EQUIPMENT REPLACEMENT - CONTRACT NO. 2015/195T

REPORT BY: CORPORATE SERVICES
CONTACT: DIRECTOR CORPORATE SERVICES / MANAGER INFORMATION MANAGEMENT SERVICES / MANAGER COUNCIL & LEGAL SERVICES

PURPOSE

Council called tenders for the replacement of all the audio visual and webcasting equipment in the Council Chamber.

As the value of the works exceeds $150,000, the Local Government (General) Regulation 2005 (Regulation) requires Council's acceptance of the tender.

REASON FOR CONFIDENTIALITY

This report has been classified confidential in accordance with the provisions of the Local Government Act 1993 (Act) as follows:

- Section 10A (2)(d) of the Act provides that Council can close a meeting to consider commercial information of a confidential nature that would if disclosed prejudice the commercial position of the person who supplied it.

- Section 10B (1) (a) and (b) of the Act provides that the discussion of the item in a closed meeting must only:
  (a) include as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security; and
  (b) occur if the Council is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest.

GROUND FOR CLOSING PART OF THE MEETING

In respect to section 10D(2) of the Act, the grounds on which part of a meeting is to be closed for the discussion of the particular item must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting. Accordingly, an appropriate resolution to proceed is required first.
**MOTION TO PROCEED**

The discussion of the confidential report take place in a closed session, with the press and public excluded, for the following reasons:

A The matter relates to tenders for the Council Chamber audio visual and webcasting equipment replacement for Contract No. 2015/195T.

B It is contrary to the public interest to discuss tenders in an open meeting because the information provided to Council by tenderers is provided on the basis that it will be treated by Council as commercial-in-confidence. A practice of disclosing sensitive commercial information to the public, including competitors, could result in the withholding of such information by tenderers. This would lead to a reduction in the supply of information relevant to Council's decision.

C The closed session involves only as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security.

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1 Council accept the tender of Onstage Presentations Pty Ltd for replacement of Council Chamber audio visual and webcasting equipment for Contract No. 2015/195T in the amount of $138,563 (excluding GST).

2 This confidential report relating to the matters specified in s10A (2) (d) of the Local Government Act 1993 be treated as confidential and remain confidential until Council determines otherwise.
ITEM-16 CON 16/06/15 - BIENNIAL CONTRACTS FOR MATERIALS & SERVICES - VARIOUS CONTRACTS

REPORT BY: INFRASTRUCTURE
CONTACT: DIRECTOR INFRASTRUCTURE / MANAGER PROJECTS AND CONTRACTS

PURPOSE

To award contracts for the casual supply of a range of specified materials and services. The materials and services are predominately used in the construction & maintenance of roads, footpaths and storm water drainage within the Newcastle Local Government Area.

As the value of each of the supply contracts may exceed $150,000 the Local Government (General) Regulation 2005 (Regulation) requires Council's acceptance of the tenders.

REASON FOR CONFIDENTIALITY

This report has been classified confidential in accordance with the provisions of the Local Government Act 1993 (Act) as follows:

- Section 10A(2)(d) of the Act provides that Council can close a meeting to consider commercial information of a confidential nature that would if disclosed prejudice the commercial position of the person who supplied it.

- Section 10B(1)(a) and (b) of the Act provides that the discussion of the item in a closed meeting must only:
  (a) include as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security; and
  (b) occur if the Council is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest.

GROUND FOR CLOSING PART OF THE MEETING

In respect to section 10D(2) of the Act, the grounds on which part of a meeting is to be closed for the discussion of the particular item must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting. Accordingly, an appropriate resolution to proceed is required first.
MOTION TO PROCEED

The discussion of the confidential report take place in a closed session, with the press and public excluded, for the following reasons:

A The matter relates to tenders for the 14 categories of materials and services detailed in Item 3.

B It is contrary to the public interest to discuss tenders in an open meeting because the information provided to Council by tenderers is provided on the basis that it will be treated by Council as commercial-in-confidence. A practice of disclosing sensitive commercial information to the public, including competitors, could result in the withholding of such information by tenderers. This would lead to a reduction in the supply of information relevant to Council's decision.

C The closed session involves only as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security.

1 Council accept the tenders recommended in Appendix A and award separate contracts to each of the recommended tenderers based on the schedule of rates (unit prices) that they each tendered.

2 This confidential report relating to the matters specified in s10A(2)(d) of the Local Government Act 1993 be treated as confidential and remain confidential until Council determines otherwise.
ITEM-17  CON 16/06/15 - TENDER FOR CONTRACT NO 2015/287T - PROVISION FOR IN-HOUSE CAD SERVICES - CIVIL DESIGN

REPORT BY:  INFRASTRUCTURE
CONTACT:  DIRECTOR INFRASTRUCTURE / MANAGER INFRASTRUCTURE PLANNING SERVICES

PURPOSE

To appoint three contractors to provide in-house CAD specialist services on a casual hire basis to supplement Council’s own CAD specialist during periods of high workloads.

As the value of the works may exceed $150,000, the Local Government (General) Regulation 2005 (Regulation) requires Council’s acceptance of the tender.

REASON FOR CONFIDENTIALITY

This report has been classified confidential in accordance with the provisions of the Local Government Act 1993 (Act) as follows:

- Section 10A(2)(d) of the Act provides that Council can close a meeting to consider commercial information of a confidential nature that would if disclosed prejudice the commercial position of the person who supplied it.

- Section 10B(1)(a) and (b) of the Act provides that the discussion of the item in a closed meeting must only:
  (a) include as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security; and
  (b) occur if the Council is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest.

GROUND FOR CLOSING PART OF THE MEETING

In respect to section 10D(2) of the Act, the grounds on which part of a meeting is to be closed for the discussion of the particular item must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting. Accordingly, an appropriate resolution to proceed is required first.
MOTION TO PROCEED

The discussion of the confidential report take place in a closed session, with the press and public excluded, for the following reasons:

A The matter relates to tenders for provision of in-house CAD Specialist Services - Civil Design for Contract No. 2015/287T.

B It is contrary to the public interest to discuss tenders in an open meeting because the information provided to Council by tenderers is provided on the basis that it will be treated by Council as commercial-in-confidence. A practice of disclosing sensitive commercial information to the public, including competitors, could result in the withholding of such information by tenderers. This would lead to a reduction in the supply of information relevant to Council's decision.

C The closed session involves only as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security.

1 Council accept the tenders of Crossroads Civil Design Pty Ltd, Parson Brinckerhoff and Recruit Now Pty Ltd for provision of in-house CAD Specialist Design Services - Civil Design for Contract No. 2015/287T with payments to be calculated in accordance with the tendered hourly rates.

2 This confidential report relating to the matters specified in s10A(2)(d) of the Local Government Act 1993 be treated as confidential and remain confidential until Council determines otherwise.
ITEM-18 CON 16/06/15 - TENDER FOR CONTRACT NO 2015/286T - PROVISION OF IN-HOUSE CIVIL DESIGN SERVICES

REPORT BY: INFRASTRUCTURE
CONTACT: DIRECTOR INFRASTRUCTURE / MANAGER INFRASTRUCTURE PLANNING SERVICES

PURPOSE

To appoint five contractors to provide in-house civil design services on a casual hire basis to supplement Council's own civil design personnel during periods of high workloads.

As the value of the works exceeds $150,000, the Local Government (General) Regulation 2005 (Regulation) requires Council's acceptance of the tender.

REASON FOR CONFIDENTIALITY

This report has been classified confidential in accordance with the provisions of the Local Government Act 1993 (Act) as follows:

- Section 10A(2)(d) of the Act provides that Council can close a meeting to consider commercial information of a confidential nature that would if disclosed prejudice the commercial position of the person who supplied it.

- Section 10B(1)(a) and (b) of the Act provides that the discussion of the item in a closed meeting must only:
  (a) include as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security; and
  (b) occur if the Council is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest.

GROUND FOR CLOSING PART OF THE MEETING

In respect to section 10D(2) of the Act, the grounds on which part of a meeting is to be closed for the discussion of the particular item must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting. Accordingly, an appropriate resolution to proceed is required first.
MOTION TO PROCEED

The discussion of the confidential report take place in a closed session, with the press and public excluded, for the following reasons:

A The matter relates to tenders for provision of in-house civil design services for Contract No. 2015/286T.

B It is contrary to the public interest to discuss tenders in an open meeting because the information provided to Council by tenderers is provided on the basis that it will be treated by Council as commercial-in-confidence. A practice of disclosing sensitive commercial information to the public, including competitors, could result in the withholding of such information by tenderers. This would lead to a reduction in the supply of information relevant to Council's decision.

C The closed session involves only as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security.

1 Council accept the tenders of Civilplan Pty Ltd, Opus, Crossroads Civil Design Pty Ltd, Recruit Now Pty Ltd and Storm Consulting for the provision of in-house civil designers for Contract No. 2015/286T with payments to be calculated in accordance with the tendered hourly rates.

2 This confidential report relating to the matters specified in s10A(2)(d) of the Local Government Act 1993 be treated as confidential and remain confidential until Council determines otherwise.
ITEM-19  CON 16/06/15 - TENDER FOR CONTRACT NO 2015/270T - PROVISION FOR SPECIALIST PLUMBING SERVICES - FACILITIES AND RECREATION

REPORT BY:  INFRASTRUCTURE
CONTACT:  DIRECTOR INFRASTRUCTURE / MANAGER FACILITIES AND RECREATION

PURPOSE

To award a contract for the casual performance of specialist plumbing services within the Newcastle Local Government Area, during the contract period.

As the value of the works may exceed $150,000 the Local Government (General) Regulation 2005 (Regulation) requires Council's acceptance of the tender.

REASON FOR CONFIDENTIALITY

This report has been classified confidential in accordance with the provisions of the Local Government Act 1993 (Act) as follows:

- Section 10A(2)(d) of the Act provides that Council can close a meeting to consider commercial information of a confidential nature that would if disclosed prejudice the commercial position of the person who supplied it.

- Section 10B(1)(a) and (b) of the Act provides that the discussion of the item in a closed meeting must only:
  (a) include as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security; and
  (b) occur if the Council is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest.

GROUNDS FOR CLOSING PART OF THE MEETING

In respect to section 10D(2) of the Act, the grounds on which part of a meeting is to be closed for the discussion of the particular item must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting. Accordingly, an appropriate resolution to proceed is required first.
MOTION TO PROCEED

The discussion of the confidential report take place in a closed session, with the press and public excluded, for the following reasons:

A The matter relates to tenders for the provision of specialist plumbing services.

B It is contrary to the public interest to discuss tenders in an open meeting because the information provided to Council by tenderers is provided on the basis that it will be treated by Council as commercial-in-confidence. A practice of disclosing sensitive commercial information to the public, including competitors, could result in the withholding of such information by tenderers. This would lead to a reduction in the supply of information relevant to Council's decision.

C The closed session involves only as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security.

ITEM-19 CON 16/06/15 - TENDER FOR CONTRACT NO 2015/270T PROVISION FOR SPECIALIST PLUMBING SERVICES FACILITIES AND RECREATION

1 Council accept the tender of Water Art Australia Pty Ltd for the provision of casual specialist plumbing services for a two year period at the hourly rates tendered for Contract No. 2015/270T.

2. This confidential report relating to the matters specified in s10A(2)(d) of the Local Government Act 1993 be treated as confidential and remain confidential until Council determines otherwise.
ITEM-20 CON 16/06/15 - TENDER FOR CONTRACT NO 2015/289T - TENDER FOR BUILDING GUTTER CLEANING AND MAINTENANCE SERVICES - FACILITIES AND RECREATION SERVICES

REPORT BY: INFRASTRUCTURE
CONTACT: DIRECTOR INFRASTRUCTURE / MANAGER FACILITIES AND RECREATION SERVICES

PURPOSE

To award a contract for the programmed cleaning of roof gutters and downpipes on Newcastle Council owned buildings and provide an ancillary mould remediation service.

As the value of the works exceeds $150,000, the Local Government (General) 2005 (Regulation) requires Council's acceptance of the tender.

REASON FOR CONFIDENTIALITY

This report has been classified confidential in accordance with the provisions of the Local Government Act 1993 (Act) as follows:

- Section 10A(2)(d) of the Act provides that Council can close a meeting to consider commercial information of a confidential nature that would if disclosed prejudice the commercial position of the person who supplied it.

- Section 10B(1)(a) and (b) of the Act provides that the discussion of the item in a closed meeting must only:
  (a) include as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security; and
  (b) occur if the Council is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest.

GROUND FOR CLOSING PART OF THE MEETING

In respect to section 10D(2) of the Act, the grounds on which part of a meeting is to be closed for the discussion of the particular item must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting. Accordingly, an appropriate resolution to proceed is required first.
MOTION TO PROCEED

The discussion of the confidential report take place in a closed session, with the press and public excluded, for the following reasons:

A The matter relates to tenders for Building Gutter Cleaning for Contract 2015/289T.

B It is contrary to the public interest to discuss tenders in an open meeting because the information provided to Council by tenderers is provided on the basis that it will be treated by Council as commercial-in-confidence. A practice of disclosing sensitive commercial information to the public, including competitors, could result in the withholding of such information by tenderers. This would lead to a reduction in the supply of information relevant to Council’s decision.

C The closed session involves only as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security.

ITEM-20 CON 16/06/15 - TENDER FOR CONTRACT NO 2015/289T TENDER FOR BUILDING GUTTER CLEANING AND MAINTENANCE SERVICES - FACILITIES AND RECREATION

1 Council accepts the tender of Big Boys Newcastle Pty Ltd trading as Big Boys Gutter Vacuum at the tendered rates for Building Gutter Cleaning Services for Contract No. 2015/289T.

2 This confidential report relating to the matters specified in s10A(2)(d) of the Local Government Act 1993 be treated as confidential and remain confidential until Council determines otherwise.
MOTION
Moved by Cr Waterhouse, seconded by Cr Clausen
Council move into closed confidential session at 7.53pm.  Carried

MOTION
Moved by Cr Osborne, seconded by Cr Posniak
Council move into open session at 8.13pm.  Carried

The meeting concluded at 8.22pm