Councillors,

In accordance with section 367 of the Local Government Act, 1993 notice is hereby given that an Ordinary Council Meeting will be held on:

DATE:      Tuesday 26 September 2017
TIME:      5.30pm
VENUE:     Council Chambers
           2nd Floor
           City Hall
           290 King Street
           Newcastle  NSW  2300

J Bath
Interim Chief Executive Officer

City Administration Centre
282 King Street
NEWCASTLE NSW 2300

21 September 2017

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CONFIRMATION OF PREVIOUS MINUTES

MINUTES - PUBLIC VOICE COMMITTEE 15 AUGUST 2017

RECOMMENDATION

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

ATTACHMENTS

Attachment A: 170815 Public Voice Committee Meeting Minutes

Note: The attached minutes are a record of the decisions made by Council at the meeting and are draft until adopted by Council. They may be viewed at www.newcastle.nsw.gov.au
Minutes of the Public Voice Committee Meeting held in the Council Chambers, 2nd Floor City Hall, 290 King Street, Newcastle on Tuesday 15 August 2017 at 5.32pm.

PRESENT
The Lord Mayor (Councillor N Nelmes), Councillors D Clausen, T Doyle, J Dunn, B Luke, M Osborne, S Posniak, A Robinson and A Rufo.

IN ATTENDANCE
J Bath (Interim Chief Executive Officer), A Glauser (Interim Director Corporate Services), K Liddell (Interim Director Infrastructure), M Blackburn-Smith (Manager Development and Building), E Kolatchew (Interim Manager Legal and Governance), J Gaynor (Manager Strategic Planning), B Johnson (Communications), A Knowles and K Sullivan (Council Services/Minutes/Webcasting)

MESSAGE OF ACKNOWLEDGEMENT
The Lord Mayor read the message of acknowledgement to the Awabakal and Worimi peoples.

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

APOLOGIES

MOTION
Moved by Cr Luke, seconded by Cr Rufo

The apologies submitted on behalf of Councillor Compton and Councillor Waterhouse be received and leave of absence granted.

Carried

DECLARATIONS OF PECUNIARY AND NON-PECUNIARY INTERESTS
The Lord Mayor called for declarations of pecuniary and non-pecuniary interests.

Lord Mayor Councillor Nelmes
Less than significant non-pecuniary interest in Item 1 - Land Bounded by Mosbri Crescent and Kitchen Parade The Hill - Adoption of Amendment to Newcastle LEP 2012 as a former Councillor lives near the proposed development.

Councillor Doyle
Councillor Doyle declared a non-pecuniary less than significant interest Item 1 - Land Bounded by Mosbri Crescent and Kitchen Parade The Hill - Adoption of Amendment to Newcastle LEP 2012 as she lives in the vicinity.
PUBLIC VOICE SESSIONS

ITEM-1 PV 15/08/17 - AMENDMENT TO NEWCASTLE LOCAL ENVIRONMENTAL PLAN 2012 - LAND BOUNDED BY MOSBRI CR AND KITCHENER PDE THE HILL

Mr Frank Renton, Dr Louisa Connors and Mr John Munson addressed Council in regards to opposing the recommendation to amend the Newcastle LEP 2012 for the site.

Ms Kylie Blucher (Managing Director NBN Newcastle), Mr Jonathon Knapp and Ms Belinda Thomas representing the applicants and in support of the amendment addressed Council.

The Manager Development and Building took a question from Councillor Rufo on notice in regard to traffic flow issues that could be identified in relation to the roads around the site, in particular Swan Street.

The Lord Mayor asked both parties if they would consider the opportunity for mediation to attempt to resolve issues raised by objectors.

The Interim Chief Executive Officer advised that Council would recommend parties engage with the Community Justice Centre for mediation opportunities and noted the process normally took around a month.

ITEM-2 PV 15/08/17 - DA2017/00558 - 37 DARLING STREET CARRINGTON - ERECTION OF TWENTY FOUR TWO STOREY INDUSTRIAL UNITS, ASSOCIATED SITE WORKS AND SITE CONSOLIDATION

Councillor Dunn at 6.36pm declared a conflict of interest as he has a client who was involved in the development and removed himself from the chamber.

Ms Sonja Bennett and Ms Kathryn Lamont addressed Council in relation to the Development Application.

Mr Matthew de Witt and Mr Alan Taylor representing the DA Applicants addressed Council in support of the Development Application.

Councillor Dunn returned to the Chamber.
ITEM-3 PV 15/08/17 - DA2017/00299 - 150 SCOTT STREET NEWCASTLE -
ADAPTIVE REUSE OF SIGNAL BOX FOR COMMERCIAL USE AND
ASSOCIATED BUILDING AND LANDSCAPING WORKS, INCLUDING
THE CREATION OF A PLAZA ASSOCIATED WITH THE SIGNAL BOX
TO BE USED FOR MARKETS

Mr Rob Walters addressed Council in relation to rejecting the Development
Application.

Mr Barney Collins representing the DA Applicant addressed Council in support of the
Development Application.

The Manager Development and Building clarified the fence on the southern side of
the footpath was not heritage listed, however the AA Company fence located further
to the west did have cultural significance. The proposal did not seek any
subdivision works and any works associated with the light rail was not a part of or in
connection with the DA application.

Following a question from Councillor Doyle, the Interim Chief Executive Officer
advised that Council would take the question on notice. The question concerned
whether the further removal of a fence along the boundary of Scott Street would form
another DA, what would happen in respect to the boundary fence to the north of
Scott Street, the boundary of the road, the fence along the light rail area and would
the matters come before Council.

The meeting concluded at 7.45pm.
MINUTES - ORDINARY COUNCIL MEETING 22 AUGUST 2017

RECOMMENDATION

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

ATTACHMENTS

Attachment A: 170822 Ordinary Council Meeting Minutes

Note: The attached minutes are a record of the decisions made by Council at the meeting and are draft until adopted by Council. They may be viewed at www.newcastle.nsw.gov.au
PRESENT
The Lord Mayor (Councillor N Nelmes), Councillors D Clausen, T Doyle, J Dunn, M Osborne, S Posniak, A Robinson and A Rufo.

IN ATTENDANCE
J Bath (Interim Chief Executive Officer), A Glauser (Interim Director Corporate Services), K Liddell (Interim Director Infrastructure), P Chrystal (Director Planning and Regulatory), E Kolatchew (Interim Manager Legal and Governance), J Gaynor (Manager Strategic Planning), P Nelson (Manager Property Services), K Hyland (Manager Communications and Engagement - arrived 7.13pm), P McCarthy (Team Co-ordinator Strategic Planning), K Baartz (Communications Manager), B Johnson (Media Officer), K Sullivan (Council Services/Minutes) and A Knowles (Council Services/Webcasting)

MESSAGE OF ACKNOWLEDGEMENT
The Lord Mayor read the message of acknowledgement to the Awabakal and Worimi peoples.

PRAYER
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.

APOLOGIES

MOTION
Moved by Cr Rufo, seconded by Cr Osborne

The apologies submitted on behalf of Councillors Compton, Luke and Waterhouse be received and leave of absence granted.

Carried

DECLARATIONS OF PECUNIARY AND NON-PECUNIARY INTERESTS

Councillor Clausen
Councillor Clausen declared a significant non-pecuniary interest in Confidential Item 9 - Purchase of Hunter Water Building - 679A to 681 Hunter Street, Newcastle West stating that the property was owned by his employer. Councillor Clausen advised the declaration was a non-pecuniary interest and would not gain any benefit from the purchase, however, he would leave the Chamber for discussion on the item.
Councillor Doyle
Councillor Doyle declared a non-pecuniary less than significant interest in Item 96 - Supplementary Report - Land Bounded by Mosbri Crescent and Kitchener Parade The Hill - Endorsement of Amendment to Newcastle Local Environmental Plan 2012 and Development Control Plan 2012 indicating that she lived in the vicinity.

Lord Mayor, Cr Nelmes
The Lord Mayor declared a less than significant non-pecuniary interest in Item 96 - Supplementary Report - Land Bounded by Mosbri Crescent and Kitchener Parade The Hill - Endorsement of Amendment to Newcastle Local Environmental Plan 2012 and Development Control Plan 2012, indicating that a former Councillor lived near the proposed development.

CONFIRMATION OF PREVIOUS MINUTES

MINUTES - ORDINARY COUNCIL MEETING 13 JUNE 2017
MINUTES - PUBLIC VOICE COMMITTEE 18 JULY 2017
MINUTES - ORDINARY COUNCIL MEETING 25 JULY 2017

MOTION
Moved by Cr Clausen, seconded by Cr Dunn

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

The motion to adopt the draft minutes was put to the meeting. Carried

LORD MAYORAL MINUTE

ITEM-13 LMM 28/08/17 - END OF TERM AND RECOGNITION OF OUTGOING COUNCILLORS; COUNCILLORS OSBORNE, POSNIAK AND WATERHOUSE

In moving the item, the Lord Mayor requested the background information provided by Councillors Waterhouse, Posniak and Osborne be recorded in the minutes.

Councillor Sharon Waterhouse

During this term, Councillor Waterhouse has served tirelessly on a number of Committees including, the Traffic Committee; JRPP; and the Audit Committee. Councillor Waterhouse expresses the following with gratitude:

“Thank you to my fellow Councillors it has been an exciting time to be on Council - I have very much appreciated the opportunity to serve the community with you all. Thank you also to the staff who are a pleasure to work with. I wish you all the best for the future & look forward to seeing continued positive change for the city”.
Councillor Stephanie Posniak

Councillor Posniak was elected to Newcastle City Council in 2012.

Councillor Posniak has been a key advocate for the City of Newcastle becoming a Refugee Welcome Zone and that we better embrace refugees, as well as ensuring that Council reviews its ethnic affairs policy and that the City of Newcastle becomes a more culturally and religiously diverse city.

By advocating that the City of Newcastle becomes a Refugee Welcome Zone, Councillor Posniak was instrumental in ensuring that our community is welcoming of refugees, that we uphold the human rights of refugees, that we demonstrate compassion for refugees and that we enhance cultural and religious diversity across our City.

Councillor Posniak was also instrumental in upgrading Nesca Park in Cooks Hill and Civic Park as well as securing the revitalisation of Young Street, Carrington.

Councillor Posniak has also been a tireless advocate for the expansion of the Newcastle Art Gallery, and worked closely with our state and federal counterparts, as well as the University of Newcastle to ensure the successful delivery of the NeW Space development in the City.

Councillor Michael Osborne

Councillor Osborne was elected at the election of 27 March 2004 to represent Ward 2 and then, in 2008 and 2012, to represent Ward 1.

He has been elected by his fellow Councillors to represent the City as the Deputy Lord Mayor and served in 2005, 2008-2009 and 2015-2016.

He also has contributed over the years through a number of Council committees, including the Asset Advisory Board, Hunter Coast and Estuary Management Committee, Newcastle Floodplain Risk Management Committee, Fernleigh Track Committee, Lower Hunter Public Transport Liaison Group and Newcastle Environmental Advisory Panel which became the Newcastle Environmental Advisory Committee, which he has chaired since its inception.

Councillor Osborne is passionate about improving cycling infrastructure across the City. He helped manage the successful completion of the Fernleigh Track through the Fernleigh Track Committee. He worked with fellow Councillors to get consensus for a comprehensive Cycling Strategy and Action Plan for Newcastle, developed through a working party comprising key cycling advocates and the community of which he was an active member for many years. This initiative was unanimously supported by Councillors from across the political spectrum.

Councillor Osborne has worked hard to improve communication between the community and the Council and initiated the Webcasting of council meetings. He initiated the investigation which lead to the introduction of the 'green waste' service, was successful in getting the e-waste collection reinstated and got Council to lobby the State Government, directly and through the NSW Local Government Association, to introduce a Container Deposit Scheme for NSW (this was in December 2008 and the scheme is now set to commence across NSW on 1 December 2017).

Councillor Osborne pushed for the southern part of the Adamstown Army lands and the former east Charlestown bypass lands to be protected in the Glenrock State Conservation Area, gained unanimous support for his motion to extend the boundary of the Hunter Estuary Wetlands Ramsar Site, and for the Watagans to Port Stephens biodiversity corridor to be protected in the national parks estate. Councillor Osborne co-founded and developed the Green Corridor Coalition, an alliance of more than 50 community and environment groups committed to the protection of biodiversity corridors in the Hunter, and is an Honorary Life Member of The Wilderness Society and Convenor of the Board of The Wilderness Society Newcastle.

Councillor Osborne has stood up for good planning decisions, including protecting the good areas across the City and supporting increased development in areas where it is appropriate.

As he has often said in this chamber, he has stood up to represent the interests of the residents and ratepayers of Newcastle.

It would be fitting to explore the option of naming a bridge on the Richmond Vale Rail Trail or on the Pipeline Trail (R8) past the wetlands, after Councillor Michael Osborne, for serving for three terms on Newcastle City Council.

MOTION

Moved by Lord Mayor Cr Nelmes

That Newcastle City Council:

1. Notes that this meeting of 22 August 2017 is the last Ordinary Council Meeting of an extended term which began in 2012;
2. Congratulates all Staff and Councillors for their contribution throughout this Council term;
3. Notes that this meeting marks the final meeting of retiring Councillors, Councillor Michael Osborne, Councillor Stephanie Posniak and Councillor Sharon Waterhouse;
4 Congratulates each of our outgoing Councillors for their contribution to the betterment of the City of Newcastle Reports back on options to recognise the service of three-term Councillors.

The motion was put by acclamation. Carried

REPORTS BY COUNCIL OFFICERS

ITEM-89 CCL 22/08/17 - PROPOSED LAND TRANSFER - 299 PACIFIC HIGHWAY MEREWETHER

MOTION
Moved by Cr Osborne, seconded by Cr Clausen

Council resolves to accept the proposed transfer of National Parks & Wildlife Services land being lot 1 in the draft plan to subdivide lot 5 in DP 1016931. In accordance with section 31 of the Local Government Act 1993, the land is to be classified as operational land. Authorisation to accept the land is subject to completion of acquisition due diligence and amendment of the proposed subdivision plan to formally dedicate part of the land for public road purposes. Carried

ITEM-91 CCL 22/08/17 - MCCAFFREY DRIVE, RANKIN PARK - PROPOSED KERB EXTENSION AT ELBROOK DRIVE

MOTION
Moved by Cr Dunn, seconded by Cr Doyle

Approve the proposed kerb extension and westbound left-turn slip lane extension on McCaffrey Drive, Rankin Park, as shown at Attachment A. Carried

ITEM-97 CCL 22/08/17 - AFFIXATION OF A COUNCIL SEAL TO A DEED OF INDEMNITY

This item related to the requirement to affix Council's seal to a Deed of Indemnity for Council's Interim Chief Executive Officer, Mr Jeremy Bath.

The Deed of Indemnity was received on 18 August 2017 and required execution as a matter of urgency to protect Council's interests.

PROCEDURAL MOTION
Moved by Cr Osborne, seconded by Cr Clausen

The matter of Affixation of a Council Seal to a Deed of Indemnity be heard as a late item of business as it is considered to be of great urgency.
The Lord Mayor accepted the matter of Affixation of a Council Seal to a Deed of Indemnity to be heard as a late item of business.

The procedural motion was put to the meeting. Carried

**MOTION**
Moved by Cr Osborne, seconded by Cr Clausen

In accordance with Clause 400(4) of the Local Government (General) Regulation 2015, Council approves and authorises:

(a) the affixation of Council's seal to the Deed of Indemnity to be entered into between Newcastle City Council, Port Stephens Council and Mr. Jeremy Bath; and

(b) the Lord Mayor and any one other Councillor, or any two Councillors, witnessing the affixation of Council's seal to the Deed of Indemnity, on the grounds that the Deed relates to the business of Council. Carried

**ITEM-86 CCL 22/08/17 - EXECUTIVE MONTHLY PERFORMANCE REVIEW - JULY 2017**

**MOTION**
Moved by Cr Clausen, seconded by Cr Osborne

The report be received. Carried

**ITEM-87 CCL 22/08/17 - ADOPTION OF INVESTMENT AND BORROWING POLICY**

**MOTION**
Moved by Cr Clausen, seconded by Cr Osborne

Council adopts the draft Investment and Borrowing Policy (Policy) in the form as at Attachment A and in doing so terminates the previously approved individual Investment Policy and Loan Borrowing Policy. Carried
ITEM-88 CCL 22/08/17 - FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 TO BE REFERRED TO COUNCIL’S AUDITORS

MOTION
Moved by Cr Dunn, seconded by Cr Clausen

1 That Council notes the preparation of its Financial Statements for the year ended 30 June 2017 are underway and upon completion they will be referred for audit in accordance with the requirements of s. 413 (1) of the Act.

2 Council authorises the Lord Mayor, a Councillor, the Interim Chief Executive Officer and the Responsible Accounting Officer to sign the relevant statements in accordance with s. 413 (2) of the Act at the conclusion of the external audit (Attachments A and B).

Carried

ITEM-90 CCL 22/08/17 - SUPPLEMENTARY REPORT - OPEN AND TRANSPARENT GOVERNANCE STRATEGY

In moving the motion, Councillor Doyle added a Part B.

MOTION
Moved by Cr Doyle, seconded by Cr Osborne

PART A

1 Council approves the placement of the draft Open and Transparent Governance Strategy as set out at Attachment B, on public exhibition, during the period between 28 August 2017 to 23 October 2017.

2 Council adopts the Communications and Engagement Plan - Open and Transparent Governance Strategy as set out at Attachment C.

3 Council staff to present a final Strategy in a report to Council after taking into account the submissions and feedback from the public exhibition period and community consultation as detailed in paragraph 2 above.

PART B

Council place the Charter for Community Consultation and Open Governance adopted at the Community Forum of 17 August at City Hall on public Exhibition concurrently with the Draft Strategy for relevant public input on incorporating the proposals in this charter into Council’s strategy.
In 3.3 of the Strategy document:

Replace

1 The main objective of the Public Voice Policy is to provide members of the community with the opportunity to address Councillors on matters falling within the jurisdiction of Council that are of a strategic nature.

With

2 The main objective of the Public Voice Policy is to provide members of the community with the opportunity to address Councillors on matters within its charter.

Charter for Community Consultation and Open Governance

These reforms are intended to restore community confidence in the council and the office of Lord Mayor, and to establish systems that ensure the highest level of transparency, accountability and probity in city governance. We seek assurances that the Lord Mayor and Councillors will advocate strongly in the interests of all Newcastle and Hunter residents when dealing with the State Government and its agencies.

PRINCIPLES

1 To act honourably, transparently and fairly in the public interest
2 To treat all citizens equally
3 To be open, truthful and publicly accountable
4 To utilise effective dialogue that enables public understanding of issues
5 To spend or authorise spending of public money only for public benefit
6 To maintain ethical standards with regard to your position or information obtained through your position.

Objective #1:
Establish procedures that ensure the highest level of transparency, accountability and probity

1 Make all Councillor/staff workshops and briefings open to the public, subject to the confidentiality provisions of the Local Government Act.
2 Amend the Council Code of Conduct and Code of Meeting Practice to remove unnecessary impediments to councillors performing their duties as elected representatives.
3 The Lord Mayor, the General Manager and their staff will maintain an online, real-time open diary like those used by some NSW State MPs. It will record the times, participants and discussion topics of any meetings that involve people not employed by council, including but not limited to development or project proponents, lobbyists, government agencies, other elected officials, and community groups.
Objective #2:
Restore community confidence and genuine consultation into Council’s practices.

4 Establish a network of council-supported, community-based groups or committees who represent the interests of residents in the local communities. (Restore the status of groups such as the previous local Forums and Precinct Committees)
5 Create an Internal Council Ombudsman role to independently investigate and respond to complaints about council administration.
6 Provide increased opportunities for community members and groups to address the elected council at ordinary council meetings, Public Voice sessions, and site inspections, and remove unnecessary vetting of access to these channels of input.

Objective #3:
Undertake procedural reform to include the community.

7 Revitalise and expand Council’s committee system as a key structure for community and expert input into council decision-making.
8 Implement a fortnightly council meeting cycle by interspersing ordinary Council meetings with meetings of strategic advisory committees.
9 Ensure extensive resident consultation before any decision to remove significant local assets, including heritage listed buildings and significant trees or to change zoning status of land in order to allow removal of public assets.
10 Improve communication methods with the community to ensure that all residents have an opportunity to be involved in their council e.g. improve Council’s website to make it faster, more accessible and easier to use and search.

Councillor Rufo proposed the following amendment to the Strategy Document:

Wording be amended to Point 3.5, *Open and Transparent Disclosures* to include the following statement:

*Council will publish monthly a report on the expenses of the Chief Executive Officer, Lord Mayor and Lord Mayor’s Office in detail.*

The mover and seconder accepted Councillor Rufo's amendment into the motion.

The motion from Councillors Doyle and Osborne including the amendment from Councillor Rufo was put to the meeting.

Carried unanimously
ITEM-92  CCL 22/08/17 - ENDORSEMENT OF NEWCASTLE 2030 END OF TERM REPORT 2012-2017

MOTION
Moved by Cr Osborne, seconded by Cr Clausen


Carried

ITEM-93  CCL 22/08/17 - ADOPTION OF THE DRAFT SMART CITY STRATEGY 2017-2021

MOTION
Moved by Cr Osborne, seconded by Cr Clausen

Council resolves to adopt the Newcastle Smart City Strategy 2017-2021 as provided in Attachment A.

Carried unanimously

ITEM-94  CCL 22/08/17 - SUPPLEMENTARY REPORT - EXHIBITION OF DRAFT PLANNING AGREEMENT FOR RAIL CORRIDOR LAND BETWEEN WORTH PLACE AND WATT STREET, NEWCASTLE

MOTION
Moved by Cr Clausen, seconded by Cr Dunn

Council resolves to place the draft Newcastle Urban Rail Transformation Program Planning Agreement (Attachment D) on public exhibition for 28 Days.

PROCEDURAL MOTION
Moved by Cr Clausen, seconded by Cr Dunn

Items 94 - Supplementary Report - Exhibition of Draft Planning Agreement for Rail Corridor Land Between Worth Place and Watt Street, Newcastle and 95 - Supplementary Report - Exhibition of Amendment to Section 6.01 Newcastle City Centre of Newcastle Development Control Plan 2012, be debated concurrently.

Carried
ITEM-95 CCL 22/08/17 - SUPPLEMENTARY REPORT - EXHIBITION OF AMENDMENT TO SECTION 6.01 NEWCASTLE CITY CENTRE OF NEWCASTLE DEVELOPMENT CONTROL PLAN 2012

MOTION
Moved by Cr Clausen, seconded by Cr Dunn

Council resolves to place the draft amendment to Newcastle Development Control Plan 2012 (DCP) Section 6.01 Newcastle City Centre (Attachment A) on public exhibition for 28 days.

Councillor Osborne requested public exhibition be extended to 40 days for both items.

The mover and seconder accepted the amendment into the motions.

Councillor Doyle gave notice of a foreshadowed motion.

The motions moved by Councillors Clausen and Dunn, and as amended to extend public exhibition for 40 days, were put to the meeting concurrently.

For the Motion: Lord Mayor, Cr Nelmes, Councillors Clausen, Dunn and Rufo.

Against the Motion: Councillors Doyle, Osborne, Posniak and Robinson. Carried casting vote

ITEM-96 CCL 22/08/17 - SUPPLEMENTARY REPORT - LAND BOUNDED BY MOSBRI CRESCENT AND KITCHENER PARADE THE HILL - ADOPTION OF AMENDMENT TO NEWCASTLE LEP 2012

The Director Planning and Regulatory tabled an All Councillor memo regarding Supplementary Report - Land Bounded by Mosbri Crescent and Kitchener Parade the Hill - Adoption of Amendment to Newcastle LEP 2012 in response to matters raised at the Public Voice meeting of 15 August 2017. It was noted the proponents of the Mosbri Crescent Planning Proposal (NBN Television) requested the item to be deferred to allow sufficient time to provide a detailed response.
MOTION
Moved by Cr Rufo, seconded by Cr Posniak

Council resolves to:

i) Endorse the attached planning proposal PP_2016_NEWCA_010_00, pursuant to section 55 of the Environmental Planning and Assessment Act 1979 NSW (EP&A Act), in order to amend Newcastle Local Environmental Plan 2012 (LEP) and rezone land bounded by Mosbri Crescent and Kitchener Parade, The Hill that comprises the following land parcels:

a) SP6373, SP3058, Lots 10, 12, 13 DP 216346 and Lot 1 DP204077, Nos 1 - 17 Mosbri Crescent, and

b) Lot 8 DP216346, SP19610 and Lot 62 DP522440, Nos. 31, 37 and 41 Kitchener Parade, The Hill.

ii) Forward the planning proposal to the Department of Planning and Environment (DPE) requesting that a draft LEP be prepared and made pursuant to section 59(1) of the EP&A Act.

iii) Advise the Secretary of the DPE that Council does not seek to exercise delegations for undertaking section 59(1) of the EP&A Act.

iv) Adopt the new draft Section 6.14 - 11 Mosbri Crescent, The Hill of Newcastle Development Control Plan 2012 and provide public notice advising that this development control take effect on the business day following the date upon which the abovementioned amendment to Newcastle LEP 2012 is made.

PROCEDURAL MOTION
Moved by Cr Rufo, seconded by Cr Posniak

Council note the request from the applicant to defer consideration of the item and that the proposed Amendment to Newcastle Local Environmental Plan 2012 for Land Bounded by Mosbri Crescent and Kitchener Parade The Hill be relisted for Council's consideration at a later date.

For the Procedural Motion: Lord Mayor, Cr Nelmes, Councillors Clausen, Doyle, Dunn, Osborne, Posniak, Robinson and Rufo.

Against the Procedural Motion: Nil. 

Carried
NOTICES OF MOTION

ITEM-20  NOM 22/08/17 - LAMBTON PARK FENCED OFF LEASH-DOG AREA

MOTION
Moved by Cr Clausen, seconded by Cr Dunn

Council:

1 Notes its previous resolution of 26 April 2017 requiring Council to investigate the development of a fenced dog park in Lambton Park. At the 26 April meeting, Council accepted a petition with more than 107 signatories calling for a fully fenced dog off leash area for play, exercise, socialisation and training in Lambton Park.

2 Notes that Council has made available funding in the current financial year (2017/18) to deliver new fenced dog off-leash facilities across the City.

3 Receives an update on the status of investigations at Lambton Park, and expected timeframes for the delivery of new fenced off-leash area.

4 Receives an additional petition with a further 124 signatories. 

Carried

Councillor Clausen tabled the additional petition at the meeting.

ITEM-21  NOM 22/08/17 - NEED FOR UPGRADED COMMUNITY FACILITIES IN JESMOND

In moving the motion, Councillor Clausen added an additional point 6:

MOTION
Moved by Cr Clausen, seconded by Cr Doyle

That Council:

1 Reaffirms its commitment as a Refugee Welcome Zone (Attachment A).

2 Notes its commitment to produce a Community Facilities Strategy for implementation under the adopted Social Strategy. A key commitment of the Social Strategy is that Council “will invest in and promote community facilities and services [that] deliver benefits to the community and provide opportunities for improved levels of physical activity and social interaction.”
3 Receives the comprehensive issues report “The view from the West – Planning for successful refugee integration in Western Newcastle” (Attachment B) which recommends Council partner with the State Government to redevelop the Jesmond Neighborhood Centre to address the urgent need for expanded community facilities to support a range of programs delivered by non-for-profits that support Newcastle’s growing refugee and migrant communities.

4 Notes letters of support for the re-development of the Jesmond Neighborhood Centre have been received from:

a) The University of Newcastle (Attachment C)
b) Navitas (Attachment D)
c) Northern Settlement Services (Attachment E)
d) NSW Service for Treatment and Rehabilitation of Torture and Trauma Survivors (Attachment F)
e) Toogee Martial Arts (Attachment G)
f) Zara's House (Attachment H)
g) Newcastle Video Moviemakers (Attachment I)
h) Residents and active users of the Centre (Attachment J)

5 Prioritise the completion of a draft Community Facilities Strategy for public exhibition, reflecting community feedback, and the clear need to provide upgraded community facilities to service the changing needs of the Greater Jesmond and Wallsend communities.

6 Seek opportunities to partner with the NSW Government and the Commonwealth Government, noting recent statements on the need for functional community facilities, to deliver upgrades to the Jesmond Neighbourhood Centre.

Carried unanimously

ITEM-22 NOM 22/08/17 - AMEND PLANNING PROPOSAL TO PLACE LIGHT RAIL ON THE RAIL CORRIDOR

ORIGINAL MOTION - CR DOYLE

Council resolves that prior to the Draft Plan for Rail Corridor Land Between Worth Place and Watt Street Newcastle being placed on public exhibition, Council will do whatever is necessary to amend the Draft Plan so that the land affected will be zoned so as to:

a enable rails to be installed on, and light rail vehicles to operate on the Rail Corridor from Worth Place to Newcastle Station, and

b require that, where necessary to enable an effective rail service on the Rail Corridor, any buildings on the rail route from Worth Place to Newcastle Station are to be constructed so that all light rail vehicles can pass underneath those buildings.
MOTION
Moved by Cr Doyle, seconded by Cr Osborne

Council resolves that during the public exhibition and community consultation of the Draft Plan for Rail Corridor Land Between Worth Place and Watt Street Newcastle, that parts a) and b) below be included as part of the community consultation.

a enable rails to be installed on, and light rail vehicles to operate on the Rail Corridor from Worth Place to Newcastle Station, and

b require that, where necessary to enable an effective rail service on the Rail Corridor, any buildings on the rail route from Worth Place to Newcastle Station are to be constructed so that all light rail vehicles can pass underneath those buildings.

Carried

ITEM-23 NOM 22/08/17 - COUNCIL, DESTINATION NSW AND SUPERCARS CONSULTATION

MOTION
Moved by Cr Doyle, seconded by Cr Osborne

Noting that:

1 Council resolved, at its meeting of 22 November 2016 to implement a consultation process as follows:

That Council, in collaboration with Destination NSW and Supercars Australia, conducts a series of consultation and information sessions with residents of Newcastle East regarding the Supercars event that is to happen in Newcastle during 2017.

These consultation and information meetings should cover:

1 Council's role in the event,
2 The proposed route,
3 Vehicle access, including emergency vehicles,
4 Governance of noise control and abatement measures,
5 Agency responsibilities
6 Long term road safety management
7 Benefits to local community and Council from this event,
8 Potential environmental effects on heritage buildings.
9 Potential effects on parkland

2 The consultative process has failed on several occasions to answer the questions or requests of residents and small businesses
Council resolves to:

1. Review the consultation process that has occurred so far and rectify the process so that affected residents and small businesses are included in a respectful discussion where all voices are heard and responded to in a timely fashion.
2. Communicate Council’s concerns regarding the failures of communication to both Destination NSW and Supercars.
3. Find an alternative, more suitable venue for subsequent Supercars race events in Newcastle and the Hunter.

PROCEDURAL MOTION
Moved by Cr Rufo, seconded by Cr Robinson

Parts 1 to 2 and subsequent parts 1, 2 and 3 (4, 5 and 6) be moved seriatim
Carried

PART 1

MOTION
Moved by Cr Doyle, seconded by Cr Osborne

Noting that:
1. Council resolved, at its meeting of 22 November 2016 to implement a consultation process as follows:

   That Council, in collaboration with Destination NSW and Supercars Australia, conducts a series of consultation and information sessions with residents of Newcastle East regarding the Supercars event that is to happen in Newcastle during 2017.

   These consultation and information meetings should cover:
   1. Council’s role in the event,
   2. The proposed route,
   3. Vehicle access, including emergency vehicles,
   4. Governance of noise control and abatement measures,
   5. Agency responsibilities
   6. Long term road safety management
   7. Benefits to local community and Council from this event,
   8. Potential environmental effects on heritage buildings.

   Carried
PART 2

MOTION
Moved by Cr Doyle, seconded by Cr Osborne

Council notes that the consultative process has failed on several occasions to answer the questions or requests of residents and small businesses.

For the Motion: Councillors Doyle, Osborne, Posniak, Robinson and Rufo.

Against the Motion: Lord Mayor, Cr Nelmes, Councillors Clausen and Dunn.

Carried

PART 3

MOTION
Moved by Cr Doyle, seconded by Cr Osborne

Council resolves to review the consultation process that has occurred so far and rectify the process so that affected residents and small businesses are included in a respectful discussion where all voices are heard and responded to in a timely fashion.

For the Motion: Councillors Doyle, Osborne, Robinson and Rufo.

Against the Motion: Lord Mayor, Cr Nelmes, Councillors Clausen, Dunn and Posniak.

Defeated casting vote

PART 4

Council resolves to communicate Council’s concerns regarding the failures of communication to both Destination NSW and Supercars.

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

Against the Motion: Nil.

Carried
PART 5

Council resolves to find an alternative, more suitable venue for subsequent Supercars race events in Newcastle and the Hunter.

For the Motion: Councillors Doyle and Osborne.

Against the Motion: Lord Mayor, Cr Nelmes, Councillors Clausen, Dunn, Posniak, Robinson and Rufo.

Defeated

CONFIDENTIAL REPORTS

PROCEDURAL MOTION
Moved by Cr Clausen, seconded by Cr Dunn

Council resolve into confidential session for the reasons outlined in the business papers.

Carried

Council resolved into confidential session at 8.30pm.

Councillor Clausen left the chamber for discussion on Confidential Item 9 - Purchase of Hunter Water Building - 679A to 681 Hunter Street, Newcastle West, and returned to the meeting at 8.35pm when Council reconvened.

The Interim Chief Executive Officer then reported the resolutions of confidential session.

ITEM-8 CON 22/08/17 - PROPERTY MATTER - CLARENDON HOTEL LEASE

MOTION
Moved by Lord Mayor, Cr Nelmes, seconded by Cr Dunn

1. Council resolves to accept a surrender of the existing lease of the Clarendon Hotel at 347 Hunter Street, Newcastle with Raygin Pty Ltd and simultaneously to enter into a new 25 year lease from 1 October 2017.

2. Council grant authority to the Interim Chief Executive Officer or his delegate to execute all relevant documentation between Council and Raygin Pty Ltd for the surrender of their existing lease and enter into a new long term lease.

3. 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 finalisation of the transaction.

Carried
ITEM-9  CON 22/08/17 - PURCHASE OF HUNTER WATER BUILDING - 679A TO 681 HUNTER STREET, NEWCASTLE WEST

MOTION
Moved by Cr Osborne, seconded by Cr Robinson

1 Council resolves to acquire LOT 2 IN DP 593753 AND PT LOT 110 IN DP 1141210 as identified in the draft subdivision plan for an amount that is within 10% of the Valuation referred to in this report on the terms outlined in this confidential report.

2 Delegates to the Interim Chief Executive Officer authority to execute all relevant documentation to effect the transaction.

3 To publicly notify the proposal to classify the acquired land as Operational Land in accordance with section 34 of the Local Government Act 1993.

4 If no public submissions are received objecting to the classification proposal the property is classified as Operational.

5 Confidentiality to remain on this item until the transaction has been finalised and Council resolves to lift confidentiality.

Carried

The meeting concluded at 8.40pm.
REPORTS BY COUNCIL OFFICERS

ITEM-98 CCL 26/09/17 - ADOPTION OF ASSET ADVISORY COMMITTEE CHARTER AND NOMINATION OF COUNCILLOR REPRESENTATIVES

REPORT BY: CORPORATE SERVICES
CONTACT: INTERIM DIRECTOR CORPORATE SERVICES / MANAGER PROPERTY SERVICES

PURPOSE

The purpose of this report is to recommend the adoption of a Charter (Charter) for Council’s Asset Advisory Committee (AAC). The charter will replace the previous charter which has passed the required revision date. The report further recommends election of new Councillor members and a Chairperson.

RECOMMENDATION

1  a) Council adopts the Asset Advisory Committee Charter as at Attachment A.

  b) [Insert name of two Councillor/s] are elected as Councillor members to fill the existing Asset Advisory Committee vacancies.

  c) The Lord Mayor, currently acting as Chairperson of the Asset Advisory Committee, is re-appointed to the role.

KEY ISSUES

2 A review of the Charter has been undertaken and it is proposed that the new draft Charter (Attachment A) be adopted to govern the AAC.

3 The original revision date for the current charter was March 2017.

4 To ensure the guiding document for Council’s peak property asset advisory body is brought in to line with the Office of Local Government Audit Committee and contemporary private sector standards, it is necessary to have the revised Charter adopted by the elected Council.

5 In accordance with membership clauses of the current Constitution and new Charter, new Councillor members are elected by a resolution of Council and committee membership of a Councillor is immediately terminated if that member is no longer a Councillor.
FINANCIAL IMPACT

6 There is no financial impact associated with adoption of the report recommendations.

COMMUNITY STRATEGIC PLAN ALIGNMENT

7 A key responsibility of the AAC is the provision of strategic advice and guidance to Council in relation to the development and implementation of Council’s property asset direction for the City of Newcastle.

IMPLEMENTATION PLAN/IMPLICATIONS

8 Key responsibilities also include monitoring and reviewing progress of Council’s property asset strategies. The continued effectiveness of the AAC in performing these functions is critical in terms of the links to Council’s Long Term Financial Plan and sustainability objectives.

RISK ASSESSMENT AND MITIGATION

9 There are no statutory or political impacts, personal or reputational risks associated with adopting the report recommendations as stated.

RELATED PREVIOUS DECISIONS

10 The current Charter and membership was adopted by the previous elected Council on 22 March 2015.

11 As part of the Strategic Advisory Committees structure, the current AAC Constitution was first adopted on 17 September 2009.

12 Since the Asset Board (as it was formerly known) was first formed in 1998, Councillor Committee members have been nominated and elected by Council as soon as practicable following the commencement of each new Council term.

CONSULTATION

13 Not applicable.

OPTIONS

Option 1

14 The recommendation as at Paragraph 1 (a) - (c). This is the recommended option.
Option 2

15 Council resolves not to adopt the new draft Charter, resulting in continued use of an outdated charter as the guiding document for Council’s peak asset advisory body. This is not the recommended option.

BACKGROUND

16 The current charter was adopted by the previous elected Council in March 2015.

17 When Legal & Governance Services unit reviewed the charter it was noted to contain an impractical clause regarding calling interim meetings which could not be done without calling a meeting. It is considered practical and reasonable for Council's Chief Executive Officer (CEO) or the Chairperson to call an interim meeting. The revised Charter still provides for four meetings per annum but allows more flexibility for the CEO or the Chairperson to call an interim meeting if required.

18 In recent years, the focus of the AAC has been on dealing with matters relating to Council property assets. The revised Charter clarifies in a number of places that the business of the AAC is property assets.

REFERENCES

ATTACHMENTS

Attachment A: Draft Asset Advisory Committee Charter
Attachment A

Draft Asset Advisory Committee Charter [cover page to be inserted]
### Asset Advisory Committee Charter

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Asset Advisory Committee Charter

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1 Interpretation

1.1 Act means the Local Government Act 1993 (NSW).

1.2 Attendee means a person entitled to attend a meeting of the Committee, however do not have any entitlement to vote on matters before the Committee.

1.3 Chairperson means the person appointed in accordance with clause 8.

1.4 Council means Newcastle City Council and where appropriate includes its administration and elected Council (a specific reference to the elected Council means a decision of Councillors at a Council meeting).

1.5 Committee means the Council’s Asset Advisory Committee constituted in accordance with clause 5.

1.6 Member means those described in clause 5.1.

1.7 Facilitator means a Council officer appointed to fulfil the tasks set out in clause 9.

1.8 CEO means the Chief Executive Officer of Council and includes their delegate or authorised representative.

References to the Chief Executive Officer are references to the General Manager appointed under the Local Government Act 1993 (NSW).

1.9 Guest means any person invited by the CEO or at the request of the Committee to attend a meeting only for a specific purpose. Guests have no voting rights.

1.10 Secretary means the Council Officer appointed by the CEO to fulfil the role of secretary.

Unless stated otherwise, a reference to a clause is a reference to a clause of this Charter.

2 Responsibilities

2.1 The responsibilities of the Committee are:

2.1.1 To provide strategic advice and guidance on the development and implementation of Council’s property asset direction for the City.

2.1.2 To monitor and review progress of Council’s property asset strategies, policies and determinations.

2.1.3 To guide and provide recommendations on Council’s property asset acquisition, disposal, utilisation and management.

2.1.4 To align the utilisation, function and nature of Council property assets with Council’s strategic priorities.

2.1.5 To determine and provide recommendations on Council’s property asset funding priorities.

2.2 This Committee was constituted to investigate, consider, and provide advice on strategic property asset issues within this Charter.
2.3 This Committee will, where considered beneficial, work collaboratively with Council’s other committees to consider issues that are within the charters of more than one committee.

2.4 This Committee will, where deemed necessary by the Committee, form working parties to investigate, consider, and provide expert advice on defined tasks and issues.

2.5 The Committee will consider issues within its Charter which are referred to it by Council.

3 Establishment and dissolution

3.1 The elected Council resolved to establish the Committee on 17 November 2009.

3.2 The Committee remains in existence until one day prior to Council’s next ordinary election to be held in 2020.

3.3 Alternatively, the Committee may be dissolved by resolution of the elected Council.

4 Authority

4.1 The Committee is an advisory committee only. In carrying out its responsibilities, the Committee must at all times recognise that primary responsibility for management of Council rests with the Council and the CEO, as provided in the Act.

4.2 The Committee’s resolutions, which record its decisions, should be treated only as recommendations of the Committee. The Committee has no executive powers and cannot make decisions on behalf of Council under section 355 of the Act.

4.3 The Committee is not a council committee as defined in section 380 of the Act, because its membership is not constituted solely by councillors.

4.4 Neither the Committee nor any of its Members may direct any Council officer in his or her duties.

4.5 The Chairperson of the Committee may, if considered reasonably necessary and in consultation with the CEO, request external professional advice to allow the Committee to meet its responsibilities.

4.6 The CEO may facilitate, and provide the necessary financial resources, to engage the provision of any such external professional advice required.

5 Membership

5.1 The Committee is constituted by the following membership, which cannot be delegated:

5.1.1 Three Councillors appointed by the elected Council; and

5.1.2 Council’s Executive Management Team (EMT).

5.2 Members are entitled to vote on matters before the Committee.
6 Selection of Councillor Members

6.1 Council will call for nominations for Councillor Members at the commencement of each Council term.

6.2 The elected Council will elect three Councillor Members by resolution.

6.3 Councillor Members remain Members of the Committee until:
   6.3.1 the Committee is dissolved pursuant to clause 3.2 of this Charter;
   6.3.2 they resign; or
   6.3.3 their membership is otherwise terminated.

6.4 If re-elected to Council, retiring Councillor Members are entitled to nominate for re-appointment.

7 Responsibility of Members

7.1 Members are expected to:
   7.1.1 understand the relevant legislative and regulatory requirements applicable to Council;
   7.1.2 be able to contribute the time needed to understand the Committee’s business papers and to attend Committee meetings; and
   7.1.3 in accordance with this Charter, provide advice and feedback on matters brought before the Committee.

8 Appointment and responsibility of Chairperson

8.1 The Chairperson will be appointed by the elected Council.

8.2 The Chairperson will be responsible for keeping order at the meeting.

8.3 If the Chairperson is absent from a Committee meeting, a Member of the Committee will be nominated by the CEO to chair the meeting.

9 Responsibility and requirements of the Facilitator

9.1 The Facilitator will be a suitably qualified Council officer, as determined by the CEO. The position may be shared amongst a number of suitably qualified Council officers.

9.2 The role of the Facilitator is to:
   9.2.1 Arrange for a report regarding the selection of Councillor Members and a Committee Chairperson to be tabled before the elected Council at the commencement of each Council term.
   9.2.2 Make committee governance papers (including but not limited to this Charter and Council’s applicable policy/guideline documents) available to committee members, Councillors and relevant Council officers;
9.2.3 Liaise with Members, including Councillor Members, where the Members have a day-to-day enqury of an administrative nature (including clarification of a Committee report or information about a meeting or process);

9.2.4 Facilitate discussion at committee meetings, provide input at Committee meetings and participate at Committee meetings as an attendee;

9.2.5 Where appropriate, liaise closely with the facilitators of Council's other committees to assist collaboration between committees, the sharing of information and the efficient use of Council and Member resources, where approved by the Committee; and

9.2.6 Work closely with the Chairperson and other Committee Members to administer the Committee and its meetings.

10 Responsibility and Requirements of the Secretary

10.1 The Secretary will be a suitably qualified Council officer who undertakes the following functions: (insert/delete as required)

10.1.1 prepare agendas;

10.1.2 maintain the register of members;

10.1.3 maintain meeting attendance register;

10.1.4 take minutes at committee meetings and prepare them for dissemination;

10.1.5 accept and collate committee business papers prepared or submitted by Council officers, committee members, working parties and stakeholders;

10.1.6 make agendas, minutes and committee business papers available to committee members, Councillors and relevant Council officers;

10.1.7 book meeting venues and organise the provision of any necessary equipment; and

10.1.8 provide administrative assistance to the Facilitator

10.2 The role of the Secretary may be shared amongst a number of suitably qualified Council officers or be the same person.

11 Termination of Membership

11.1 Membership of any Member may be terminated by Council resolution of the elected Council, due to

11.1.1 the Member’s non-attendance at three consecutive Committee meetings without prior notification of their non-attendance or the granting of leave by resolution of the Committee; or

11.1.2 the Member’s conduct being inconsistent with this Charter or Council’s Code of Conduct.
11.2 Councillor membership terminates immediately upon a Councillor Member no longer being a Councillor.

11.3 If a Councillor Member does not remain on the Committee for the entire Council term, appointment of a replacement Councillor Member must be by resolution of the elected Council as soon as practicable after the Councillor Member ceases to be a Member of the Committee.

12 Attendance at meetings

12.1 Attendance at any meeting of the Committee is limited to the following:
   12.1.1 Members;
   12.1.2 Facilitator and Secretary;
   12.1.3 Councillors as observer/s only. Councillors must give 14 days written notice to the Facilitator of their intention to attend and do not have the right to ask questions, participate in discussion or vote on matters before the Committee.
   12.1.4 Other Council officers or guests, by invitation of the CEO or as approved by a resolution of the Committee.

13 Meeting administration

13.1 The CEO is responsible for ensuring that the Committee has adequate secretarial support and access to administrative resources by appointing a Secretary.

14 Quorum

14.1 A quorum is constituted by attendance of at least four Members, including at least one Councillor and one Member of the EMT.

15 Meeting schedule

15.1 The Committee will meet at least four times per year or as resolved by the Committee.

15.2 A forward meeting plan will be agreed by the Committee prior to the end of each calendar year.

15.3 Additional meetings may be scheduled by the:
   15.3.1 Chairperson;
   15.3.2 Committee by resolution; or
   15.3.3 CEO.

16 Meeting agendas

16.1 The Secretary will provide notice of meetings, including the agenda and business papers, to Members at least seven (7) business days prior to the day of the meeting. These may be transmitted electronically.
17 Resolutions of the Committee

17.1 Resolutions of the Committee must be consistent with this Charter which limits decisions (resolutions) of the Committee to be treated as recommendations only as set out in clause 4.

17.2 The Committee will make decisions (resolutions) by majority vote and record its decisions (resolutions) in the minutes of the Committee meeting.

17.3 The relevant EMT Member responsible for implementing a recommendation made by the Committee may action resolutions as they deem appropriate in accordance with their individual delegations and authorisations.

18 Reports

18.1 The relevant EMT Member responsible for implementing a recommendation made by the Committee must report to the Committee as required, as to the status of actions taken. The Facilitator will coordinate such reports.

18.2 The Committee may submit reports to Council where a Council resolution is required to enact a recommendation of the Committee.

19 Minutes

19.1 All Committee business will be appropriately minuted and recorded by the Secretary, including registration in accordance with Council’s Records Management Policy.

19.2 Draft minutes of the previous meeting will be distributed to the Committee at least seven (7) business days prior to the next meeting.

19.3 Draft minutes of the previous meeting are to be adopted by resolution of the Committee at the following meeting.

20 Conduct by members and attendees

20.1 All Members and attendees are expected to conduct themselves in accordance with Council’s Code of Conduct. Any behaviour inconsistent with the Code of Conduct will be treated as a breach of the Code of Conduct and will be dealt with it accordingly.

20.2 Conflicts of Interests must be declared and managed in accordance with the Code of Conduct. A record of a declared conflict of interest in the minutes is sufficient.

20.3 Significant pecuniary or significant non-pecuniary conflicts of interest must be managed by the Member excluding themselves from the meeting during the discussion of the relevant agenda item. Such exclusion should be recorded in the minutes.

21 Public Comment

21.1 The Lord Mayor or CEO are the official spokespeople for the Committee, in accordance with Council’s Media Policy, and no other Members should speak to the media or members of the public in regard to Committee business.
22 Confidentiality

22.1 Due to the potential commercial implications, items of Committee business remain confidential unless confirmed otherwise by the Committee.

22.2 Prior to attending a meeting, any guests invited in accordance with clause 12.1.4 (who are not Councillors or Council officers) must sign a Deed of Confidentiality and agree to abide by the terms of Council's Code of Conduct relating to confidentiality.

22.3 Unless otherwise resolved by the Committee, all meetings of the Committee will be closed to the general public.

23 Induction

23.1 New Committee Members will receive relevant information and briefings on their appointment to assist them to meet their Committee responsibilities.

24 Review of Committee performance

24.1 The Chairperson will initiate a review of the Committee’s performance at least once every two years.

25 Review of Charter

25.1 This Charter will be reviewed every two years and may only be amended by resolution of the elected Council.
ITEM-99 CCL 26/09/17 - NOMINATION OF COUNCILLOR MEMBERS TO AUDIT COMMITTEE

REPORT BY: EXECUTIVE MANAGEMENT
CONTACT: INTERIM CEO / INTERNAL AUDIT COORDINATOR

PURPOSE

To recommend that Council appoint two new Councillor Members to the Audit Committee.

RECOMMENDATION

1 Through a process of nomination and majority vote, Council appoints two Councillor Members to the Audit Committee for the term of Council.

2 Council appoints [insert names of Councillors] to the Audit Committee.

KEY ISSUES

3 The objective of the Audit Committee is to provide independent assurance and assistance to Council on risk management, control, governance and legal and regulatory obligations. The Audit Committee plays a pivotal role in Council's governance and risk management frameworks.

4 The Audit Committee is made up of three external, independent members and two Councillor Members. This membership is in accordance with Office of Local Government Internal Audit Guidelines (September 2010) (the Guidelines) and Council's Audit Committee Charter (Charter), as adopted by Council on 25 November 2014.

5 Two Councillor Members must be appointed to make up the full Audit Committee membership. Three external, independent members are already appointed.

6 Preferable criteria for Audit Committee members are shown at Attachment A.

7 The Lord Mayor may not be a member of the Audit Committee. This is also in accordance with the Guidelines and Charter.

8 The Audit Committee holds five ordinary meetings per year. One of these is dedicated to reviewing the annual financial statements and related matters. Meetings are generally held on a Thursday evening.
FINANCIAL IMPACT

9 The 2017/18 Operational Plan includes provisions to administer Council's Audit Committee. The payment of external Audit Committee members will have a moderate financial impact on Council with an allocated budget of $26,324.

10 Only external members receive fees. Councillor members are not entitled to any additional fees.

COMMUNITY STRATEGIC PLAN ALIGNMENT

11 The operation of an Audit Committee aligns with objective 7.4 of the Community Strategic Plan - A local government organisation of excellence.

IMPLEMENTATION PLAN/IMPLICATIONS

12 Appointing Councillor Members to the Audit Committee will allow the Audit Committee to continue to function according to best practice guidelines.

RISK ASSESSMENT AND MITIGATION

13 Maintaining an Audit Committee is a key element of Council's risk management framework.

14 If the Audit Committee does not continue its function, Council will not receive independent assurance and assistance in the areas of risk, control, compliance and financial reporting.

RELATED PREVIOUS DECISIONS

15 19 May 2009: Resolution to establish the Audit Committee and appoint Cr S Claydon and Cr B Luke as Councillor Members of the Audit Committee.

16 6 April 2010: Resolution to adopt an Audit Committee Constitution subject to the Constitution being modified to recognise that any Councillor can attend as an observer; and that Council appoint three inaugural external members to the Audit Committee, including a Chair.

17 9 October 2012: Resolution that through a process of nomination and majority vote, Council appoints two Councillor Members to the Audit Committee for the term of Council. Councillors L Tierney and J Dunn were appointed to the Audit Committee.

18 23 September 2014: Council approved the appointment of Cr S Waterhouse to replace Cr L Tierney as the second Councillor member of Council's Audit Committee, such appointment to be effective immediately.
CONSULTATION

19 The Audit Committee received a report on 8 June 2017 to advise that Councillor membership of the Audit Committee would cease at the end of the Council term. The report advised that new Councillor Members would be appointed to the Audit Committee by resolution of the newly elected Council.

OPTIONS

Option 1

20 The recommendations as at Paragraph 1 – 2. This is the recommended option.

BACKGROUND

21 Maintaining an Audit Committee is considered best practice. Legislative changes are pending which are likely to make it mandatory for NSW councils to appoint an Audit and Risk Committee.

REFERENCES

ATTACHMENTS

Attachment A: Audit Committee membership criteria
AUDIT RISK AND IMPROVEMENT COMMITTEE MEMBERSHIP CRITERIA

Preferable

1. Tertiary qualifications and demonstrated executive or senior experience in either financial management, auditing, risk management, regulatory compliance, local government, law, business/corporate management or a related discipline

2. Demonstrated experience in complex, multi-disciplinary environments, such as NSW State government agencies or local government

3. Demonstrated experience in the principles and processes of internal auditing, external audit and enterprise risk management

4. Understanding of the role of audit, risk and improvement committees in large organisations

5. Knowledge of and/or experience in applying the Institute of Internal Auditors (IIA) Standards and code of ethics

6. Membership of a relevant professional body

7. Previous involvement with audit, risk, governance or compliance committees for state or local government agencies
ITEM-100    CCL 26/09/17 - EXECUTIVE MONTHLY PERFORMANCE REPORT

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

PURPOSE

To report on Council’s monthly performance. This includes:

a) Monthly financial position and year to date (YTD) performance against the 2017/18 Operational Plan as at the end of August 2017.

b) Investment of temporary surplus funds under section 625 of the Local Government Act 1993 (Act), submission of report in accordance with the Act and clause 212 of the Local Government (General) Regulation 2005 (Regulation).

RECOMMENDATION

1 The report be received.

KEY ISSUES

2 At the end of August 2017 the consolidated YTD actual operating position is a surplus of $1.9m which represents a negative variance of $0.9m against the budgeted YTD surplus of $2.8m. This budget variance is due to a combination of income and expenditure variances which are detailed in Attachment A. The full year revised budget for 2017/18 is an operating surplus of $4.8m.

3 The August YTD position includes $1.6m of revenue items which are either one-off or cannot be applied to meet operational expenditure ($1m 2012 Special Rate Variation revenue, $0.2m consolidation of Newcastle Airport result, $0.3m stormwater management service charge, and $0.1m local road grants which fund capital works). When these items are removed Council’s sustainable underlying operating position at the end of August is a surplus of $0.3m.

4 The net funds generated as at the end of August 2017 is a surplus of $2.4m (after capital revenues, expenditure and loan principal repayments). This is a positive variance to the YTD budgeted deficit of ($4.8m). This is primarily due to a timing variance in the delivery of Council’s works program with a higher amount of project expenditure (both capital and operational expenditures) expected to be incurred during the final quarter of the financial year.
### Financial Impact

5. The variance between YTD budget and YTD actual results at the end of August 2017 is provided in the Executive Monthly Performance Report (Attachment A). Key elements are:

<table>
<thead>
<tr>
<th></th>
<th>YTD Adopted Budget $'000</th>
<th>YTD Actual Result $'000</th>
<th>Variance $'000</th>
<th>Variance %</th>
<th>Financial Impact +ve / -ve</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Year Adopted Budget</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$'000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Operating Revenue</td>
<td>260,210</td>
<td>42,131</td>
<td>2,033</td>
<td>5%</td>
<td>+</td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>255,405</td>
<td>42,221</td>
<td>2,902</td>
<td>7%</td>
<td>-</td>
</tr>
<tr>
<td>Total Operating Revenue Less Operating Expenditure</td>
<td>4,805</td>
<td>2,812</td>
<td>1,943</td>
<td>(869)</td>
<td>-31%</td>
</tr>
<tr>
<td>Total Capital Raising revenue</td>
<td>14,403</td>
<td>2,401</td>
<td>5,357</td>
<td>2,956</td>
<td>123%</td>
</tr>
<tr>
<td>Add Back Non Cash Items</td>
<td>41,136</td>
<td>6,475</td>
<td>6,448</td>
<td></td>
<td>+</td>
</tr>
<tr>
<td>Funding available for capital expenditure</td>
<td>60,344</td>
<td>11,688</td>
<td>13,747</td>
<td>2,059</td>
<td>18%</td>
</tr>
<tr>
<td>Total capital spend</td>
<td>68,671</td>
<td>15,992</td>
<td>10,905</td>
<td>(5,087)</td>
<td>-32%</td>
</tr>
<tr>
<td>Loan Principal Repayment</td>
<td>2,882</td>
<td>480</td>
<td>480</td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Net Funds Generated / (Used)</td>
<td>(11,209)</td>
<td>(4,785)</td>
<td>2,362</td>
<td>7,146</td>
<td>-149%</td>
</tr>
</tbody>
</table>

Note 1 - Actual and Budget results include an estimate for the Newcastle Airport
6 Factors favourably impacting Financial Position

   i  User charges and fees – increase of $2.8m
   The Summerhill Waste Management Centre has generated above budget income which is partially offset by an increased State Waste Levy expense ($2.3m).

   ii  Other operating revenues – increase of $0.2m
   Council has generated higher parking fine revenue than anticipated.

7 Factors unfavourably impacting Financial Position

   i  Grants and contributions – decrease of $1.1m
   Six months of the 2017/18 financial assistance grant was paid in advance and recorded against the 2016/17 financial year. It is not yet known what payments will be paid this financial year. NCC has acted conservatively and included only the remaining six months of the grant in current estimates.

   ii  Materials & contracts – increase of $1.4m
   There has been an above average level of operational expenditure generated through current projects. This is partially offset by the scheduling of work in Waste Management ($0.7m), Facilities and Recreation ($0.3m) and Civil Works ($0.4m)
iii **Other operating expenses – increase of $2m**

Expenditure on the NSW State Waste Levy is above budget due to higher than forecast tonnages. The higher levy is offset by above budget income ($2.8m).

8 The month of August returned an operating deficit of $0.5m which is $1.3m below the budgeted surplus of $0.8m. The main drivers of the negative variance are the above average level of operational expense being generated through current projects in addition to the decrease in expected financial assistance grant payments. The August result is also $2.9m lower than the surplus achieved in July. This turnaround is largely a timing issue with the majority of key movements included in the full year budget. In particular, July was inflated by an above average level of grant and RMS income.

$\,000s

<table>
<thead>
<tr>
<th>Month</th>
<th>Trend in monthly operating position 2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>2,000</td>
</tr>
<tr>
<td>August</td>
<td>-1,000</td>
</tr>
<tr>
<td>September</td>
<td>1,000</td>
</tr>
</tbody>
</table>

Trend in monthly operating position 2017/18
9  At the end of August Council has received $3m more capital grants and contributions than budgeted. This is a timing variance as the main driver is section 94 contributions from on-going development in the city centre which are included in the full year budget.

10  Council’s total capital spend at the end of August is $10.9m. This result is $5.1m below the YTD budget due to the above average value of work that cannot be capitalised and Council is required to expense through the profit and loss. The total project spend inclusive of operational and capital expenditure is $14m at the end of August compared with a budget of $19.4m.

11  Council’s temporary surplus funds are invested consistent with Council’s Investment Policy, Investment Strategy, the Act and Regulations. Details of all Council funds invested under s. 625 of the Act are provided in the Investment Policy and Strategy Compliance Report (section 4 of Attachment A).
COMMUNITY STRATEGIC PLAN ALIGNMENT

12 This report aligns to the Community Strategic Plan under the strategic direction of ‘Open and collaborative leadership’ action 7.4b ‘ensure the management of Council’s budget allocations and funding alternatives are compliant with Council policy and relevant legislation to ensure the long term financial sustainability of the organisation.’

IMPLEMENTATION PLAN/IMPLICATIONS

13 The distribution of the report and the information contained therein is consistent with:
   i) Council’s resolution to receive monthly financial position and performance result on a monthly basis,
   ii) Council’s Investment Policy and Strategy, and
   iii) Clause 212 of the Regulation and s. 625 of the Act.

RISK ASSESSMENT AND MITIGATION

14 No additional risk mitigation has been identified this month.

RELATED PREVIOUS DECISIONS

15 Council resolved to receive a report containing Council’s financial performance on a monthly basis.

16 At the Ordinary Council Meeting held on 26 April 2016 Council resolved the following:

   The report be received with the addition of a compliance report on Council’s adopted clauses on ethical and social responsibility set out in Council’s Investment Policy to be included under the section "Investment Policy Compliance Report".

17 The Investment Policy Compliance Report included in the Executive Monthly Performance Report has been amended to include a specific confirmation in regard to compliance with part E of the Investment Policy.

CONSULTATION

18 Workshops are held to provide Councillors with a forum for discussion and questions prior to the Ordinary Council Meeting. The workshop to review the August year to date performance was not conducted this month as the elected Council had not yet been confirmed. The next workshop is scheduled for the 17th of October 2017.
OPTIONS

Option 1

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

Option 2

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

BACKGROUND

21 Previous resolutions of Council and the Audit Committee identified the need for careful monitoring of Council’s financial strategy and operational budget result. The presentation of a monthly Executive Performance Report to Council and a workshop addresses this need and exceeds the requirements of the Act.

REFERENCES

ATTACHMENTS

Attachment A: Executive Monthly Performance Report - August 2017
Monthly Performance Report
August 2017

www.newcastle.nsw.gov.au
Contents

Financial Summary
- Operating progress at a glance
- Operating Analysis
- Overall budget funding summary
- Overall performance graphs

Financial Detail
- Overall financial position by group
- Executive Management overall financial position
- Planning & Regulatory overall financial position
- Corporate overall financial position
- Infrastructure overall financial position
- Rates Income Analysis
- Debtors Report

Capital
- Project Program Summary
- Ward 4 Capital Works Update

Investments
- Introduction
- Investment Policy Compliance Report
- Schedule of Investment movements for period ended 31 August, 2017
- Key Performance Indicator Compliance
- Credit Risk Compliance
- Credit Risk Compliance (continued)
- Maturity Risk Compliance
- Budget to Actual Interest Performance
- Schedule of Investment movements for period ended 31 July, 2017
- Schedule of Investment movements for period ended 30 June, 2017

Customer Services, Communications, Consultation Services & Records
- Customer Service
### Operating progress at a Glance as at 31 August, 2017

<table>
<thead>
<tr>
<th>Department / Service Unit</th>
<th>Indicator</th>
<th>Comments</th>
<th>Variance (000)</th>
<th>Variance %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Executive Management</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICT/HR Office</td>
<td></td>
<td></td>
<td>35</td>
<td>11%</td>
</tr>
<tr>
<td>Information Technology</td>
<td></td>
<td>Due to timing and delivery of projects</td>
<td>267</td>
<td>7%</td>
</tr>
<tr>
<td>Human Resources</td>
<td></td>
<td>Unanticipated work, health and safety costs</td>
<td>(189)</td>
<td>-14%</td>
</tr>
<tr>
<td>Corporate Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Planning &amp; Regulatory Director</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development &amp; Building</td>
<td></td>
<td>Due to faster turnaround of larger DA’s</td>
<td>289</td>
<td>-8%</td>
</tr>
<tr>
<td>Strategic Planning</td>
<td></td>
<td>Timing variance in the release of payments for key civic projects</td>
<td>(648)</td>
<td>-7%</td>
</tr>
<tr>
<td>Regulatory Services</td>
<td></td>
<td>Result due to higher fees received than anticipated</td>
<td>194</td>
<td>22%</td>
</tr>
<tr>
<td>Cultural Facilities</td>
<td></td>
<td>Due to timing variance in the delivery of specialised projects</td>
<td>181</td>
<td>17%</td>
</tr>
<tr>
<td>Libraries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Corporate Services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Services Director</td>
<td></td>
<td></td>
<td>33</td>
<td>3%</td>
</tr>
<tr>
<td>Finance</td>
<td></td>
<td>A lower level of financial assistance grant has been achieved due to uncertainty in the amount to be paid in 2017/18</td>
<td>(1,812)</td>
<td>-4%</td>
</tr>
<tr>
<td>Property Services</td>
<td></td>
<td></td>
<td>57</td>
<td>11%</td>
</tr>
<tr>
<td>Customer Service</td>
<td></td>
<td></td>
<td>(14)</td>
<td>-5%</td>
</tr>
<tr>
<td>Legal and Governance</td>
<td></td>
<td>Timing variance in budgets associated with legal advice and insurance</td>
<td>389</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Infrastructure</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure Director</td>
<td></td>
<td></td>
<td>28</td>
<td>10%</td>
</tr>
<tr>
<td>Infrastructure Planning</td>
<td></td>
<td>There has been an average level of operational costs versus anticipated annual expenditure</td>
<td>(2,872)</td>
<td>-37%</td>
</tr>
<tr>
<td>Civil Works</td>
<td></td>
<td>Higher contract works revenue in addition to lower than budgeted general costs</td>
<td>498</td>
<td>18%</td>
</tr>
<tr>
<td>Projects and Contracts</td>
<td></td>
<td></td>
<td>25</td>
<td>9%</td>
</tr>
<tr>
<td>Facilities &amp; Maintenance</td>
<td></td>
<td>Due to timing of projects and unspent in buildings &amp; streets due to work on separate projects</td>
<td>536</td>
<td>12%</td>
</tr>
<tr>
<td>Waste Management</td>
<td></td>
<td>Higher tipping income due to increased throughput in addition to a timing variance in the delivery of operational projects</td>
<td>796</td>
<td>84%</td>
</tr>
</tbody>
</table>
### Operating Analysis as at 31 August, 2017

#### Operating Revenues

<table>
<thead>
<tr>
<th>Description / Service Line</th>
<th>Indicated</th>
<th>Per $ of ME</th>
<th>Year%</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rates and charges</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>User charges &amp; fees</td>
<td>3,957</td>
<td>30%</td>
<td></td>
<td>The amount of revenue from user charges has increased by $375,000 due to a higher demand for services.</td>
</tr>
<tr>
<td>Interest</td>
<td>22</td>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other operating revenues</td>
<td>135</td>
<td>15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants &amp; contributions - Housing</td>
<td>(5,613)</td>
<td>-46%</td>
<td></td>
<td>6 months of the 2016/17 financial year has been reported against.</td>
</tr>
</tbody>
</table>

#### Operating Expenses

<table>
<thead>
<tr>
<th>Description / Service Line</th>
<th>Indicated</th>
<th>Per $ of ME</th>
<th>Year%</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee costs</td>
<td>(502)</td>
<td>-1%</td>
<td></td>
<td>Lower than forecast due to higher than forecast levels of vacancies.</td>
</tr>
<tr>
<td>Staff costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowing costs</td>
<td>(1)</td>
<td>-0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Materials &amp; contracts</td>
<td>2,978</td>
<td>26%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation &amp; Amortisation</td>
<td>9</td>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>2,988</td>
<td>27%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water trade loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net loss from disposal of assets</td>
<td>(198)</td>
<td>-5%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Overall Budget Funding Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Full Year</th>
<th>YTD Adapted Budget $'000</th>
<th>YTD Actual Result $'000</th>
<th>Variance $'000</th>
<th>Variance %</th>
<th>Financial Impact r/e / v/e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>155,366 Rates &amp; charges</td>
<td></td>
<td>25,612</td>
<td>25,612</td>
<td>0</td>
<td>0%</td>
<td>+</td>
</tr>
<tr>
<td>71,297 User charges &amp; fees</td>
<td></td>
<td>11,112</td>
<td>14,069</td>
<td>2,957</td>
<td>27%</td>
<td>+</td>
</tr>
<tr>
<td>8,973 Interest</td>
<td></td>
<td>1,492</td>
<td>1,490</td>
<td>(2)</td>
<td>0%</td>
<td>-</td>
</tr>
<tr>
<td>8,638 Other operating revenues</td>
<td></td>
<td>1,402</td>
<td>1,593</td>
<td>191</td>
<td>14%</td>
<td>+</td>
</tr>
<tr>
<td>15,936 Grants &amp; contributions - Operating</td>
<td></td>
<td>2,513</td>
<td>1,400</td>
<td>(1,113)</td>
<td>-44%</td>
<td>-</td>
</tr>
<tr>
<td>260,210 Total Operating Revenue</td>
<td></td>
<td>42,131</td>
<td>44,164</td>
<td>2,033</td>
<td>5%</td>
<td>+</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>95,802 Employee costs</td>
<td></td>
<td>15,154</td>
<td>14,649</td>
<td>(505)</td>
<td>3%</td>
<td>+</td>
</tr>
<tr>
<td>3,764 Borrowing costs</td>
<td></td>
<td>580</td>
<td>575</td>
<td>(5)</td>
<td>-2%</td>
<td>+</td>
</tr>
<tr>
<td>57,769 Materials &amp; contracts</td>
<td></td>
<td>8,682</td>
<td>10,029</td>
<td>1,347</td>
<td>16%</td>
<td>-</td>
</tr>
<tr>
<td>41,635 Depreciation &amp; amortisation</td>
<td></td>
<td>6,430</td>
<td>6,430</td>
<td>0</td>
<td>0%</td>
<td>-</td>
</tr>
<tr>
<td>48,334 Other operating expenses</td>
<td></td>
<td>7,661</td>
<td>9,754</td>
<td>2,093</td>
<td>27%</td>
<td>-</td>
</tr>
<tr>
<td>4,201 Net Loss from disposal of assets</td>
<td></td>
<td>812</td>
<td>784</td>
<td>(28)</td>
<td>-3%</td>
<td>+</td>
</tr>
<tr>
<td>255,405 Total Operating Expenses</td>
<td></td>
<td>39,319</td>
<td>42,221</td>
<td>2,902</td>
<td>7%</td>
<td>-</td>
</tr>
<tr>
<td>Total Operating Revenue less Operating Expenditure</td>
<td></td>
<td>4,805</td>
<td>1,943</td>
<td>(862)</td>
<td>-31%</td>
<td>-</td>
</tr>
<tr>
<td>Capital Revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31,855 Grants &amp; contributions - Capital</td>
<td></td>
<td>1,976</td>
<td>4,571</td>
<td>2,595</td>
<td>152%</td>
<td>+</td>
</tr>
<tr>
<td>2,548 Proceeds from the sale of Assets</td>
<td></td>
<td>425</td>
<td>386</td>
<td>(39)</td>
<td>-9%</td>
<td>-</td>
</tr>
<tr>
<td>14,403 Total Capital Raising revenue</td>
<td></td>
<td>2,401</td>
<td>5,357</td>
<td>2,956</td>
<td>123%</td>
<td>+</td>
</tr>
<tr>
<td>15,208 Net Surplus/(deficit) after capital revenue</td>
<td></td>
<td>5,213</td>
<td>7,299</td>
<td>2,087</td>
<td>40%</td>
<td>+</td>
</tr>
<tr>
<td>Adjustments for Non Cash Items</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>41,435 Add back Depreciation</td>
<td></td>
<td>6,430</td>
<td>6,480</td>
<td>0</td>
<td>0%</td>
<td>+</td>
</tr>
<tr>
<td>4,301 Add back loss on Disposal</td>
<td></td>
<td>812</td>
<td>784</td>
<td>(28)</td>
<td>-3%</td>
<td>-</td>
</tr>
<tr>
<td>(4,600) Less land &amp; infrastructure donations</td>
<td></td>
<td>(767)</td>
<td>(767)</td>
<td>0</td>
<td>0%</td>
<td>-</td>
</tr>
<tr>
<td>60,544 Funding available for capital expenditure</td>
<td></td>
<td>11,688</td>
<td>13,747</td>
<td>2,059</td>
<td>18%</td>
<td>+</td>
</tr>
<tr>
<td>Capital Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>38,199 Asset renewals</td>
<td></td>
<td>11,056</td>
<td>6,965</td>
<td>(4,091)</td>
<td>-37%</td>
<td>+</td>
</tr>
<tr>
<td>7,375 2012 SRV Priority Projects</td>
<td></td>
<td>1,180</td>
<td>1,059</td>
<td>779</td>
<td>66%</td>
<td>-</td>
</tr>
<tr>
<td>13,835 New / upgrade</td>
<td></td>
<td>2,228</td>
<td>1,336</td>
<td>(892)</td>
<td>-40%</td>
<td>+</td>
</tr>
<tr>
<td>9,262 Non-Infrastructure Projects</td>
<td></td>
<td>1,528</td>
<td>645</td>
<td>(883)</td>
<td>-58%</td>
<td>+</td>
</tr>
<tr>
<td>68,671 Total capital spend</td>
<td></td>
<td>15,992</td>
<td>16,905</td>
<td>(5,013)</td>
<td>-32%</td>
<td>+</td>
</tr>
<tr>
<td>2,882 Loan Principal Repayment</td>
<td></td>
<td>480</td>
<td>480</td>
<td>0</td>
<td>0%</td>
<td>-</td>
</tr>
<tr>
<td>(11,209) Net Funds Generated / (Used)</td>
<td></td>
<td>(4,785)</td>
<td>2,362</td>
<td>7,147</td>
<td>-149%</td>
<td>+</td>
</tr>
</tbody>
</table>

Note 1 - Actual and Budget results include an estimate for the Newcastle Airport

(City of Newcastle)
**Newcastle City Council**

**Ordinary Council Meeting 26 September 2017 Page 59**

### Executive

<table>
<thead>
<tr>
<th>Executive</th>
<th>ICIO Office</th>
<th>Human Resources</th>
<th>Information Technology</th>
<th>Communications &amp; Engagement</th>
<th>Executive</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>YTD Budget</td>
<td>YTD Actual</td>
<td>YTD Budget</td>
<td>YTD Actual</td>
<td>YTD Budget</td>
</tr>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td><strong>Operating Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Rates &amp; charges</td>
<td>6</td>
<td>72</td>
<td>76</td>
<td>76</td>
<td>78</td>
</tr>
<tr>
<td>2 User charges &amp; fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Interest</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Grants &amp; contributions - Operating</td>
<td>28</td>
<td>37</td>
<td>28</td>
<td>37</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td>32</td>
<td>37</td>
<td>72</td>
<td>78</td>
<td>104</td>
</tr>
</tbody>
</table>
## Planning & Regulatory

For the month ending 31 August, 2017

<table>
<thead>
<tr>
<th>Planning &amp; Regulatory</th>
<th>YTD Budget</th>
<th>YTD Actual</th>
<th>Var ($)</th>
<th>Var (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Rates &amp; charges</td>
<td>412,646</td>
<td>383,180</td>
<td>29,466</td>
<td>7%</td>
</tr>
<tr>
<td>2. User charges &amp; fees</td>
<td>394,147</td>
<td>374,147</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>3. Other operating revenue</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>4. Grants &amp; contributions - Local Govt</td>
<td>1,915,589</td>
<td>1,915,589</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>5. Total Operating Revenue</td>
<td>2,510,350</td>
<td>2,392,806</td>
<td>117,544</td>
<td>5%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Rates &amp; charges</td>
<td>412,646</td>
<td>383,180</td>
<td>29,466</td>
<td>7%</td>
</tr>
<tr>
<td>2. User charges &amp; fees</td>
<td>394,147</td>
<td>374,147</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>3. Other operating revenue</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>4. Depreciation &amp; amortisation</td>
<td>1,160,648</td>
<td>1,160,648</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>5. Other operating expenses</td>
<td>193,054</td>
<td>212,889</td>
<td>20,735</td>
<td>10%</td>
</tr>
<tr>
<td>6. Total Operating Expenses</td>
<td>2,056,402</td>
<td>2,265,918</td>
<td>20,516</td>
<td>1%</td>
</tr>
<tr>
<td>Total Operating Surplus</td>
<td>453,948</td>
<td>126,888</td>
<td>-327,060</td>
<td>-71%</td>
</tr>
</tbody>
</table>

## Corporate Services

For the month ending 31 August, 2017

<table>
<thead>
<tr>
<th>Corporate Services</th>
<th>YTD Budget</th>
<th>YTD Actual</th>
<th>Var ($)</th>
<th>Var (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Rates &amp; charges</td>
<td>22,341,341</td>
<td>21,341,341</td>
<td>100,000</td>
<td>5%</td>
</tr>
<tr>
<td>2. User charges &amp; fees</td>
<td>40,720,020</td>
<td>40,720,020</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>3. Other operating revenue</td>
<td>3,341,250</td>
<td>3,341,250</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>4. Total Operating Revenue</td>
<td>66,402,611</td>
<td>65,382,611</td>
<td>1,020,000</td>
<td>2%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Rates &amp; charges</td>
<td>22,341,341</td>
<td>21,341,341</td>
<td>100,000</td>
<td>5%</td>
</tr>
<tr>
<td>2. User charges &amp; fees</td>
<td>40,720,020</td>
<td>40,720,020</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>3. Other operating revenue</td>
<td>3,341,250</td>
<td>3,341,250</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>4. Total Operating Expenses</td>
<td>66,402,611</td>
<td>65,382,611</td>
<td>1,020,000</td>
<td>2%</td>
</tr>
<tr>
<td>Total Operating Surplus</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Infrastructure Planning</td>
<td>Civil Works</td>
<td>Projects &amp; Contracts</td>
<td>Facilities &amp; Innovation</td>
<td>Service Management</td>
</tr>
<tr>
<td>-------------------------</td>
<td>------------</td>
<td>----------------------</td>
<td>-------------------------</td>
<td>-------------------</td>
</tr>
<tr>
<td><strong>Infrastructure</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Budget</strong></td>
<td><strong>Actual</strong></td>
<td><strong>Budget</strong></td>
<td><strong>Actual</strong></td>
</tr>
<tr>
<td>Operating Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Fees &amp; charges</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. User charges &amp; fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Interest</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Other operating revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Grants &amp; contributions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total Operating Expenses**

|                      | **YTD** ($000) | **Budget** | **Actual** | **Yield (%)** | **Net Operating Revenue/Loss** |

**CITY OF NEWCASTLE**

Ordinary Council Meeting 26 September 2017
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## Rates Income as at 31 August, 2017

<table>
<thead>
<tr>
<th></th>
<th>YTD Budget (000’s)</th>
<th>YTD Actual (000’s)</th>
<th>Variance (000’s)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rates and Charges</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Rates</td>
<td>21,989</td>
<td>21,983</td>
<td>0</td>
</tr>
<tr>
<td>Domestic Waste</td>
<td>3,072</td>
<td>3,072</td>
<td>0</td>
</tr>
<tr>
<td>Stormwater</td>
<td>328</td>
<td>328</td>
<td>0</td>
</tr>
<tr>
<td>Levies</td>
<td>329</td>
<td>329</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Rates</strong></td>
<td>25,382</td>
<td>25,612</td>
<td>0</td>
</tr>
</tbody>
</table>
### Debtors Report as at 31 August, 2017

#### Outstanding Rates

<table>
<thead>
<tr>
<th>Debt Recovery Action</th>
<th>No. of Properties</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal Action</td>
<td>152</td>
<td>$1,549,933</td>
</tr>
<tr>
<td>Formal Arrangements</td>
<td>60</td>
<td>$138,033</td>
</tr>
<tr>
<td>Deferral against estate</td>
<td>43</td>
<td>$649,259</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>255</strong></td>
<td><strong>1,937,225</strong></td>
</tr>
</tbody>
</table>

#### Aged Debtors Report (Major Debtors Report)

<table>
<thead>
<tr>
<th>Period</th>
<th>Jul-17</th>
<th>Aug-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>3,055,248</td>
<td>3,994,934</td>
</tr>
<tr>
<td>30 Days</td>
<td>160,139</td>
<td>1,322,084</td>
</tr>
<tr>
<td>60 Days</td>
<td>66,790</td>
<td>56,700</td>
</tr>
<tr>
<td>90 Days</td>
<td>71,107</td>
<td>710,891</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,588,275</strong></td>
<td><strong>4,984,609</strong></td>
</tr>
</tbody>
</table>

### Outstanding Rates ($)

#### Breakdown of Material Debtors greater than $100,000

<table>
<thead>
<tr>
<th>Debtor</th>
<th>Business Unit</th>
<th>Total $</th>
<th>Current $</th>
<th>30 Days $</th>
<th>60 Days $</th>
<th>90 Days $</th>
</tr>
</thead>
<tbody>
<tr>
<td>SIP Australia Pty Ltd</td>
<td>Infrastructure Planning</td>
<td>$586,023</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Veolia Environmental</td>
<td>Waste Management</td>
<td>$213,362</td>
<td>213,102</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Enviropacific Services</td>
<td>Waste Management</td>
<td>$2,089,651</td>
<td>1,078,390</td>
<td>601,461</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>EMCC</td>
<td>Waste Management</td>
<td>$247,865</td>
<td>247,865</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Veolia Water</td>
<td>Waste Management</td>
<td>$138,139</td>
<td>138,139</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Gleeson Civil Engineering</td>
<td>Waste Management</td>
<td>$410,351</td>
<td>640,574</td>
<td>77</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Jemena</td>
<td>Infrastructure Planning</td>
<td>$141,796</td>
<td>28,023</td>
<td>113,773</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Value</td>
<td>Finance</td>
<td>$81,400</td>
<td>-</td>
<td>81,400</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
## Project Program Summary

For the month ending 31 August, 2017

<table>
<thead>
<tr>
<th>Project Area</th>
<th>YTD Budget</th>
<th>YTD Result</th>
<th>Variance to Budget</th>
<th>% of FY Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>26,699 Buildings, Structures and Places</strong></td>
<td>6,643</td>
<td>2,386</td>
<td>57%</td>
<td>9%</td>
</tr>
<tr>
<td>Aquatic Centres</td>
<td>0%</td>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,050 Stadlbau Reserve</td>
<td>312</td>
<td>32</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>1,588 Buildings - Council Support Services</td>
<td>270</td>
<td>324</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>50 Caravan Parks and Commercial Properties</td>
<td>8</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,466 City Centre Revitalisation</td>
<td>238</td>
<td>16</td>
<td>92%</td>
<td></td>
</tr>
<tr>
<td>6,815 Coastal Revitalisation</td>
<td>2,356</td>
<td>1,343</td>
<td>43%</td>
<td>20%</td>
</tr>
<tr>
<td>524 Community Buildings</td>
<td>84</td>
<td>26</td>
<td>69%</td>
<td></td>
</tr>
<tr>
<td>2,880 Cultural Facilities</td>
<td>456</td>
<td>6</td>
<td>99%</td>
<td></td>
</tr>
<tr>
<td>361 Libraries</td>
<td>58</td>
<td>250</td>
<td>-345%</td>
<td>72%</td>
</tr>
<tr>
<td>6,638 Recreation Parks and Sporting Facilities</td>
<td>1,004</td>
<td>342</td>
<td>66%</td>
<td></td>
</tr>
<tr>
<td>1,413 Public Toilets</td>
<td>220</td>
<td>8</td>
<td>96%</td>
<td></td>
</tr>
<tr>
<td>2,805 Retaining Walls</td>
<td>440</td>
<td>8</td>
<td>98%</td>
<td></td>
</tr>
<tr>
<td><strong>20,492 Roads</strong></td>
<td>6,917</td>
<td>9,207</td>
<td>-33%</td>
<td>48%</td>
</tr>
<tr>
<td>2,225 Bridges</td>
<td>356</td>
<td>3</td>
<td>99%</td>
<td>0%</td>
</tr>
<tr>
<td>1,904 Footpaths</td>
<td>500</td>
<td>888</td>
<td>-35%</td>
<td>36%</td>
</tr>
<tr>
<td>1,555 Road Infrastructure</td>
<td>150</td>
<td>50</td>
<td>65%</td>
<td>4%</td>
</tr>
<tr>
<td>11,326 Road Rehabilitation</td>
<td>4,354</td>
<td>4,731</td>
<td>-9%</td>
<td>42%</td>
</tr>
<tr>
<td>3,750 Road Resurfacing</td>
<td>1,542</td>
<td>3,735</td>
<td>-142%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>7,101 Transport</strong></td>
<td>1,138</td>
<td>783</td>
<td>39%</td>
<td>11%</td>
</tr>
<tr>
<td>2,657 Cycleways</td>
<td>425</td>
<td>793</td>
<td>-87%</td>
<td>30%</td>
</tr>
<tr>
<td>767 Local Area Traffic Management</td>
<td>126</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,000 Parking Infrastructure</td>
<td>100</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2,575 Pedestrian Access and Mobility Plan</td>
<td>425</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>8,765 Stormwater</strong></td>
<td>1,662</td>
<td>369</td>
<td>76%</td>
<td>4%</td>
</tr>
<tr>
<td>130 Flood Planning</td>
<td>21</td>
<td>100%</td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>9,635 Stormwater System</td>
<td>1,541</td>
<td>385</td>
<td>73%</td>
<td>4%</td>
</tr>
<tr>
<td><strong>15,915 Environment</strong></td>
<td>2,648</td>
<td>603</td>
<td>26%</td>
<td>3%</td>
</tr>
<tr>
<td>2,490 Bushland and Watercourses</td>
<td>505</td>
<td>36%</td>
<td>60%</td>
<td>2%</td>
</tr>
<tr>
<td>1,800 Coast, Estuary and Wetlands</td>
<td>288</td>
<td>136</td>
<td>52%</td>
<td>8%</td>
</tr>
<tr>
<td>1,380 Street and Park Trees</td>
<td>221</td>
<td>119</td>
<td>48%</td>
<td>9%</td>
</tr>
<tr>
<td>10,245 Waste Management</td>
<td>1,039</td>
<td>194</td>
<td>68%</td>
<td>3%</td>
</tr>
<tr>
<td><strong>4,965 Information Technology</strong></td>
<td>889</td>
<td>276</td>
<td>51%</td>
<td>0%</td>
</tr>
<tr>
<td>2,450 Implementation and Upgrade of Applications</td>
<td>392</td>
<td>186</td>
<td>52%</td>
<td>0%</td>
</tr>
<tr>
<td>1,430 Infrastructure Improvements</td>
<td>229</td>
<td>12</td>
<td>95%</td>
<td>1%</td>
</tr>
<tr>
<td>425 Strategic and Systems Analysis</td>
<td>68</td>
<td>70</td>
<td>-3%</td>
<td>16%</td>
</tr>
<tr>
<td><strong>1,900 Strategic</strong></td>
<td>160</td>
<td>114</td>
<td>29%</td>
<td>11%</td>
</tr>
<tr>
<td>650 Smart City</td>
<td>144</td>
<td>76</td>
<td>28%</td>
<td>12%</td>
</tr>
<tr>
<td>350 Economic Development</td>
<td>56</td>
<td>38</td>
<td>32%</td>
<td>11%</td>
</tr>
<tr>
<td>3,845 Fleet Replacement</td>
<td>583</td>
<td>66</td>
<td>89%</td>
<td>2%</td>
</tr>
<tr>
<td>3,645 Fleet Replacement</td>
<td>565</td>
<td>66</td>
<td>83%</td>
<td>2%</td>
</tr>
<tr>
<td>1,924 Minor Capital</td>
<td>338</td>
<td>285</td>
<td>4%</td>
<td>18%</td>
</tr>
<tr>
<td>77 Art Gallery Works of Art</td>
<td>77</td>
<td>81</td>
<td>-5%</td>
<td>105%</td>
</tr>
<tr>
<td>800 Library Resources</td>
<td>128</td>
<td>90</td>
<td>30%</td>
<td>11%</td>
</tr>
<tr>
<td>100 Parking Meter Replacement</td>
<td>16</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>647 Small Purchases</td>
<td>85</td>
<td>124</td>
<td>-49%</td>
<td>19%</td>
</tr>
<tr>
<td><strong>90,946 Total Works Program</strong></td>
<td>19,442</td>
<td>13,988</td>
<td>28%</td>
<td>15%</td>
</tr>
</tbody>
</table>

Note: The Budget above is inclusive of operational and capital works.
### Ward 4 Capital Works at 31 August, 2017

<table>
<thead>
<tr>
<th>Item</th>
<th>Due Date</th>
<th>Actual Date</th>
<th>Reason for delay</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Wallsend bridge replacement</td>
<td>Completed</td>
<td>Jul-17</td>
<td>n/a</td>
</tr>
<tr>
<td>Tyrell St bridge concept design</td>
<td></td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td>Tyrell St detail design under contract</td>
<td>Oct-17</td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td>Anticipated construction 2018</td>
<td></td>
<td></td>
<td>Services and property interaction</td>
</tr>
<tr>
<td>(ii) Minmi Road footpath and road widening between Cowper Street and Marquarie Street</td>
<td></td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td>Street lighting relocations and upgrade construction</td>
<td>Feb-17</td>
<td>Mar-17</td>
<td>Contractor availability and approval for power outage</td>
</tr>
<tr>
<td>Civil Design drawings</td>
<td>Mar-17</td>
<td>Mar-17</td>
<td>n/a</td>
</tr>
<tr>
<td>Civil construction commencement</td>
<td>Apr-17</td>
<td>Mar-17</td>
<td>n/a</td>
</tr>
<tr>
<td>Civil construction completion</td>
<td>Aug-17</td>
<td>Sep-17</td>
<td>Need to remove existing power poles</td>
</tr>
<tr>
<td>(iii) Water main replacement and road re-sealing Anderson Drive Tarro</td>
<td></td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td>Start project</td>
<td>2015</td>
<td>Sep-16</td>
<td>Funding commitment from HWC</td>
</tr>
<tr>
<td>Award tender for water main feasibility and design</td>
<td>Dec-16</td>
<td>Dec-16</td>
<td>n/a</td>
</tr>
<tr>
<td>Water main design submitted to Hunter Water Corporation</td>
<td>Jun-17</td>
<td>Jun-17</td>
<td>Scooping greater than expected</td>
</tr>
<tr>
<td>Water main Tender</td>
<td>Jul-17</td>
<td>Sep-17</td>
<td>Additional investigations required due to design issues</td>
</tr>
<tr>
<td>Water main commence construction</td>
<td>Nov-17</td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td>Water main complete construction</td>
<td>Feb-18</td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td>Civil construction commencement</td>
<td>Mar-18</td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td>Civil construction completion</td>
<td>Jul-15</td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td>(iv) Wallsend and Beresfield Public Domain Plans</td>
<td></td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td>Wallsend Public Domain Plan Draft Concept Plan</td>
<td></td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td>Traffic Committee</td>
<td>10-Apr-17</td>
<td>10-Apr-17</td>
<td>n/a</td>
</tr>
<tr>
<td>Exhibition of Draft PDP</td>
<td>May-17</td>
<td>May-17</td>
<td>n/a</td>
</tr>
<tr>
<td>Report to Council for adoption of PDP</td>
<td>Jul-17</td>
<td></td>
<td>Some issues to be resolved relating to traffic and cycleways. Likely to be scheduled for October meeting.</td>
</tr>
</tbody>
</table>
**Investment Policy compliance report**

*As at 31 August 2017*

**Executive summary:**

1. Council’s temporary surplus funds are invested consistent with Council’s Investment Policy and The Local Government Act and Regulations.

2. Application of the investment function has remained consistent with requirements outlined within Part E of Council’s Investment Policy, “Environmentally and Socially Responsible investments (SRI)”.

3. Council’s overall investment portfolio holdings are $320,836,748 comprising $314,905,413 of invested funds, and $5,931,335 Cash At Call. Further disclosure of investment portfolio composition and details of investment placements performed during the reporting period are disclosed later in this report.

4. Council achieved a Net Yield on the investment portfolio for the 12 months to 31 August 2017 of 2.99%, against the benchmark of 1.76% 90d Bloomberg AusBond Bank Bill Index.

Councils Investment Policy mandates a KPI Active Return (Net Return less benchmark) of 0.50%. The Active Return for the 12 months to August 2017 remained consistent with the prior month at 1.23%.

5. The 2017/18 adopted budget for unconsolidated interest income from cash and investments is $8,470,000. This represents a decline of income relative to the actual result achieved for Financial Year 2016/17. The decline in budgeted revenue is based on Council running a net deficit budget, from a funding perspective for 2017/18 as well as continuing declining total yield.

The budget position remains conservative and if current inputs into this forecast perform as expected an end of year positive budget variance should result.

6. Cumulative 2017/18 interest income from Councils cash and investments is $1,452,829 (excluding Newcastle Airport and non-investment portfolio sources of interest). The budget to actual Interest report as at 31 August 2017 is submitted to Council later in this report. Year to date performance is in excess of the adopted budget by $41,000.

7. Council’s new and rolled investments are subject to current and future economic financial market prices. The below graphs display the average of interest rate forecasts (which unchanged from the prior month) sourced from the 4 major Australian Banks as at 31 August 2017.

8. In accordance with Council’s resolution of 30 May 1995, the schedules of investments from the two previous meetings of Council are provided in detail at the conclusion of this report.
Investment Policy compliance report  
31 August 2017

Investment policy objectives:

9.1 To provide a framework for the investing of Council’s funds at the most favourable rate of interest available to it at the time whilst having due consideration of risk and security for that investment type and ensuring that its liquidity requirements are being met.

9.2 While exercising the power to invest, consideration is to be given to the preservation of capital, liquidity, and the return of investment.

9.3 Preservation of capital is the principal objective of the investment portfolio. Investments are to be placed in a manner that seeks to ensure security and safeguarding the investment portfolio. This includes managing credit and interest rate risk within identified thresholds and parameters.

9.4 Investments should be allocated to ensure there is sufficient liquidity to meet all reasonably anticipated cash flow requirements, as and when they fall due, without incurring the risk of significant costs due to the unanticipated sale of an investment.

9.5 Investments are expected to achieve a market average rate of return in line with the Council’s risk tolerance.

9.6 Delegated Officers are to manage the investment portfolio as a hold to maturity investor. Deviation from this method of operation (i.e., sale of an investment prior to maturity) is permissible for either risk management purposes, to meet unforeseen liquidity requirements, or if deemed advantageous to do so.

9.7 All investments are to comply with the following:

9.7.1 Local Government Act 1993 (NSW) - Section 625

9.7.2 Local Government (General) Regulation 2005 (NSW)

9.7.3 Prevailing Ministerial Investment Order

9.7.4 Local Government Code of Accounting Practice and Financial Reporting

9.7.5 Division of Local Government Investment Circulars; and

9.7.6 Australian Accounting Standards

9.8 Council’s preference is to enter into environmentally and Socially Responsible Investments (SRI) where:

9.8.1 The investment is compliant with legislation and Investment Policy objectives (listed above) and parameters; and

9.8.2 The rate of return is favourable relative to comparable investments on offer to Council at the time of investment.
**Investment Policy compliance report**  
31 August 2017

**Portfolio Summary:**

<table>
<thead>
<tr>
<th>Investment Portfolio by investment type</th>
<th>June 2017</th>
<th>July 2017</th>
<th>August 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash At Call</td>
<td>5,810,998</td>
<td>10,174,035</td>
<td>5,931,335</td>
</tr>
<tr>
<td>Term Deposit: Fixed rate</td>
<td>94,278,847</td>
<td>72,278,847</td>
<td>90,278,847</td>
</tr>
<tr>
<td>Term Deposit: Floating rate</td>
<td>40,000,000</td>
<td>40,000,000</td>
<td>40,000,000</td>
</tr>
<tr>
<td>Floating Rate Note</td>
<td>159,587,008</td>
<td>159,587,118</td>
<td>165,601,834</td>
</tr>
<tr>
<td>Fixed Rate Bond</td>
<td>19,044,971</td>
<td>19,044,865</td>
<td>19,024,732</td>
</tr>
<tr>
<td>Total</td>
<td>318,721,424</td>
<td>301,084,865</td>
<td>320,816,748</td>
</tr>
</tbody>
</table>

**Asset Class allocation: August 2017**

- Cash At Call: 28%
- Fixed Rate Bond: 52%
- Term Deposit - Fixed Rate: 1.2%
- Floating Rate Note: 2%
- Term Deposit - Floating Rate: 0.1%

**Cash and Investments: monthly movement**

- Prior year (LHS)
- Current year (LHS)
- Total Portfolio (RHS)
Investment Policy compliance report
31 August 2017

New and matured Investments:

Matured Investments:

<table>
<thead>
<tr>
<th>Date matured</th>
<th>Institution</th>
<th>Asset Class</th>
<th>Amount</th>
<th>Rate of Return</th>
<th>Original Term</th>
<th>Original date Invested</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 Aug 2017</td>
<td>NAB</td>
<td>Term Deposit; Fixed Rate</td>
<td>$3,000,000</td>
<td>2.54%</td>
<td>115 days</td>
<td>11 Apr 2017</td>
</tr>
<tr>
<td>18 Aug 2017</td>
<td>Bankwest</td>
<td>Term Deposit; Fixed Rate</td>
<td>$8,000,000</td>
<td>2.45%</td>
<td>70 days</td>
<td>9 June 2017</td>
</tr>
</tbody>
</table>

New Investments:

<table>
<thead>
<tr>
<th>Contract date</th>
<th>Settlement date</th>
<th>Institution</th>
<th>Asset Class</th>
<th>Amount</th>
<th>Rate of Return</th>
<th>Term</th>
<th>Maturity date</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 Aug 2017</td>
<td>4 Aug 2017</td>
<td>Bankwest</td>
<td>Term Deposit; Fixed Rate</td>
<td>$3,000,000</td>
<td>2.25%</td>
<td>49 days</td>
<td>22 Sep 2017</td>
</tr>
<tr>
<td>11 Aug 2017</td>
<td>11 Aug 2017</td>
<td>ME Bank</td>
<td>Term Deposit; Fixed Rate</td>
<td>$4,000,000</td>
<td>2.52%</td>
<td>145 days</td>
<td>03 Jan 2018</td>
</tr>
<tr>
<td>11 Aug 2017</td>
<td>11 Aug 2017</td>
<td>NAB</td>
<td>Term Deposit; Fixed Rate</td>
<td>$3,000,000</td>
<td>2.46%</td>
<td>126 days</td>
<td>15 Dec 2017</td>
</tr>
<tr>
<td>10 Aug 2017</td>
<td>10 Aug 2017</td>
<td>Suncorp</td>
<td>Floating Rate Note</td>
<td>$3,000,000</td>
<td>90d bidsw + 0.97%</td>
<td>5 yrs</td>
<td>16 Aug 2022</td>
</tr>
<tr>
<td>21 Aug 2017</td>
<td>21 Aug 2017</td>
<td>Bankwest</td>
<td>Term Deposit; Fixed Rate</td>
<td>$3,000,000</td>
<td>2.25%</td>
<td>67 days</td>
<td>27 Oct 2022</td>
</tr>
<tr>
<td>24 Aug 2017</td>
<td>24 Aug 2017</td>
<td>NAB</td>
<td>Term Deposit; Fixed Rate</td>
<td>$4,000,000</td>
<td>2.50%</td>
<td>141 days</td>
<td>12 Jan 2018</td>
</tr>
<tr>
<td>29 Aug 2017</td>
<td>29 Aug 2017</td>
<td>NAB</td>
<td>Term Deposit; Fixed Rate</td>
<td>$3,000,000</td>
<td>2.52%</td>
<td>149 days</td>
<td>16 Jan 2018</td>
</tr>
<tr>
<td>30 Aug 2017</td>
<td>30 Aug 2017</td>
<td>NAB</td>
<td>Term Deposit; Fixed Rate</td>
<td>$4,000,000</td>
<td>2.55%</td>
<td>195 days</td>
<td>13 Mar 2018</td>
</tr>
<tr>
<td>29 Aug 2017</td>
<td>31 Aug 2017</td>
<td>ME Bank</td>
<td>Floating Rate Note</td>
<td>$3,000,000</td>
<td>90d bidsw + 1.10%</td>
<td>1.9 yrs</td>
<td>18 Jul 2019</td>
</tr>
<tr>
<td>31 Aug 2017</td>
<td>31 Aug 2017</td>
<td>NAB</td>
<td>Term Deposit; Fixed Rate</td>
<td>$3,000,000</td>
<td>2.56%</td>
<td>204 days</td>
<td>23 Mar 2018</td>
</tr>
</tbody>
</table>

I certify that the new investments detailed above have been made in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005, and Council's adopted Investment Policy.

Andrew Glauser
Responsible Accounting Officer
Investment Policy compliance report
31 August 2017

Performance measurement:

The Key Performance Indicator (KPI) for Income on Investments is benchmarked at 0.50% above the 1 year return on the 90 day Bloomberg AusBond Bank Bill Index.

![Graphs showing Council portfolio yield and active return benchmark outperformance]

<table>
<thead>
<tr>
<th></th>
<th>June '17</th>
<th>July '17</th>
<th>Aug '17</th>
</tr>
</thead>
<tbody>
<tr>
<td>12m: Council return</td>
<td>3.04%</td>
<td>3.02%</td>
<td>2.99%</td>
</tr>
<tr>
<td>12m: Benchmark + KPI</td>
<td>2.32%</td>
<td>2.29%</td>
<td>2.26%</td>
</tr>
<tr>
<td>12m: KPI outperformance</td>
<td>0.72%</td>
<td>0.73%</td>
<td>0.73%</td>
</tr>
</tbody>
</table>

Commentary:
The above graphs indicate an overall downward trend in Council Portfolio Yield. The downward trend is principally due to the downward trend in the benchmark as Councils Active Return has remained relatively consistent throughout the duration displayed.

Portfolio yield remains comfortably above inflation (underlying CPI for the Quarter to June 2017 was 1.90%). Council’s portfolio retains a theoretical natural hedge against inflationary impacts via its investment in floating rate products. Whilst ever the Reserve Bank of Australia retains inflation targeting monetary policy stance the yield generated on these investments should continue to outperform inflation.
Credit Risk compliance:

<table>
<thead>
<tr>
<th>Investment credit rating</th>
<th>June 2017</th>
<th>July 2017</th>
<th>August 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>AAA</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>AA band (inc. major banks)</td>
<td>173,654,910</td>
<td>167,379,027</td>
<td>171,115,165</td>
</tr>
<tr>
<td>A+ and below</td>
<td>133,705,838</td>
<td>133,705,838</td>
<td>143,721,584</td>
</tr>
<tr>
<td>BBB+ and below</td>
<td>105,048,702</td>
<td>93,688,738</td>
<td>100,705,194</td>
</tr>
<tr>
<td>Non Rated (BBB- and below)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Commentary:
During the month of May S&P downgraded by one notch 23 Australian financial institutions. The ratings actions reflected the view held by S&P that continued build-up of economic imbalances in Australia over the past few years due to a rapid rise in private sector debt and house prices - particularly in two of the most populous cities of Sydney and Melbourne - has exposed Australian financial institutions to greater economic risks.

The impact of this rating change on Councils portfolio saw a significant reallocation from the A rated risk category to the BBB category at month end reporting in May 2017. Council retains a conservative position in relation to credit allocations and all investments retain an investment grade rating and are compliant with the existing Investment policy risk parameters.

During the months of June and July additional flexibility within Councils risk framework was attained by allowing maturing investments with ratings of BBB+ or lower to roll off, and any new investments entered then placed with higher rated institutions.
**Investment Policy compliance report**

**31 August 2017**

**Credit risk compliance cont:**

![Credit allocation: August 2017](image)

<table>
<thead>
<tr>
<th>Institution</th>
<th>Institution abbreviation</th>
<th>Credit rating (S&amp;P)</th>
<th>June 2017</th>
<th>July 2017</th>
<th>August 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commonwealth Bank</td>
<td>CBA</td>
<td>AA-</td>
<td>47,940,025</td>
<td>45,303,015</td>
<td>44,040,181</td>
</tr>
<tr>
<td>National Australia Bank</td>
<td>NAB</td>
<td>AA-</td>
<td>48,227,827</td>
<td>44,588,012</td>
<td>59,588,403</td>
</tr>
<tr>
<td>Westpac</td>
<td>WIC</td>
<td>AA-</td>
<td>41,501,347</td>
<td>41,501,242</td>
<td>41,501,121</td>
</tr>
<tr>
<td>Robobank</td>
<td>RBO</td>
<td>A+</td>
<td>5,001,465</td>
<td>5,001,465</td>
<td>5,001,223</td>
</tr>
<tr>
<td>Suncorp Metway</td>
<td>SUN</td>
<td>A+</td>
<td>19,008,735</td>
<td>19,007,643</td>
<td>22,007,643</td>
</tr>
<tr>
<td>AMP Bank *</td>
<td>AMP</td>
<td>A</td>
<td>8,507,992</td>
<td>8,507,993</td>
<td>8,507,524</td>
</tr>
<tr>
<td>Credit Saver AG</td>
<td>CS</td>
<td>A</td>
<td>3,600,000</td>
<td>3,000,000</td>
<td>3,600,000</td>
</tr>
<tr>
<td>Macquarie Bank</td>
<td>MQG</td>
<td>A</td>
<td>7,500,000</td>
<td>7,500,000</td>
<td>7,500,000</td>
</tr>
<tr>
<td>Bendigo Bank *</td>
<td>BEN</td>
<td>BB+</td>
<td>18,515,993</td>
<td>18,515,993</td>
<td>18,513,304</td>
</tr>
<tr>
<td>Bank of Queensland</td>
<td>BOQ</td>
<td>BB+</td>
<td>17,502,219</td>
<td>18,143,643</td>
<td>18,141,438</td>
</tr>
<tr>
<td>Heritage Bank</td>
<td>HBS</td>
<td>BB</td>
<td>4,950,000</td>
<td>4,950,000</td>
<td>4,950,000</td>
</tr>
<tr>
<td>Beyond Bank *</td>
<td>BEY</td>
<td>BB</td>
<td>6,000,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Credit Union Australia *</td>
<td>CUA</td>
<td>BB</td>
<td>2,000,000</td>
<td>2,000,000</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Greater Bank *</td>
<td>GBS</td>
<td>BB</td>
<td>18,500,000</td>
<td>18,500,000</td>
<td>18,500,000</td>
</tr>
<tr>
<td>Illawarra Mutual Bank *</td>
<td>IMB</td>
<td>BB</td>
<td>6,000,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>ML Bank *</td>
<td>ME</td>
<td>BB</td>
<td>9,500,351</td>
<td>9,500,741</td>
<td>16,520,092</td>
</tr>
<tr>
<td>Newcastle Permanent *</td>
<td>NFS</td>
<td>BB</td>
<td>21,970,937</td>
<td>21,973,273</td>
<td>21,973,273</td>
</tr>
<tr>
<td>Teachers Mutual *</td>
<td>TMF</td>
<td>BB</td>
<td>1,001,202</td>
<td>1,001,087</td>
<td>1,001,087</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td>318,721,624</td>
<td>305,064,865</td>
<td>329,836,748</td>
</tr>
</tbody>
</table>

**Commentary:**

Where the credit rating of an institution and investment diverge exposure is reported on a conservative basis with the lower of the two rating applied.

* = Indicates those institutions that were downgraded one notch by S&P during the month of May 2017.

Institution credit rating disclosed above is reflective of credit rating post downgrade.
**Investment Policy compliance report**

31 August 2017

**Maturity risk compliance:**

![Maturity profile: August 2017](image)

<table>
<thead>
<tr>
<th>Term to Maturity</th>
<th>Actual performance</th>
<th>Policy Framework</th>
<th>Minimum rating of investment at purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>August</td>
<td>Minimum</td>
<td>Maximum</td>
</tr>
<tr>
<td>0 - 1 Year</td>
<td>$109,217,410</td>
<td>34%</td>
<td>100%</td>
</tr>
<tr>
<td>&gt; 1 Year</td>
<td>$211,619,388</td>
<td>66%</td>
<td>70% (maximum of 30% to BBB)</td>
</tr>
<tr>
<td>&gt; 3 Years</td>
<td>$89,472,014</td>
<td>28%</td>
<td>40%</td>
</tr>
<tr>
<td>&gt; 5 Years</td>
<td>-</td>
<td>0%</td>
<td>10% (A+ (or major bank))</td>
</tr>
</tbody>
</table>

**Commentary:**

The Policy mandates a minimum of 30% of cash and investments with a maximum term to maturity of less than 12 months. This limit is established to ensure Council retains a comfortable liquidity buffer at all times whilst also ensuring sufficient additional capacity to maintain a long term maturity profile to enable improved yields.

Although close to the 30% minimum requirement in July 2017 Council retains significant liquidity to cover forecast requirements. The mandated 30% minimum is highly conservative, established well in excess of forecast liquidity requirements, to ensure an evenly distributed longer term maturity profile can be retained.

As at 31 August 2017 Council held one $4m BBB rated investment with a remaining term to maturity of greater than 3 years. Under the terms of the revised Investment and borrowing Policy (adopted by Councillors on 22 August 2017) this investment is now non-compliant. However, the investment was placed prior to adoption of the revised Policy when there was no limitation on the duration of BBB rated investments, and further to this the investment will become compliant during September 2017 when the remaining term to maturity will reduce below 3 years.
Investment Policy compliance report
31 August 2017

Interest Income Variance analysis:

Commentary:
The adopted budget for 2017/18 investment income is $8.5m which is $0.68m (or 7%) below the actual result achieved in the 2016/17 financial year. Reasons for this forecast decline are twofold:

1. Council's Operational Plan is forecast to deliver a cash deficit for the 2017/18 period meaning a lower principal balance of funds invested; and
2. A continued decline in portfolio yield as a result of an ongoing maturity of investments made when yields were higher (which have protected Council's returns from declining sooner).

The budget position remains conservative, however actual to budget variances may arise in the event of market conditions altering.

Total interest income generated in the month to August 2017 was $0.75m, resulting in cumulative interest income tracking above the adopted budget of $1.41m as at 31 August 2017.
# Investment Policy compliance report

## 31 July 2017

### New and matured Investments:

#### Matured Investments:

<table>
<thead>
<tr>
<th>Date matured</th>
<th>Institution</th>
<th>Asset Class</th>
<th>Amount</th>
<th>Rate of Return</th>
<th>Original Term</th>
<th>Original date invested</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 July 2017</td>
<td>NA8</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>2.57%</td>
<td>126 days</td>
<td>28 Feb 2017</td>
</tr>
<tr>
<td>6 July 2017</td>
<td>NA8</td>
<td>Term Deposit: Fixed Rate</td>
<td>$639,424</td>
<td>3.65%</td>
<td>2 yrs</td>
<td>6 July 2015</td>
</tr>
<tr>
<td>7 July 2017</td>
<td>IMB</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>2.8%</td>
<td>155 days</td>
<td>7 Feb 2017</td>
</tr>
<tr>
<td>14 July 2017</td>
<td>Beyond Bank</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>2.4%</td>
<td>154 days</td>
<td>10 Feb 2017</td>
</tr>
<tr>
<td>14 July 2017</td>
<td>NA8</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>2.57%</td>
<td>135 days</td>
<td>3 Mar 2017</td>
</tr>
<tr>
<td>14 July 2017</td>
<td>BankWest</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>2.3%</td>
<td>45 days</td>
<td>30 May 2017</td>
</tr>
<tr>
<td>18 July 2017</td>
<td>Beyond Bank</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>2.55%</td>
<td>70 days</td>
<td>9 May 2017</td>
</tr>
<tr>
<td>21 July 2017</td>
<td>CBA</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>2.6%</td>
<td>155 days</td>
<td>16 Feb 2017</td>
</tr>
<tr>
<td>28 July 2017</td>
<td>IMB</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>2.55%</td>
<td>115 days</td>
<td>4 Apr 2017</td>
</tr>
<tr>
<td>31 July 2017</td>
<td>CBA</td>
<td>Term Deposit: Fixed Rate</td>
<td>$1,000,000</td>
<td>5.15%</td>
<td>5 yrs</td>
<td>24 Sept 2012</td>
</tr>
</tbody>
</table>

### New Investments:

<table>
<thead>
<tr>
<th>Contract date</th>
<th>Settlement date</th>
<th>Institution</th>
<th>Asset Class</th>
<th>Amount</th>
<th>Rate of Return</th>
<th>Term</th>
<th>Maturity date</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 July 2017</td>
<td>6 July 2017</td>
<td>BoC</td>
<td>Term Deposit: Fixed Rate</td>
<td>$639,424</td>
<td>2.65%</td>
<td>215 days</td>
<td>06 Feb 2018</td>
</tr>
<tr>
<td>31 July 2017</td>
<td>31 July 2017</td>
<td>NA8</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>2.38%</td>
<td>81 days</td>
<td>20 Oct 2017</td>
</tr>
</tbody>
</table>

I certify that the new investments detailed above have been made in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005, and Council’s adopted Investment Policy.

Andrew Glauser  
Responsible Accounting Officer
## Investment Policy compliance report

### 30 June 2017

### New and matured Investments:

**Matured Investments:**

<table>
<thead>
<tr>
<th>Date matured</th>
<th>Institution</th>
<th>Asset Class</th>
<th>Amount</th>
<th>Rate of Return</th>
<th>Original Term</th>
<th>Original date invested</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 June 2017</td>
<td>ME Bank</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>2.75%</td>
<td>175 days</td>
<td>13 Dec 2016</td>
</tr>
<tr>
<td>13 June 2017</td>
<td>ME Bank</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>2.77%</td>
<td>176 days</td>
<td>19 Dec 2016</td>
</tr>
<tr>
<td>30 June 2017</td>
<td>Bankwest</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>3.50%</td>
<td>60 days</td>
<td>31 Apr 2017</td>
</tr>
<tr>
<td>23 June 2017</td>
<td>Greater Bank</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,500,000</td>
<td>3.20%</td>
<td>2 yrs</td>
<td>23 Jun 2015</td>
</tr>
<tr>
<td>23 June 2017</td>
<td>ME Bank</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>2.77%</td>
<td>171 days</td>
<td>03 Jan 2017</td>
</tr>
<tr>
<td>30 June 2017</td>
<td>Bank of QLD</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>3.65%</td>
<td>150 days</td>
<td>31 Jan 2017</td>
</tr>
</tbody>
</table>

### New Investments:

<table>
<thead>
<tr>
<th>Contract date</th>
<th>Settlement date</th>
<th>Institution</th>
<th>Asset Class</th>
<th>Amount</th>
<th>Rate of Return</th>
<th>Term</th>
<th>Maturity date</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 June 2017</td>
<td>6 June 2017</td>
<td>Westpac</td>
<td>Term Deposit: Floating Rate</td>
<td>$3,000,000</td>
<td>90 day + 1.00%</td>
<td>4 yrs</td>
<td>07 June 2021</td>
</tr>
<tr>
<td>9 June 2017</td>
<td>9 June 2017</td>
<td>Bankwest</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>2.45%</td>
<td>70 days</td>
<td>18 Aug 2017</td>
</tr>
<tr>
<td>20 June 2017</td>
<td>20 June 2017</td>
<td>Bankwest</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>2.45%</td>
<td>108 days</td>
<td>06 Oct 2017</td>
</tr>
<tr>
<td>27 June 2017</td>
<td>5 July 2017</td>
<td>NAB</td>
<td>Fixed Rate Bond</td>
<td>$2,993,430</td>
<td>3.05%</td>
<td>5 yrs</td>
<td>05 Jul 2022</td>
</tr>
<tr>
<td>30 June 2017</td>
<td>30 June 2017</td>
<td>Suncorp Bank</td>
<td>Term Deposit: Fixed Rate</td>
<td>$3,000,000</td>
<td>2.46%</td>
<td>105 days</td>
<td>13 Oct 2017</td>
</tr>
<tr>
<td>30 June 2017</td>
<td>30 June 2017</td>
<td>Westpac</td>
<td>Term Deposit: Floating Rate</td>
<td>$3,500,000</td>
<td>90 day + 1.00%</td>
<td>4 yrs</td>
<td>30 June 2021</td>
</tr>
</tbody>
</table>

I certify that the new investments detailed above have been made in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005, and Council's adopted Investment Policy.

Andrew Glauser  
Responsible Accounting Officer
Customer Service

Monthly Performance Report

August 2017

Monthly Overview

Highlights

- Counter and back office areas processed 1,300 payments in August, totalling over $2.5 million in revenue for Council.
- The Customer Contact Centre (CCC) answered 70% of calls within 30 seconds, up from the 60% result in July. The 80% service level target was achieved several times across the month.
- Customer wait times for phone calls were 45 seconds (on average), an improvement on the 65 seconds result in July. Wait times for front counter enquiries were 2:00 minutes on average.
- Counter enquiries were 16:45 minutes per transaction, slightly down from the 17:20 result achieved in July.
- Phone quality scores were 55.2%, a 3% improvement on July's result.
- The CCC received eight compliments across the month, with most being from internal customers. Some verbatim comments are below:
  - "... I found her to be extremely helpful in every way possible and sympathetic..."
  - "... very thorough and courteous...."
  - "It is very reassuring to be assisted by such competent and effective Council staff."
  - "... received lovely service..."
- In Records, the incoming correspondence for August was 5,995 being 9.7% more than July 2017 (5,464) and 18.2% more than the same month last year (5,073).

Opportunities to Improve

- There were a number of spikes in calls across the second half of the month due to Waste accounts reminders and Rates payments. Due to higher than normal sick leave across the same period these spikes caused a greater than expected impact to Service Level.
- High sick leave across the second half of the month impacted the Back Office. This was due to the staff being reallocated to help support phone and counter customers. With 512 applications received and 500 applications processed, the end of month 'on hand' application figure was 54, up from 42 at the end of July.
Communications and Engagement continued to work throughout August to promote the Supercars Newcastle 500 event and the comprehensive urban renewal program involved. Initiatives included two editions of an e-newsletter which now has more than 1500 subscribers, design of signage for the works area promoting the benefits of the civil works and coordination of the Major Events Residents Working Group.

The Unit provided communications support and information to residents with the commencement of civil works in Swan St, Cooks Hill and Young St, Cessnock.

Documents and material were produced for several public exhibitions with the following also being featured on Council’s new engagement platform, Open and Transparent Governance Strategy; Rail Rezoning proposal and Development Control Plan; and South Stockton Skate Plaza and Playground design. The team also continued to promote the public exhibition of the Smart City Strategy on the engagement site, and published a fact sheet outlining how the Strategy will benefit Newcastle.

The first round of community engagement is now complete for the updating of the Newcastle 2030 Community Strategic Plan. The engagement team has coded the data gathered from a series of workshops, events, online engagement and the main survey and is preparing a preliminary report in September. More than 1,400 people have been involved in the CSP engagement process so far with more than 900 responses to the survey. A detailed report of the full engagement program will be provided in early 2018, once the second stage of consultation has been completed.

The media team managed announcements including Newcastle building approvals topping $1 billion and the winner of the Kilgour Prize. Micro events managed by the team included the opening of a new playground at Tarro Reserve and Council stalls at Wallsend Winter Fair.

Concept work is underway to design the brochure and all collateral for Civic Theatre Season Guide 2016.
Communications and Engagement

Facebook
10,556 followers
2,488 likes, comments, shares

Twitter
6,669 followers
294 likes, retweets, replies

We managed four projects through our dedicated engagement hub during August.

Maud Street, Waratah

2030 Community Strategic Plan

Stockton Active

Open and Transparent Governance
Communications and Engagement

Planning

Brown Street retaining wall communication plan
Cycling education and promotion including Bike Week community breakfast
Anderson Drive Tamworth replacement, road resurfacing, and footway construction
Local centres renewal communication planning for four local centres projects
Rail corridor rezoning communication and engagement plan promoting public exhibition

Implementation

Supercars Newcastle 500: Two editions of the e-newsletter, Supercars blog posts on infront, website updates. Major Events Residents Working Group meeting, face to face meetings with business owners
Community Strategic Plan: Tamworth Playground opening event, attended Valensey Fair and Hunter Homeless Connect. Commenced analysis on workshop, ideas wall and survey outcomes. Set up hub in Beresfield Library for month of August. Selected competition winners and notified. Budget allocation tool closed to public Friday 1 September. Commenced the organisation of high school wall and class activity using the budget tool

Maude Street Werrath Traffic Public Exhibition. Engagement site for lodging submissions open until August 14
Smart City Strategy: Promotion of adopted strategy
Museum Survey: Annual survey to gauge satisfaction with various aspects of Newcastle Museum
Newcastle Art Gallery: Communications for Kilgour Prize 2017 and for exhibition of The Phantom Show

Whale Tales Discovery Talks: Communications plan to promote the upcoming whale walks at Bar Beach

Environment: Communications plan to promote the Ocean Action Pod (a marine pollution education trailer) visit to Merewether Beach

Merewether Baths: Communications plan to promote maintenance work and temporary closure of Merewether Baths

South Stockton Active Hub: Communications and engagement activities to encourage participation in development of new skate park and playground. Concept plan on public exhibition, engagement site developed with survey and ability to lodge submission

Donald Street, Hamilton: communications support to inform residents of intersection improvement and shared pathway works

North Stockton: Communication support to promote upgrade to boat ramp car park

National Tree Day communications support for community tree planting at Stevanison Park

Civic Season 2017: Marketing for Sydney Comedy Festival, Gudin Gudin
Civic Season 2018: Development of new season materials
Weekly advertising and editorial on Council programs
Newcastle Art Gallery: Marketing of Montages, Maze Turner exhibitions and Kilgour Prize People’s Choice
Newcastle Venues: refresh of marketing materials
Spring school holidays: collar and design guide
Cowper Street Carlington: communications and engagement activities including organisation of two information sessions

Communications plans are being delivered for the following infrastructure projects:
- Kotara Park creek rehabilitation
- Pedestrian upgrades at schools
- Council Street, Cooee Hill renewal
- City Library refurbishment
- McCafferty Drive upgrades
- Young Street, Carrington
- Power Street, Islington drainage rehabilitation work

Communications plans are being delivered for the following programs:
- Water Safety Education Program
- Aquatic services season
- Water safety for international visitors

The C&E Unit is delivering a campaign Rates by Email to increase the percentage of ratepayers who receive their notice online reducing operational costs as well as paper usage
ITEM-101 CCL 26/09/17 - NOMINATIONS FOR ELECTION OF DEPUTY LORD MAYOR

REPORT BY: CORPORATE SERVICES
CONTACT: INTERIM DIRECTOR CORPORATE SERVICES / INTERIM MANAGER LEGAL AND GOVERNANCE

PURPOSE

To elect a Deputy Lord Mayor.

RECOMMENDATION

1 (a) That Council resolves the term of the Deputy Lord Mayor.

(b) That Council elects a Deputy Lord Mayor by open voting in accordance with the process set out in the Local Government (General) Regulation 2005 (NSW).

(c) That [insert name of Councillor] is elected Deputy Lord Mayor for the period 26 September 2017 until [insert date].

KEY ISSUES

2 Section 231 of the Local Government Act 1993 (NSW) (Act) provides that Councillors may elect a Councillor to be the Deputy Lord Mayor.

3 The Deputy Lord Mayor is responsible for exercising functions of the Lord Mayor at the Lord Mayor’s request or if the Lord Mayor is prevented from exercising that function because of illness, absence or otherwise, or if there is a casual vacancy in the office of the Lord Mayor.

4 The Deputy Lord Mayor must be nominated and elected in accordance with the process set out in Schedule 7 of the Local Government (General) Regulation 2005 (NSW) (Regulation):

1 Returning officer

The general manager (or a person appointed by the general manager) is the returning officer.

2 Nomination

(1) A councillor may be nominated without notice for election as mayor or deputy mayor.

(2) The nomination is to be made in writing by 2 or more councillors (one of whom may be the nominee). The nomination is not valid unless the nominee has indicated consent to the nomination in writing.
(3) The nomination is to be delivered or sent to the returning officer.
(4) The returning officer is to announce the names of the nominees at the council meeting at which the election is to be held.

3 Election

(1) If only one councillor is nominated, that councillor is elected.
(2) If more than one councillor is nominated, the council is to resolve whether the election is to proceed by preferential ballot, by ordinary ballot or by open voting.
(3) The election is to be held at the council meeting at which the council resolves on the method of voting.
(4) In this clause:
  ballot has its normal meaning of secret ballot.
  open voting means voting by a show of hands or similar means.

FINANCIAL IMPACT

5 Expenses incurred by the Lord Mayor, Deputy Lord Mayor and Councillors are governed by the Payment of Expenses and Provision of Facilities to Councillors Policy (Expenses Policy) and budgeted for in the 2017/18 Operational Plan.

COMMUNITY STRATEGIC PLAN ALIGNMENT

6 Open and Collaborative Leadership.

IMPLEMENTATION PLAN/IMPLICATIONS

7 Future elections of the position of Deputy Lord Mayor will depend upon the term adopted by Council.

RISK ASSESSMENT AND MITIGATION

8 The Act provides for the roles, responsibilities and obligations of the Lord Mayor, Deputy Lord Mayor and Councillors. Councillors will be trained in these roles, responsibilities and obligations during the induction program and ongoing professional development. As such, Councillors will be aware of their requirements to fulfill the role of Deputy Lord Mayor.

RELATED PREVIOUS DECISIONS

9 On 23 February 2016, Councillor Dunn was elected as Deputy Lord Mayor for the period taking effect from 23 February 2016 and concluding 22 March 2016. Councillor Dunn was re-elected as a Deputy Lord Mayor on 22 March 2016 for the period taking effect from 22 March 2016 and concluding 9 September 2016 (or the day before a later date as the State Government determines as the revised local government election date).
CONSULTATION

10 N/A.

OPTIONS

Option 1

11 The recommendations as at Paragraph 1 (a) - (b). This is the recommended option.

Option 2

12 That Council does not hold an election for the position of Deputy Lord Mayor. This is not the recommended option as there may be occasions where the Deputy Lord Mayor is required to undertake the functions of the Lord Mayor.

BACKGROUND

13 N/A.

REFERENCES

ATTACHMENTS

Nil.