

Meeting Date: Tuesday 28 July 2015
Location: Council Chambers, Level 6, Civic Centre, 1 Devlin Street, Ryde
Time: 7.30pm

Council Meetings will be recorded on audio tape for minute-taking purposes as authorised by the Local Government Act 1993. Council Meetings will also be webcast.

NOTICE OF BUSINESS

Item		Page
1	CONFIRMATION OF MINUTES - Council Meeting held on 14 July 2015.....	1
2	REPORT OF THE PLANNING AND ENVIRONMENT COMMITTEE MEETING 10/15 held on 21 July 2015	15
3	REPORT OF THE WORKS AND COMMUNITY COMMITTEE MEETING 10/15 held on 21 July 2015	16
4	REPORT OF THE RYDE CIVIC HUB COMMITTEE MEETING 2/15 held on 14 July 2015	17
5	COMMUNITY GRANTS POLICY REVIEW - Historical Grants.....	21
6	INVESTMENT REPORT - June 2015	36
7	2015 LOCAL GOVERNMENT NSW ANNUAL CONFERENCE - Rosehill Gardens Racecourse - 11 to 13 October 2015.....	60

PRECIS OF CORRESPONDENCE

1	FEDERAL GOVERNMENT FINANCIAL COMMITMENT TO LOCAL GOVERNMENT.....	80
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CONFIDENTIAL ITEMS

8	LEGAL ACTION AGAINST RATEPAYER - SALE OF LAND FOR UNPAID RATES.....	87
9	ADVICE ON COURT ACTIONS	93

1 CONFIRMATION OF MINUTES - Council Meeting held on 14 July 2015

Report prepared by: Section Manager - Governance

File No.: CLM/15/1/4/2 - BP15/968

REPORT SUMMARY

In accordance with Council's Code of Meeting Practice, a motion or discussion with respect to such minutes shall not be in order except with regard to their accuracy as a true record of the proceedings.

RECOMMENDATION:

That the Minutes of the Council Meeting 12/15, held on 14 July 2015 be confirmed.

ATTACHMENTS

- 1 MINUTES - Ordinary Council Meeting - 14 July 2015

ITEM 1 (continued)

ATTACHMENT 1

**Council Meeting
MINUTES OF MEETING NO. 12/15**

Meeting Date: Tuesday 14 July 2015

Location: Council Chambers, Level 6, Civic Centre, 1 Devlin Street, Ryde

Time: 7.30pm

Councillors Present: The Mayor, Councillor Pickering and Councillors Chung, Etmekdjian, Laxale, Li, Maggio, Pendleton, Perram, Salvestro-Martin, Simon, Stott and Yedelian OAM.

Apologies: Nil.

Leave of Absence: Nil.

Staff Present: General Manager, Acting Group Manager – Community Life, Group Manager – Corporate Services, Group Manager – Environment and Planning, Acting Group Manager – Public Works, Acting General Counsel, Manager – Communications and Media, Manager – Governance, Risk and Audit, Manager – Operations, Manager – Environmental, Health and Building, Acting Manager – Urban Planning, Section Manager – Traffic, Transport and Developments, Executive Officer – Ryde Civic Hub, Kristopher Wozniak (Local Government Procurement), Michael Robinson (Local Government Procurement) and Section Manager – Governance.

PRAYER

Reverend Michael Smith of the Eastwood Anglican Church was present and offered prayer prior to the commencement of the meeting.

LEAVE OF ABSENCE

Councillor Simon requested a Leave of Absence for the periods 20 July 2015 to 24 July 2015 and 24 August 2015 to 4 September 2015 inclusive.

Councillor Salvestro-Martin requested a Leave of Absence for the period 28 July 2015 to 8 August 2015 inclusive.

RESOLUTION: (Moved by Councillors Maggio and Pendleton)

- (a) That Councillor Simon's Leave of Absence for the periods 20 July 2015 to 24 July 2015 and 24 August 2015 to 4 September 2015 inclusive be approved.
- (b) That Councillor Salvestro-Martin's Leave of Absence for the period 28 July 2015 to 8 August 2015 inclusive be approved.

ITEM 1 (continued)

ATTACHMENT 1

Record of Voting:

For the Motion: Unanimous

DISCLOSURES OF INTEREST

Councillor Pendleton disclosed a Less than Significant Non-Pecuniary Interest in Notice of Rescission 1 – Ryde Civic Hub – Overview of International Design Competition Process, for the reason that her opposition to public land sale and its redevelopment will negatively impact local amenity and access to community services at Top Ryde was a political commitment at the 2012 elections.

Councillor Simon disclosed a Less than Significant Non-Pecuniary Interest in the Matter of Urgency – Extension of the Football Season, for the reason that he plays football in this competition.

TABLING OF PETITIONS

There were no petitions tabled.

VERBAL ACKNOWLEDGEMENT FROM THE MAYOR REGARDING FIT FOR THE FUTURE

The Mayor, Councillor Pickering congratulated Council staff for their efforts with all the work done in preparing and submitting Council's Fit for the Future Joint Submission with Hunter's Hill and Lane Cove Councils. In particular, the Mayor thanked the efforts of Dominic Johnson, when Acting General Manager, Gail Connolly, General Manager, Roy Newsome, Group Manager – Corporate Services and Angela Jones-Blayney, Manager – Communications and Media. The Mayor also thanked and recognised the collaborative efforts of both Hunter's Hill and Lane Cove Councils in working with the City of Ryde in lodging the Joint Submission to IPART.

VERBAL ACKNOWLEDGEMENT FROM THE MAYOR REGARDING THE GROUP MANAGER – ENVIRONMENT AND PLANNING'S (DOMINIC JOHNSON) SECONDMENT TO WILLOUGHBY COUNCIL

The Mayor, Councillor Pickering acknowledged that this was Mr Johnson's last Council Meeting as he has a three month secondment to Willoughby Council.

On behalf of Council, the Mayor wished Mr Johnson all the best.

ITEM 1 (continued)

ATTACHMENT 1

PUBLIC PARTICIPATION ON ITEMS LISTED ON THE AGENDA

The following persons addressed the Council:-

Name	Topic
Jeremy Quek	Item 2 – Planning Proposal – 2 College Street and 10 Monash Road – Outcomes of Consultation
Kevin Page	Notice of Rescission 1 – Ryde Civic Hub – Overview of International Design Competition Process
Jennie Minifie (representing Ryde Community Alliance)	Notice of Rescission 1 – Ryde Civic Hub – Overview of International Design Competition Process

PUBLIC PARTICIPATION ON ITEMS NOT LISTED ON THE AGENDA

No addresses were made to Council.

ORDER OF BUSINESS

RESOLUTION: (Moved by Councillors Maggio and Salvestro-Martin)

That Council now consider the following Items, the time being 7.56pm:

- Item 2 – Planning Proposal – 2 College Street and 10 Monash Road – Outcomes of Consultation.
- Notice of Rescission 1 – Ryde Civic Hub – Overview of International Design Competition Process.

Record of Voting:

For the Motion: Unanimous

COUNCIL REPORTS

2 PLANNING PROPOSAL - 2 COLLEGE STREET AND 10 MONASH ROAD - Outcomes of Consultation

Note: Jeremy Quek addressed the meeting in relation to this Item.

RESOLUTION: (Moved by Councillors Chung and Maggio)

- (a) That Council adopt and exercise the delegation issued by the Minister for Planning and Infrastructure to make the amendments described in the attached report to Ryde Local Environmental Plan 2014 as they apply to 2 College Street (LOT 35A DP 401201) and 10 Monash Road (LOT 35B DP 401201) Gladesville.

ITEM 1 (continued)

ATTACHMENT 1

- (b) That Council adopt the Draft Amending Development Control Plan (DCP) - 2 College Street and 10 Monash Road in the form which was publicly exhibited to come into effect upon the notification of the associated amendments to Ryde Local Environmental Plan 2014 identified under the attached report.
- (c) That Council give public notice in a local newspaper of its decision with respect to the Draft Amending Development Control Plan (DCP) - 2 College Street and 10 Monash Road within 28 days of the decision, and provide the Director-General with a copy of the plan in accordance with the Environmental Planning and Assessment Regulation 2000.
- (d) That Council notify all community members who made a submission regarding the planning proposal of its decision.

Record of Voting:

For the Motion: Unanimous

NOTICE OF RESCISSION

1 NOTICE OF RESCISSION: RYDE CIVIC HUB - OVERVIEW OF INTERNATIONAL DESIGN COMPETITION PROCESS - Councillor Jerome Laxale, Councillor Denise Pendleton and Councillor George Simon

Note: Kevin Page and Jennie Minifie (representing Ryde Community Alliance) addressed the meeting in relation to this Item.

Note: Councillor Pendleton disclosed a Less than Significant Non-Pecuniary Interest in this Item for the reason that her opposition to public land sale and its redevelopment will negatively impact local amenity and access to community services at Top Ryde was a political commitment at the 2012 elections.

MOTION: (Moved by Councillors Simon and Pendleton)

That Council rescind the previous resolution in relation to Item 4(2) – RYDE CIVIC HUB – OVERVIEW OF INTERNATIONAL DESIGN COMPETITION PROCESS, passed at the Council Meeting held on 23 June 2015, namely:-

- (a) *That Council endorse the site known as Ryde Civic Hub to be the subject of an International Architectural Design Competition.*
- (b) *That Council endorse the principles (outlined in this report) to inform the preparation of the brief for the International Architectural Design Competition, subject to the following amendments;*
 - i. *Inclusion of the provision of a bus interchange facility within the site; and*

ITEM 1 (continued)

ATTACHMENT 1

- ii. Enhancing and improving the current pedestrian linkages and to explore new and additional options to further enhance the accessibility and intergration of pedestrian linkages to the surrounding precincts*
- (c) That Council endorse the appointment of a Competition Advisor to coordinate and advise Council on the delivery of the International Architectural Design Competition.*
- (d) That Council endorse the appointment of a Probity Advisor to provide the appropriate probity framework for this competition.*
- (e) That Council note the actions taken by the General Manager in the appointment of the Executive Officer – Civic Hub and an additional Support Officer.*
- (f) That Council endorse the program and timeframes (as outlined in this report) for the International Architectural Design Competition.*
- (g) That Council allocate a budget of \$710,000 to the International Architectural Design Competition, funded from the Civic Centre Reserve with the balance of \$61,000 being transferred from the Fit for the Future Reserve to the Civic Centre Reserve.*

On being put to the Meeting, the voting on the Motion was five (5) votes For and seven (7) votes Against. The Motion was **LOST**.

Record of Voting:

For the Motion: Councillors Laxale, Li, Pendleton, Perram and Simon

Against the Motion: The Mayor, Councillor Pickering and Councillors Chung, Etmekdjian, Maggio, Salvestro-Martin, Stott and Yedelian OAM

MATTER OF URGENCY

Councillor Maggio raised a Matter of Urgency regarding the extension of the football season.

The Mayor, Councillor Pickering accepted this Item as an Urgent Item.

RESOLUTION: (Moved by Councillors Maggio and Salvestro-Martin)

That Council consider a Matter of Urgency regarding the extension of the football season, the time being 8.23pm.

ITEM 1 (continued)

ATTACHMENT 1

Record of Voting:

For the Motion: Unanimous

MATTER OF URGENCY – EXTENSION OF THE FOOTBALL SEASON

Note: Councillor Simon disclosed a Less than Significant Non-Pecuniary Interest in this Item for the reason that he plays football in this competition.

RESOLUTION: (Moved by Councillor Maggio and Laxale)

That the General Manager and Acting Group Manager – Community Life call for an urgent meeting immediately with the NWSWF and GHFA to discuss the possible extension of the football season, allowing the utilisation of the sports fields to 6 September 2015.

Record of Voting:

For the Motion: Unanimous

COUNCIL REPORTS

1 CONFIRMATION OF MINUTES - Council Meeting held on 23 June 2015

RESOLUTION: (Moved by Councillors Yedelian OAM and Salvestro-Martin)

That the Minutes of the Council Meeting 11/15, held on 23 June 2015 be confirmed.

Record of Voting:

For the Motion: The Mayor, Councillor Pickering and Councillors Chung, Etmekdjian, Laxale, Li, Pendleton, Perram, Salvestro-Martin, Simon, Stott and Yedelian OAM

Against the Motion: Councillor Maggio

2 PLANNING PROPOSAL – 2 COLLEGE STREET AND 10 MONASH ROAD – Outcomes of Consultation

Note: This Item was dealt with earlier in the meeting as detailed in these Minutes.

ITEM 1 (continued)

ATTACHMENT 1

3 VOLUNTARY PLANNING AGREEMENT POLICY

RESOLUTION: (Moved by Councillors Pendleton and Salvestro-Martin)

- (a) That Council endorse adoption of the draft Voluntary Planning Agreement Policy and example Agreement template as exhibited to be the final form of the Policy document, subject to an amendment of the Policy to place Key Worker Housing in the “Other” category.
- (b) That Council endorse publication of the Voluntary Agreement Policy and example Agreement template on Council’s website and for the date of publication on the website to become the Effective Date from which the Policy is to operate.

Record of Voting:

For the Motion: Unanimous

4 NORTH RYDE M2 SITE PLANNING AGREEMENT

RESOLUTION: (Moved by Councillors Salvestro-Martin and Stott)

- (a) That Council resolves to accept the offer contained in the Summary of VPA Proposal, written by Lindsay Taylor Law for UrbanGrowth NSW, to enter into a Voluntary Planning Agreement in relation to the Staged Development Consent, State Significant Development application SSD 5093, within the North Ryde Urban Activation Precinct (UAP) that will require UrbanGrowth NSW as developer to make development contribution works and dedicate land to reduce the contributions payable under S94 of the EPA Act and in so doing,
 - (i) Provide parks and open space, shared pathways and roads on the Land and dedicate and transfer of the land on which those works are located to Council in accordance with the Staged Consent, and
 - (ii) Install artworks in locations in accordance with the Staged Consent or otherwise as agreed between the parties, and
 - (iii) Construct and deliver a community centre on part of Lot 104 in accordance with Council’s requirements to a value up to \$7.8 million within Stage 1 of the development, and
 - (iv) Maintain the open space for 5 years after completion and maintain the civil works for 2 years.

ITEM 1 (continued)

ATTACHMENT 1

- (b) That Council resolves to delegate authority to the General Manager to negotiate the specific terms of the Voluntary Planning Agreement and to subsequently exhibit a draft of the Voluntary Planning Agreement in accordance with the relevant provisions of the *Environmental Planning and Assessment Act 1979*;
- (c) That Council resolves to delegate authority to the General Manager and General Counsel (as the case may be) following public exhibition of the draft Voluntary Planning Agreement to,
 - (i) Authorise any minor changes to the draft Voluntary Planning Agreement provided that those changes do not diminish the value or nature of the public benefits to be delivered as identified in (a) above, and
 - (ii) Subsequently enter into the Voluntary Planning Agreement on behalf of Council,
- (d) That Council resolves to classify any land to be dedicated to Council under the terms of the Voluntary Planning Agreement as Operational Land in accordance with the provisions of Section 31(2) of the Local Government Act 1993.

Record of Voting:

For the Motion: The Mayor, Councillor Pickering and Councillors Etmekdjian, Li, Pendleton, Perram, Salvestro-Martin, Stott and Yedelian OAM

Against the Motion: Councillors Chung, Laxale, Maggio and Simon

PRECIS OF CORRESPONDENCE

1 ACKNOWLEDGEMENT OF LETTERS FROM COUNCIL FOLLOWING LIGHT RAIL SYMPOSIUM

RESOLUTION: (Moved by Councillors Stott and Simon)

That the correspondence be received and noted.

Record of Voting:

For the Motion: Unanimous

NOTICES OF MOTION

There were no Notices of Motion.

ITEM 1 (continued)

ATTACHMENT 1

NOTICE OF RESCISSION

1 NOTICE OF RESCISSION: RYDE CIVIC HUB – OVERVIEW OF INTERNATIONAL DESIGN COMPETITION PROCESS – Councillor Jerome Laxale, Councillor Denise Pendleton and Councillor George Simon

Note: This Item was dealt with earlier in the meeting as detailed in these Minutes.

QUESTIONS BY COUNCILLORS AS PER POLICY

1 QUESTIONS WITH NOTICE – Councillor Denise Pendleton

RESOLUTION: (Moved by Councillors Pendleton and Simon)

That the following Answers to Questions with Notice be received and noted.

Record of Voting:

For the Motion: Unanimous

The report to the Ryde Civic Hub Committee of 14 July 2015 includes Annual Maintenance Expenditure from 2008 onwards which is a total of Maintenance and routine Operational costs:

Question 1.1:

What is the itemised breakdown of actual per annum building maintenance costs included in these reported totals (where available)?

Answer 1.1:

	2008/9	2009/10	2010/11	2011/12	2012/13	2013/14
General Repairs	41,192	32,942	52,046	53,858	53,385	68,561
Contractors						
- Electrical	11,212	12,969	12,409	10,864	18,882	17,901
- Furniture and Fittings	6,611	7,128	20,108	9,434	7,192	95
- Mechanical Services	120,615	28,699	69,602	64,478	37,852	65,069
- Fire Protection	11,815	9,617	13,876	19,000	28,967	29,148
Total Building Maintenance	191,445	91,355	168,041	157,634	146,278	180,774

Question 1.2:

What is the itemised breakdown per annum of the routine operational costs which are included in the annual totals?

ITEM 1 (continued)

ATTACHMENT 1

Answer 1.2:

	2008/9	2009/10	2010/11	2011/12	2012/13	2013/14
Insurance	44,473	28,902	28,310	27,816	32,583	27,610
Electricity	112,234	145,910	157,720	133,203	230,492	179,128
Water	3,296	18,654	6,905	8,673	9,262	7,847
Cleaning	56,123	48,615	60,011	87,380	93,576	86,482
Security	59,153	52,562	47,927	54,595	57,055	35,403
General Operating	30,887	22,854	45,354	22,263	36,413	24,703
Total Operating Costs	306,166	317,497	346,227	333,930	459,381	361,173

Summary

Building Maintenance	191,445	91,355	168,041	157,634	146,278	180,774
Operating Costs	306,166	317,497	346,227	333,930	459,381	361,173
TOTAL	497,611	408,852	514,268	491,564	605,659	541,947

Question 1.3:

What internal project management costs have been allocated each year in these totals?

Answer 1.3:

No project management costs have been charged to the above costs.

Question 1.4:

The report indicates an "Upgrade of staff breakout area" of \$84,863 in 2011/2012 – is this the refurbishment of the old library building for a new staff lunch room?

Answer 1.4:

Yes, noting the costs also include the provision of storage areas, meeting space plus the relocation of Council's main printers.

Question 2:

What is the itemised Annual Maintenance Expenditure for the Ryde Civic Centre for FY 2014/15 – separating maintenance, operational and internal project management costs?

ITEM 1 (continued)

ATTACHMENT 1

Answer 2:

Operating	2014/2015	
Graffiti/Vandalism	195	
Programme Cleaning	105,816	
Reactive Cleaning	3,631	
Water Rates	8,927	
Insurance	28,058	
Electricity	165,441	
Security	44,587	
General	<u>1,282</u>	
Total Operating		357,937

Building Maintenance	2014/2015	
<u>Programme Maintenance</u>		
General	2,734	
Electrical	11,275	
Mechanical Services	6841	
Pest Control	<u>1,312</u>	
Total Programme Maintenance		22,162

Building Maintenance	2014/2015	
<u>Reactive Maintenance</u>		
Electrical	36,259	
Plumbing	14,765	
Security	2,772	
Mechanical Services	21,958	
General	74,104	
Fire Protection	<u>4,644</u>	
Total Reactive Maintenance		154,502

ITEM 1 (continued)

ATTACHMENT 1

Building Maintenance	2014/2015	
<u>Compliance Maintenance</u>		
Electrical	12,812	
Mechanical Services	4,333	
Fire Protection	21,698	
General	<u>2,317</u>	
Total Compliance Maintenance		41,160
Total Building Maintenance		<u>217,824</u>
TOTAL		<u>575,761</u>

CLOSED SESSION

ITEM 5 – REQUEST FOR TENDER - LGP - EX 005 - PROVISION OF SECURITY SERVICES

Confidential

This item is classified CONFIDENTIAL under Section 10A(2) of the Local Government Act, 1993, which permits the meeting to be closed to the public for business relating to the following: (d) (i) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

RESOLUTION: (Moved by Councillors Stott and Salvestro-Martin)

That the Council resolve into Closed Session to consider the above matter.

Record of Voting:

For the Motion: Unanimous

Note: The Council closed the meeting at 8.55pm. The public and media left the chamber.

5 REQUEST FOR TENDER - LGP - EX 005 - PROVISION OF SECURITY SERVICES

RECOMMENDATION: (Moved by Councillors Chung and Stott)

- (a) That Council accepts the tenders for Security Services in the following categories:
- Category 1 – Business Security & Management Solutions Pty Ltd, trading as BSMS Security

ITEM 1 (continued)

ATTACHMENT 1

- Category 2 – AKBAR Enterprises Pty Ltd, trading as ECS International Security
- (b) That Council delegate to the General Manager the authority to enter into contracts with the companies mentioned in (a) on the terms contained within the tender and for minor amendments to be made to the contract documents that are not of a material nature.
- (c) That Council advise all the respondents of Council's decision.

Record of Voting:

For the Motion: Unanimous

OPEN SESSION

RESOLUTION: (Moved by Councillors Stott and Pendleton)

That Council resolve itself into open Council.

Record of Voting:

For the Motion: Unanimous

Note: Open Council resumed at 9.07pm.

RESOLUTION: (Moved by Councillors Stott and Pendleton)

That the recommendations of Items considered in Closed Session be received and adopted as resolutions of Council without any alteration or amendment thereto.

Record of Voting:

For the Motion: Unanimous

NATIONAL ANTHEM

The National Anthem was sung at the conclusion of the meeting.

The meeting closed at 9.10pm.

CONFIRMED THIS 28TH DAY OF JULY 2015

Chairperson

**2 REPORT OF THE PLANNING AND ENVIRONMENT COMMITTEE MEETING
10/15 held on 21 July 2015**

Report prepared by: Section Manager - Governance
File No.: CLM/15/1/4/2 - BP15/969

REPORT SUMMARY

The Minutes of the Planning and Environment Committee Meeting 10/15 held on 21 July 2015 are to be circulated on Thursday, 23 July 2015 after the meeting has been conducted. The Minutes will be listed for confirmation at the next Planning and Environment Committee Meeting.

A report detailing Items which were dealt with by the Committee within its delegated powers, together with any Committee recommendations will be circulated at the same time as the Minutes on Thursday, 23 July 2015.

**3 REPORT OF THE WORKS AND COMMUNITY COMMITTEE MEETING
10/15 held on 21 July 2015**

Report prepared by: Section Manager - Governance
File No.: CLM/15/1/4/2 - BP15/970

REPORT SUMMARY

The Minutes of the Works and Community Committee Meeting 10/15 held on 21 July 2015 are to be circulated on Thursday, 23 July 2015 after the meeting has been conducted. The Minutes will be listed for confirmation at the next Works and Community Committee Meeting.

A report detailing Items which were dealt with by the Committee within its delegated powers, together with any Committee recommendations will be circulated at the same time as the Minutes on Thursday, 23 July 2015.

4 REPORT OF THE RYDE CIVIC HUB COMMITTEE MEETING 2/15 held on 14 July 2015

Report prepared by: Section Manager - Governance
File No.: CLM/15/1/4/2 - BP15/972

REPORT SUMMARY

Attached are the Minutes of the Ryde Civic Hub Committee Meeting 2/15 held on 14 July 2015. The Minutes will be listed for confirmation at the next Ryde Civic Hub Committee Meeting.

The following Committee recommendations for Items 1 and 2 are submitted to Council for determination in accordance with the delegations set out in the Code of Meeting Practice relating to Charters, functions and powers of Committees:

1 CONFIRMATION OF MINUTES - Ryde Civic Hub Committee Meeting held on 9 June 2015

Note: Councillor Maggio was not present for consideration or voting on this Item.

Note: Councillor Pendleton disclosed a Less than Significant Non-Pecuniary Interest in this Item, for the reason that her opposition to the public land redevelopment and its negative impact to the amenity and community services at Top Ryde was a political commitment at the 2012 elections.

RECOMMENDATION: (Moved by the Mayor, Councillor Pickering and Councillor Salvestro-Martin)

That the Minutes of the Ryde Civic Hub Committee 1/15, held on 9 June 2015, be confirmed.

Record of Voting:

For the Motion: Unanimous

Note: This matter will be dealt with at the Council Meeting to be held **28 JULY 2015** in accordance with the Ryde Civic Hub Terms of Reference.

2 CIVIC CENTRE - OVERVIEW OF WHS INCIDENTS AND MAINTENANCE EXPENDITURE

Note: Councillor Maggio arrived at the meeting at 6.01pm during discussion on this Item.

Note: A Memorandum from the Acting General Manager dated 10 July 2015 providing supplementary information was tabled in relation to this Item and a copy is ON FILE.

ITEM 4 (continued)

Note: Councillor Pendleton disclosed a Less than Significant Non-Pecuniary Interest in this Item, for the reason that her opposition to the public land redevelopment and its negative impact to the amenity and community services at Top Ryde was a political commitment at the 2012 elections.

RECOMMENDATION: (Moved by the Mayor, Councillor Pickering and Councillor Salvestro-Martin)

That the Committee note the information relating to the Civic Centre and Civic Hall detailed in this report, relating to expenditure for previous years since 2008/2009, the projected expenditure for 2015/2016 and the details relating to Work Health and Safety incident reports for the years 2012/2013 to 2014/2015.

Record of Voting:

For the Motion: Unanimous

Note: This matter will be dealt with at the Council Meeting to be held **28 JULY 2015** in accordance with the Ryde Civic Hub Terms of Reference.

ATTACHMENTS

- 1 MINUTES - Ryde Civic Hub Committee Meeting - 14 July 2015

ITEM 4 (continued)

ATTACHMENT 1

**Ryde Civic Hub Committee
MINUTES OF MEETING NO. 2/15**

Meeting Date: Tuesday 14 July 2015

Location: Committee Room 2, Level 5, Civic Centre, 1 Devlin Street, Ryde

Time: 5.30pm

Councillors Present: The Mayor, Councillor Pickering and Councillors Etmekdjian (Chairperson), Maggio, Pendleton, Perram, Salvestro-Martin and Stott.

Note: Councillor Maggio arrived at the meeting at 6.01pm during discussion of Item 2. He was not present for consideration of voting on Item 1.

Apologies: Nil.

Staff Present: General Manager, Group Manager – Corporate Services, Acting Group Manager – Community Life, Group Manager – Environment and Planning, Acting Group Manager – Public Works, Manager – Environment, Health and Building, Executive Officer – Ryde Civic Hub and Section Manager – Governance.

DISCLOSURES OF INTEREST

Councillor Pendleton disclosed a Less than Significant Non-Pecuniary Interest in Item 1 – Confirmation of Minutes – Ryde Civic Hub Committee Meeting held on 9 June 2015 and Item 2 – Civic Centre – Overview of WHS Incidents and Maintenance Expenditure, for the reason that her opposition to the public land redevelopment and its negative impact to the amenity and community services at Top Ryde was a political commitment at the 2012 elections.

1 CONFIRMATION OF MINUTES - Ryde Civic Hub Committee Meeting held on 9 June 2015

Note: Councillor Maggio was not present for consideration or voting on this Item.

Note: Councillor Pendleton disclosed a Less than Significant Non-Pecuniary Interest in this Item, for the reason that her opposition to the public land redevelopment and its negative impact to the amenity and community services at Top Ryde was a political commitment at the 2012 elections.

RECOMMENDATION: (Moved by the Mayor, Councillor Pickering and Councillor Salvestro-Martin)

That the Minutes of the Ryde Civic Hub Committee 1/15, held on 9 June 2015, be confirmed.

ITEM 4 (continued)

ATTACHMENT 1

Record of Voting:

For the Motion: Unanimous

Note: This matter will be dealt with at the Council Meeting to be held **28 JULY 2015** in accordance with the Ryde Civic Hub Terms of Reference.

2 CIVIC CENTRE - OVERVIEW OF WHS INCIDENTS AND MAINTENANCE EXPENDITURE

Note: Councillor Maggio arrived at the meeting at 6.01pm during discussion on this Item.

Note: A Memorandum from the Acting General Manager dated 10 July 2015 providing supplementary information was tabled in relation to this Item and a copy is ON FILE.

Note: Councillor Pendleton disclosed a Less than Significant Non-Pecuniary Interest in this Item, for the reason that her opposition to the public land redevelopment and its negative impact to the amenity and community services at Top Ryde was a political commitment at the 2012 elections.

RECOMMENDATION: (Moved by the Mayor, Councillor Pickering and Councillor Salvestro-Martin)

That the Committee note the information relating to the Civic Centre and Civic Hall detailed in this report, relating to expenditure for previous years since 2008/2009, the projected expenditure for 2015/2016 and the details relating to Work Health and Safety incident reports for the years 2012/2013 to 2014/2015.

Record of Voting:

For the Motion: Unanimous

Note: This matter will be dealt with at the Council Meeting to be held **28 JULY 2015** in accordance with the Ryde Civic Hub Terms of Reference.

The meeting closed at 6.04pm.

CONFIRMED THIS 11TH DAY OF AUGUST 2015.

Chairperson

5 COMMUNITY GRANTS POLICY REVIEW - Historical Grants

Report prepared by: Service Unit Manager - Community and Culture
File No.: GRP/09/4/14 - BP15/965

REPORT SUMMARY

At its meeting held on 27 August 2013, Council approved a two-stage approach for the review of the community grants policy and administration.

Stage one of the review focused on administrative improvements to the community grants which was implemented as part of the 2013-14 Community Grants Program.

Stage two of the review included a comprehensive review of the Policy and was in two parts:

- 1) Review of the Community Grants Policy categories and establishment of new categories to improve transparency, equity and to streamline administration of the grant application from the applicant perspective. Council considered and adopted the revised policy on 9 December 2014.
- 2) Review of Council's historical grant categories with a view to phasing out these arrangements. This review included engagement and consultation with the grant recipients.

Council's objective in the review of its Community Grants Policy was to improve the transparency, equity, accessibility and sustainability of Council's community grants program. A key deliverable of the policy review process included the phasing out and integration of Council's two categories of historical grants into existing policy frameworks. An important objective of the process was also to ensure that the organisations currently receiving historical grants are provided with ample opportunity and time to adjust to the changes in the grant funding arrangements.

The review of Council's historical grants including consultation with stakeholders has been completed and this report provides recommendations to Council on the future of these grant categories.

RECOMMENDATION:

- (a) That Council cease operating its historical community grants categories; Community Aid Grants and the Community Event Grants;
- (b) That Council endorse the proposed way forward and transitional arrangements to the current recipients of historical community grants as follows:

ITEM 5 (continued)

Organisation	Transition Arrangements	Proposed Way forward
Historical Community Aid Grant Category		
Christian Community Aid North Ryde Community Aid Hunters Hill Ryde Community Services	Current level of support to continue for 2015-16, 2016-17 and 2017-18	That Council cease its Community Aid Grant to the three organisations from 2018-19.
Historical Community Events Grant Category		
Ryde Art Society Ryde Art Show	Funding for purchase of paintings to cease from 2015-16	<ul style="list-style-type: none"> • Cease the annual purchase of paintings • A Memorandum of Understanding to be developed with the Society to formalise the relationship with following inclusions: <ul style="list-style-type: none"> ○ Council continue its cash contribution of \$1,000 and in-kind venue hire support, ○ Society work with Council staff to reshape the business model and pricing strategy to improve sustainability. ○ These arrangements to be reviewed after three years,
Ryde Schools Spectacular	Proposed way forward to commence in 2015-16	Council to provide venue for rehearsals annually on two occasions through normal venue hire process.
Ryde City Concert Band	Proposed way forward to commence in 2015-16	Council cease its grant contribution to the Concert Band and Council makes appropriate contribution/payments to the Band for their performances at events.
Ryde Eisteddfod	Current level of support to continue in 2015-16 and 2016-17	That Council continue the Edna Wilde Scholarship award of \$5,000 Eisteddfod to pay for venue hire (proposed new fee) based on Eisteddfod's current usage the venue hire fee up to \$4,000 per annum.
Gladesville Rotary	Not applicable	That Council notes that Gladesville Rotary has ceased operating Ryde Aquatic Festival.

ITEM 5 (continued)

North Ryde/ Macquarie Park Rotary Community Christmas Carols	New arrangements to commence in 2015-16	To formalise the current partnership arrangements in a Memorandum of Understanding with the Rotary to continue staging this event for a period of three years. Council contribution: <ul style="list-style-type: none">• \$3,500 cash contribution• \$2,000 in kind support
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- (c) That Council write to the above organisations, acknowledging their valuable contribution to the City of Ryde community and to inform them of Council's decisions and agreed transitional arrangements.

ATTACHMENTS

There are no attachments for this report.

Report Prepared By:

Baharak Sahebkhari
Service Unit Manager - Community and Culture

Report Approved By:

Meryl Bishop
Acting Group Manager - Community Life

ITEM 5 (continued)

Background

At its meeting held on 9 April 2013, Council resolved in part the following:

- (e) *That a Councillors working party of all interested Councillors be established to provide input into the proposed review the Community Grants Policy including providing key parameters for the draft and the matter be reported back with recommendations by August 2013 to allow the new policy to be in place prior to the commencement of the advertising for the 2013 Grants Program.*
- (f) *That any Councillor wishing to be on the working party should lodge their expression of interest with the Acting General Manager by 22 April 2013.*

At its meeting held on 27 August 2013, Council resolved the following:

- (a) *That Council approves a two-stage approach for the review of community grants policy and administration as outlined in the report.*
- (b) *That Council approve changes in the Community Grants Policy and Guidelines for implementation in 2013-2014 to achieve the following:*
 - *Fund projects that specifically address the needs of Ryde residents*
 - *Fund only one project per organisation under each category*
 - *Provide recipients of the Historical Grant Categories with a 2 year funding agreement.*
- (c) *That the Council approves the methodology and scope of the comprehensive review as outlined in this report.*

In implementing Council resolution, staff commenced reviewing the operation of the Community Grants Policy, in order to determine the scope of the policy review project staff researched industry best practice and sought feedback from Councillors.

Councillors met on the following occasions to consider progress of the review process.

- June 2013 - Councillor Workshop to determine the key aspects of the review, including potential grants categories.
- 2 September 2014 - at a Councillor Workshop staff presented options and recommendations for grant categories and proposed an approach to historical grants. At this workshop staff presented the assessment criteria and proposed way forward for each of the organisations funded under the historical grants.

ITEM 5 (continued)

At its meeting on 9 December 2014, Council resolved the following:

- (a) *That Council approve changes to the Community Grants Policy and Implementation Procedure as outlined in the body of this report, with the continuation of the sporting grants to be known as the Sport and Recreation Community Grant with funding to be maintained at \$25,000.*
- (b) *That the Policy provide for only one grant to be awarded to any one organisation.*

At a further consultation with the Councillors on 12 May 2015, Council staff presented the result of the historical grant categories' review and consultation with the impacted community organisations. This report has been prepared based on the information presented at this workshop.

Purpose of the Review of the Historical Community Grant Categories

To improve the transparency, equity, accessibility and sustainability of Council's community grants program, a key deliverable for the community grants policy review process included the phasing out and integration of both categories of historical grants into the overall Community Grants Policy and formalising historical arrangements. An important objective of the process has been to ensure that the organisations currently receiving historical grants were provided with ample opportunity and time to adjust to the change in grant funding arrangements.

Discussion

Council currently has two categories of historical grants; Community Aid Grants and Community Events Grants.

Historical Community Aid Grants:

- Total value of the grant is \$80,000 per annum and is apportioned to the three organisations as follows:
 - Christian Community Aid- 40%
 - North Ryde Community Aid- 30%
 - Hunters Hill Ryde Community Services- 30%
- The funding provided by Council is not for specific projects and forms part of the overall income of these organisations.

ITEM 5 (continued)

Organisation	Council Grant	Overall Income	% of Income
Christian Community Aid	\$32,000	\$2,714,496	1.18%
Hunters Hill Ryde Community Services	\$24,000	\$1,925,573	1.25%
North Ryde Community Aid	\$24,000	\$591,942	4%

As part of the review process staff met with all organisations currently receiving Council's historical grants to discuss the policy review's objectives, process, options and appropriate transition arrangements.

Individual meetings were held with each organisation as well as a joint meeting to discuss the policy review, its objectives as well as the broader Federal and State government funding context and potential impact on the Community Aid organisations.

Key Discussion Points:

- The three Community Aid organisations are required to review their operating and business models in the context of significant aging and disability policy changes at the State and Federal levels, given their core aging and disability focus and heavy reliance on State and Federal grant income.
- It was agreed that in particular the introduction of the National Disability Strategy and the National Disability Insurance scheme and commensurate changes to associated funding policies as well as the transfer of responsibility for ageing policy to the Commonwealth will have significant impact on the operations of the three organisations.
- Council's funding constitutes a small proportion of the organisations' income and hence, its overall impact on long term sustainability is not significant.
- Council's Community Grants policy is based on non-recurrent funding model rather than funding to sustain the ongoing operations of organisations.
- The value Council places on the contribution of the Community Aid organisations to the Ryde community and that Council will work closely with the three organisations to assist in developing a sustainable business model.
- The Community Aid organisations were encouraged to submit applications to Council's Community Grants Program under the Capacity Building Category to assist them in exploring opportunities to collaborate and develop a long term business model.

ITEM 5 (continued)

- Whilst the three organisations would prefer that the current funding arrangements do not change, they acknowledged Council's position in implementing a community grants policy that is transparent, equitable, and sustainable as well as able to support emerging new organisations and community needs.

Recommended approach:

That the Community Aid Grant category be removed from Council's Community Grants Program.

That in recognition of uncertain funding environment and to support the efforts of the three organisations, Council offer a three year notice period with the last year of funding being 2017-2018.

Historical Community Events Grants Category

Six organisations receive funding under this category for specific events. Council's support includes cash contributions, in kind support in logistics of staging events and in-kind venue hire.

Organisation	Description	Current Support
Ryde Art Society	Annual Art exhibition- Ryde Art Show	\$1,000 cash, \$1,500 towards painting. \$10,000 approximately in-kind venue hire (calculated based on Funded Community Groups fee)
Ryde Schools Spectacular	Musical Event for local schools, 2 rehearses at the Civic Hall Over the last two years the groups has not applied for the cash contribution.	\$3,000 cash, \$1,000 in kind support venue hire
Ryde City Concert Band	Not-profit group providing opportunities for local musicians and entertainment for wider community. Business model: Members pay Band fees, to cover expenses including insurance, rehearsal hall hire, music and professional music director / conductor.	\$3,000 grant, \$120 contribution for performances at Council events

ITEM 5 (continued)

Organisation	Description	Current Support
Ryde Eisteddfod	Providing opportunities for artistic performances across variety syllabuses	\$1000 grant, \$2000 school prize, \$5,000scholarship \$15,000 in kind venue support (calculated based on Funded Community Groups fee)
Gladesville Rotary	Ryde Aquatic Festival- Local event which generates funds to be donated to charity	\$3,500 cash, \$1,500 in-kind logistics support
North Ryde/ Macquarie Park Rotary Community Christmas Carols	Local event for the wider community. The event is well received and is seen as a Council event. If this event was to stop there may be an expectation from the community for Council to take it up.	\$3,500 cash, \$2,000 in kind support

Individual discussions were held with each organisation to discuss the policy review, its objectives as well as the six organisations' current situation and future plans for their activities. As part of the discussions, staff reiterated Council's recognition and awareness of the long term contribution of the six community organisations to the Ryde Community.

Approach to review of Historical Community Events Grant

Recognising the community value and unique nature of each event and organisation, Council staff adopted a customised approach to the review. To achieve Council's objective of phasing out the historical grant categories, the review process was underpinned by the following principles.

- Ensuring that Council's review of its grant arrangements did not result in cessation of these longstanding events and activities.
- Ensuring that the transition and alternate arrangements were tailored to the capacity of each organisation.
- Where appropriate, steps to be put in place to build the capacity of the organisations to deliver sustainable events with reduced dependency on Council support.

In assessing each event and in meeting with each community organisation the following issues were canvassed; the event business model, sustainability of the event, organisational capacity, nature of the event and required support from Council.

ITEM 5 (continued)

In some cases to ensure the sustainability of these long standing community events staff offered support to build the capacity of these organisations to reshape the events' business model or advice for developing critical elements of each event.

Where appropriate and at the request of the organisations, transitional arrangements are proposed to ensure each organisation can adjust to changes in Council's support.

The result of the above process, engagement and negotiation with the six organisations are detailed later in this report.

Venue Hire

Phasing out in-kind venue hire was a key objective of the review process to ensure equity and consistent application of Council's existing venue hire policies.

Staging of two community events rely heavily on the use of Council venues; the Eisteddfod and the Ryde Art Show.

The Ryde Eisteddfod and the Ryde Art Society were both willing to include the cost of venue hire into the events' operating costs in the future.

A key issue canvassed by staff was the appropriate venue hire fee category applicable to activities offered by these organisations.

Currently there are two community categories within Council's Fees and Charges Schedule; Funded Community Groups and Unfunded Community Groups. These categories do not apply to voluntary organisations that run significant activities providing widespread benefit to the community such as the annual Art Show or the annual Eisteddfod.

There is a gap within the Fees and Charges Schedule to accommodate events that 1) rely on the use of Council venues, 2) generate income, 3) are developed and operated by volunteers and 4) the income generated is the sole means of covering the cost of staging the events.

In order to facilitate community organisations such as the Ryde Eisteddfod and the Society to build the cost of venue hire into their events an appropriate fee is required.

The fee would contribute to Council's cost of operating its venues and recognises the voluntary nature of the activity and its significant community benefit is recommended.

It is therefore proposed that a new fee category be introduced within Council's Fees and Charges schedule from 2016/17 to recognise this category of event.

ITEM 5 (continued)

The tables below outline the result of discussions, negotiations and proposed way forward for each of the six events and organisations.

Ryde Eisteddfod Inc.	
Event Description	The Ryde Eisteddfod has been in operation for 25 years and is the largest cultural institution in the City of Ryde. Its purpose is to foster the performing arts with a particular focus on young people.
Community Benefit	Opportunities for individuals of all ages and community groups and schools to participate in their chosen field and the opportunity to perform to the public. Over 5,000 people participate in the Eisteddfod over the 8 week period.
Eisteddfod Fees	Entry fees vary depending on category, generally ranging from \$6 to \$20. The Eisteddfod relies on Sponsorship as a core source of income.
Current Grant Support from Council	\$1,000 cash contribution, \$2,000 cash contribution for a school prize, \$5,000 in Edna Wilde Scholarship \$15,000 in-kind venue hire (calculated based on Funded Community Groups)
Proposed Way forward	That Council continue the Edna Wilde Scholarship award of \$5,000 Eisteddfod to pay for venue Hire (proposed new Fee) based on Eisteddfod's current usage the venue hire fee will be approximately \$3,500 - \$4,000 per annum Eisteddfod has agreed to be flexible with the booking of venues to allow Council to accommodate other fee paying organisations.
Transition/notice Arrangements	Current arrangements in place for 2015-16, 2016-17. New arrangements to be implemented in 2017-18.
Eisteddfod Response	The Eisteddfod has written to Council agreeing to the new arrangements

ITEM 5 (continued)

Ryde Eisteddfod Inc.	
Audited Financial Report	Sighted
Issues Resolved as Part of Consultation	<p>Concerns raised by the Eisteddfod:</p> <ul style="list-style-type: none"> • Seeking sponsorship and finding a major sponsor. • Development of a sustainable/appropriate pricing strategy to support their business model. <p>Solutions offered by Council staff to build the capacity of Eisteddfod:</p> <ul style="list-style-type: none"> • Invest staff resources to work with the Eisteddfod Committee to update its sponsorship package and approach. • Assist the Eisteddfod to develop its pricing strategy and provide advice on promotional activities.

The City of Ryde Arts Society	
Event Description	Community Art Exhibition
Community Benefit	It is the only art show of its kind in the local government area and has been running for more than 50 years. The exhibition provides an opportunity for local artists to display their art works and for community members to experience and be exposed to the arts.
Fees and income source	<p>Minimal entry fee to the exhibition in gold coin donation.</p> <p>Artist entry fees of \$20-25 per entry and 30% commission on sale of art works ranging from \$1,100-\$2,000 per annum.</p>
Current Grant Support from Council	<p>\$1,000 cash contribution</p> <p>\$1,500 towards purchase of painting</p> <p>\$10,000 approximately in-kind venue hire (based on Funded Community Groups)</p>
Proposed Way forward	The Society requires assistance in reshaping the Art Show's business model and to improve its sustainability. It is proposed that Council enter into a Memorandum of Understanding with the Society for a period of three years and work with the Committee to reshape the business model and pricing strategy to improve sustainability.

ITEM 5 (continued)

The City of Ryde Arts Society	
	<ul style="list-style-type: none"> • Cease the annual purchase of painting • Council continue its cash contribution of \$1,000 and \$2,000 approximately in-kind venue hire based on proposed new hire fee • These arrangements to be reviewed after three years.
Transition Arrangements	Funding for purchase of paintings to cease from 2015-16
Art Society Response	The Society has agreed with the proposed way forward
Audited Financial Report	Sighted

Gladesville Rotary – Ryde Aquatic Festival	
Event Description	Local Community event on the banks of Parramatta River, main focus Dragon Boat racing
Community Benefit	Community gathering, primary focus has been on Corporate involvement through the Dragon Boat Challenge and a community fun run.
Fees	Participants paid entry fees for involvement in Dragon Boats and Fun Run
Current Grant Support from Council	\$3,500 cash, \$1,500 in kind support includes waste, road closures and park hire
Agreed changes	Gladesville Rotary advised staff that due to increased costs and low patronage they have decided to cease staging the Ryde Aquatic Festival
Proposed Way forward	Not Applicable as festival will no longer be held
Gladesville Rotary Response	Not Applicable
Transition Arrangements	Not Applicable
Audited Financial Report	Sighted
Issues Resolved as Part of Consultation	Gladesville Rotary advised that they were investigating a replacement event for the Aquatic Festival. Staff referred the Rotary to Council's Community Grants Program

ITEM 5 (continued)

Ryde City Concert Band	
Event Description	The Concert band has about 30 members and performs at local events and at various Council events.
Community Benefit	Opportunities for individuals of all ages to perform at community events, public places and for community organisations.
Fees and income source	Members pay Band fees, to cover expenses including insurance, rehearsal hall hire, music and professional music director / conductor.
Current Grant Support from Council	\$3,000 grant \$120 contribution for performances at Council events (including Citizenship Ceremonies, Eastwood Plaza)
Proposed Way forward	That the Concert Band be treated as all other community performances booked for Council events. Council cease its grant contribution to the Concert Band and Council makes appropriate contribution/payments to the Band for their performances at events.
Transition Arrangements	Proposed way forward to commence in 2015-16
Concert Band Response	The Concert Band has agreed to the proposed way forward.
Audited Financial Report	Sighted
Issues Resolved as Part of Consultation	Council staff to promote Concert Band availability within the community and advise the Concert Band of opportunities for performances.

Ryde School Spectacular	
Event Description	Musical Event for local schools, two rehearsals at the Civic Hall prior to the event at the Sydney Opera House. The event is organised on a regional basis and over the last few years has grown in size and administration.
Community Benefit	Opportunity for local school children to showcase artistic talent and experience performing and competing in a large formal event.
Fees	Audience entry fees to the concert at Opera House.

ITEM 5 (continued)

Ryde School Spectacular	
Current Grant Support from Council	\$1,000 in-kind support for use of Civic Hall. \$3,000 cash contribution (the Group has not applied for the cash contribution over the past two years).
Proposed Way forward	Council to provide venue for rehearsals in off peak periods on two occasions through normal venue hire approach.
Transition Arrangements	Proposed way forward to commence in 2015-16
Ryde School Spectacular Response	The Ryde School Spectacular has agreed to the proposed way forward.
Audited Financial Report	Not Applicable
Issues Resolved as Part of Consultation	Nil

North Ryde Macquarie Park Rotary – Carols in the Common	
Event Description	Local event patronised widely across the community. The event has been staged as a partnership between Council and the Rotary.
Community Benefit	This is the largest event of its kind in Ryde and attracts attendances of 10,000 people. The event provides performance opportunities for local community groups and is a community gathering place in the festive season.
Fees	Free event, additional income to stage event generated through sponsorship.
Current Grant Support from Council	\$3,500 cash contribution \$2,000 in-kind support for waste, road closures and promotion.
Proposed Way Forward	<p>Carols in the Common is a well-attended and anticipated event and is a key event on the Community Events Calendar.</p> <p>It is proposed to formalise the current partnership arrangements with the Rotary to continue staging this event.</p> <p>To develop a Memorandum of Understanding with the North Ryde/Macquarie Park Rotary for a period of three years and continue to provide the following:</p> <ul style="list-style-type: none"> • \$3,500 cash contribution, • \$2,000 in kind support for waste, road closures and promotion

ITEM 5 (continued)

North Ryde Macquarie Park Rotary – Carols in the Common	
Transition Arrangements	Not Applicable
North Ryde Macquarie Park Rotary Response	The Rotary has agreed to the proposed way forward
Audited Financial Report	Sighted
Issues Resolved as Part of Consultation	Not Applicable

Financial Implications

Adoption of this report's recommendations will result in a positive financial impact for Council at the end of the proposed transitional arrangements.

The funds allocated to the historical grant categories will be reallocated to the general Community Grants Program and will be available to all eligible community organisations to develop and deliver projects to improve community wellbeing.

Options

That Council continue with operating the two historical grant categories.

This option is not recommended as it would undermine the objectives that Council has adopted in its 2014 Community Grants Policy. This Policy was designed to be transparent, equitable and consistent in its treatment of providing support to community organisations.

6 INVESTMENT REPORT - June 2015

Report prepared by: Chief Financial Officer

File No.: GRP/09/3/2/7 - BP15/956

REPORT SUMMARY

This report details Council's performance of its investment portfolio for June 2015 and compares it against key benchmarks. The report includes the estimated market valuation of Council's investment portfolio, loan liabilities, an update on Council's legal action against various parties and a commentary on significant events in global financial markets.

Council's financial year to date return is 3.69%, which is 1.09% above benchmark. Income from interest on investments and proceeds from sale of investments totals \$4.6M, \$414K above revised budget projections, with an adjustment made in the September Quarterly Budget Review recognising the increased revenue relates mainly to Council receiving more funds for Section 94 contributions.

RECOMMENDATION:

That Council endorse the report of the Chief Financial Officer dated 7 July 2015 on Investment Report – June 2015.

ATTACHMENTS

1 P12 Investment Report June 2015 Attachment

Report Prepared By:

John Todd
Chief Financial Officer

Report Approved By:

Roy Newsome
Group Manager - Corporate Services

ITEM 6 (continued)

Discussion

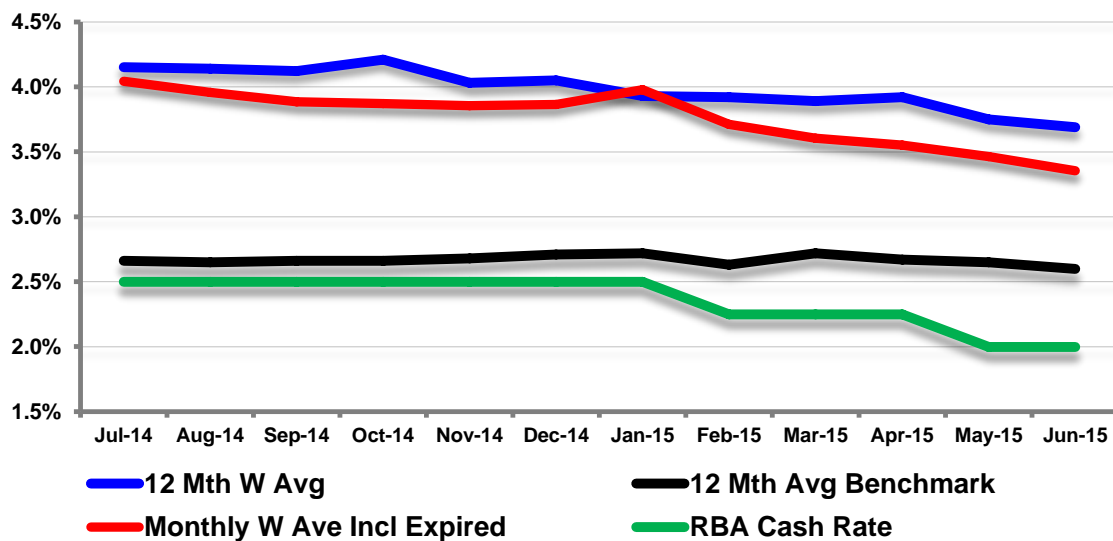
Council's Responsible Accounting Officer, is required to report monthly on Council's Investment Portfolio and certify that the Investments are held in accordance with Council's Investment Policy and Section 625 of the Local Government Act.

Investment Performance Commentary

Council's performance against the benchmark for returns of its investment portfolio for June 2015 and the past 12 months are as follows:

	June	FYTD
Council Return	3.36	3.69
Benchmark	2.16	2.60
Variance	1.20	1.09

Performance - All Investments



Council's investment portfolio as at the end of June was as follows:

Cash/Term Deposits	\$106.5M	77.6%
Floating Rate Notes	\$28.7M	20.9%
Fixed Bonds	\$2.0M	1.5%
Total Cash Investments	\$137.2M	
Investment Properties	\$92.3M	
Total Investments	\$229.5M	

ITEM 6 (continued)

Council's investment properties are shown in **ATTACHMENT 1** and this table was updated as at 30 June 2014. The valuations listed have been undertaken in accordance with the revaluation process to 'fair value' by an independent valuer, in compliance with the Australian Accounting Standards. It should be noted that there are two properties, being air rights and the property at Church Street /Devlin Street, which have not been revalued and will be valued this financial year.

Council continues to utilise the Federal Government's current guarantee (\$250K) investing in Term Deposits with a range of Authorised Deposit Taking Institutions (ADI's) on short to medium term investments (generally 30 days to 180 days maturity) where more competitive rates are available.

Whilst Council has moved some of its investment portfolio out to longer terms, to lock in future returns, it should be noted that there is approximately \$53.2 million of Council's funds held in internal reserves. Should Council consider utilising its internal reserves, this will have a direct impact on the amount of investment income that will be realised and will require a reduction in the future projected investment income and will place pressure on Council to be able to maintain its current level of expenditure on capital projects or maintenance.

Council's income from investments is above the revised projections, due mainly to Council receiving more funds from Section 94 contributions, with investment income for General Revenue remaining steady.

Financial Security Reserve (FSR)

The Financial Security Reserve has a balance of \$3.44 million as at 30 June with no movements this year. A detailed transaction history is included in **ATTACHMENT 1**.

Council has resolved to transfer all proceeds and interest earned on written down investments to this reserve.

This year should see the finalisation of all of the Court action, and the receipt of any proceeds from those actions will be transferred to this reserve. At that point in time it would be prudent to return the funds to the Investment Property Reserve, from which the funds were originally taken to create this reserve.

Economic Commentary

Economic readings in June continued to show mild growth, with conditions in the US and Europe mildly improving, with soft readings in China, which impacted on Australia during the month of June.

ITEM 6 (continued)

The US seems to be pulling out of a slow couple of months, with GDP readings across April/May settling at an annualised rate of 2.5%. Housing permits were up by 11.8% in May. Consumer sentiment is at the highest level in 11 years, and whilst the unemployment rate lifted slightly to 5.5% in May, it still remains very close to an 8 year low.

Greece didn't pay the IMF Bentham on time during June, officially in arrears to the IMF Bentham as at 1 July, though the IMF Bentham is being very careful to not define this as a "default" event. The Greeks have since voted in a referendum to seek a new deal with creditors. Greek ATMs are out of money, and Greek banks are on an indefinite "holiday". If the default extends irrevocably, it is hoped the fallout should be contained, however given the experience of Lehman Brothers in the GFC, disruption cannot be so easily quarantined across the entirety of the financial system.

Legal Issues

The following update is provided in respect of Council's legal action in these matters, which are still to be resolved.

The team from Piper Alderman, led by Amanda Banton, moved to Squire Patton and Boggs, another firm of solicitors. The funders of Council's legal action consented to their representation moving with Amanda Banton and her team, with Council supportive of this change as resolved at its meeting on 10 February 2015.

Lehman / Grange IMP

On Friday 21 September 2012, Justice Rares handed down the judgment in this matter, which was in favour of the Councils involved in this legal action.

On 25 September 2013 the Federal Court approved the calling of a meeting of Scheme Creditors of Lehman Australia to consider the proposed Insurance Only Scheme. The applicants and group members in the Lehman Australia class action are Scheme Creditors.

The Scheme is subject to Court approval. The application was listed for hearing on 31 October 2013. The Scheme was approved by the Court on 9 December 2013; all Scheme Creditors are now bound by the Scheme irrespective of whether they have voted for it or even if they voted against it. Council has received a counter offer from Lehman Brothers Australia Limited (in Liquidation), which was \$27k less than the amount claimed. This offer has been accepted by the Acting General Manager under delegated authority. The finalisation of the matter is pending, and it was anticipated to be between March and April 2015, with the most recent update being that an interim dividend of between 20 and 40c in the dollar is to be paid by 7 August 2015.

ITEM 6 (continued)

While the above court action has been proceeding, the related investments of the Lehman / Grange IMP (Merimbula and Global Bank Note) have been finalised and paid to Council. As previously reported, Council has received \$752k for these investments representing full payment of the principal and interest.

LGFS – Rembrandt

On 5 November 2012, Federal Court Justice Jayne Jagot ruled that Councils were entitled to succeed in their claim for damages against Local Government Financial Services (LGFS), ABN AMRO and Standard & Poors (S&P). This result vindicates Council's Investment in this product with Justice Jayne Jagot finding that LGFS, ABN AMRO and S&P had collectively been responsible for misleading and deceptive conduct and negligent misrepresentation of this investment to Councils.

On 1 March 2013, the Federal Court of Australia awarded compensation and costs to Councils against S&P. Council was awarded \$933K principal (equivalent to the balance outstanding) and \$331K in interest. Of this, 70% is payable to IMF Bentham for their funding of the legal action (including legal costs), resulting in a net benefit to Council of approximately \$382K, which was paid to Council on 4 April 2013.

A teleconference was held on 4 November 2013 with the other Councils involved to discuss GST issues, should a settlement be reached.

The appeal has been heard in relation to this matter, and judgement handed down on Friday 6 June 2014, where the appeal was dismissed, and all the findings of the primary judge, Justice Jagot, were upheld.

Accordingly the Full Court held that each of LGFS, ABN Amro and S&P are individually liable for 100% of Council's losses. The primary orders held them liable for 1/3 each. Council has already received payment from each of the respondents, as indicated above. Costs of the appeal will be sought, and once known Council will be advised.

CBA – Oasis and Palladin

Council has endorsed City of Ryde being a third party to an action against CBA in relation to the Oasis CDO investments for \$1 million that Council has written down to zero. A mediation session occurred with CBA on 8 October 2013. The mediation was adjourned to allow certain steps to take place and the parties are continuing to engage in "without prejudice" discussions, and the outcome will not be known until mid-2015. These confidential discussions have been continuing and are close to being finalised and Councillors will be advised of the outcome when known. Any settlement out of these discussions will require Court approval, with the last step to be rescheduled due to delays with the settlement documentation.

ITEM 6 (continued)

Whilst Council had written off the Oasis investment, the investment had one further default until it completely defaulted. As previously reported, Council sold the Oasis investment at 35.7 cents in the dollar on the remaining principal of \$625k, being \$223,337. Should Council be successful in this legal action, then this will be taken into account as part of any settlement.

As part of this action, Council is also a party to action against CBA for its investment in the Palladin CDO, of which Council held \$2 million. This investment defaulted in October 2008, and was written down.

Loan Liability

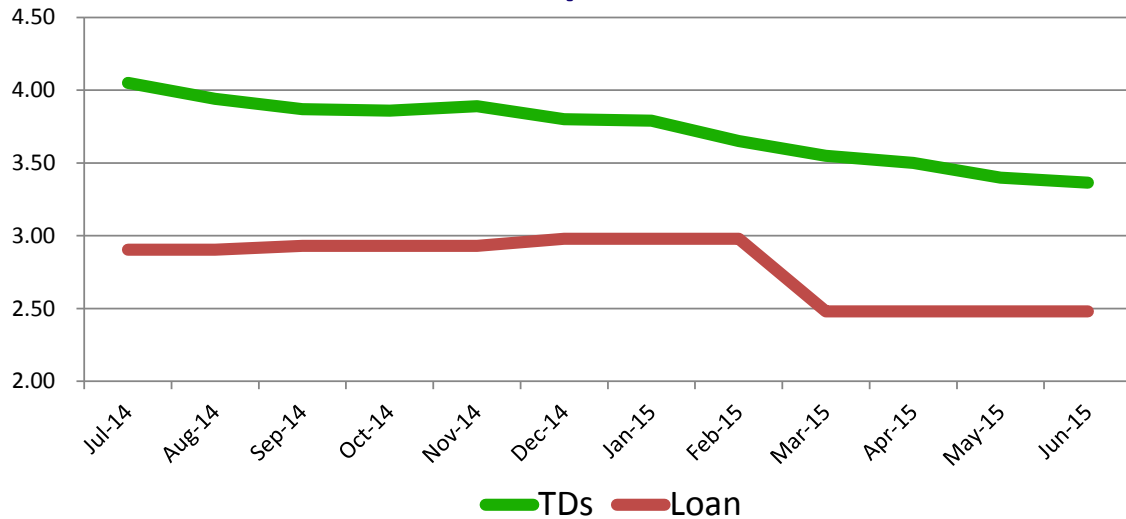
Council's loan liability as at 30 June was \$6.02 million which represents the balance of:

1. \$6.8M 15 year loan drawn down in 2004 at 90 Day BBSW + 20 basis points for the Civic Centre Redevelopment and refinancing the West Ryde Tunnel. The interest rate for this loan is reset every quarter;
2. \$1.5M 10 year loan drawn down 31 January 2014 at 180 day BBSW +175 basis points for the Children's Play Implementation Plan, which was approved for an LIRS subsidy in Round 2. The interest rate for this loan is reset every six months;
3. \$1.2M 7 year loan drawn down 31 January 2014 at 5.24% for construction of the Surf Attraction at the RALC; and
4. \$1.5M 10 year loan drawn down 1 September 2014 at 4.95% for Phase 2 of the Children's Play Implementation Plan, which was approved for an LIRS subsidy in Round 3.

There is no advantage to Council in changing the arrangements or repaying the loan as detailed at point 1 above earlier than planned. Council is receiving a better rate of return on its investments than it is paying in interest on this loan. The following graph shows the gap between the average interest rate earned on Council's term deposits (top line) compared to the interest rate applying to loan 1 above (bottom line).

ITEM 6 (continued)

Term Deposits/Loan Interest Rate Comparison



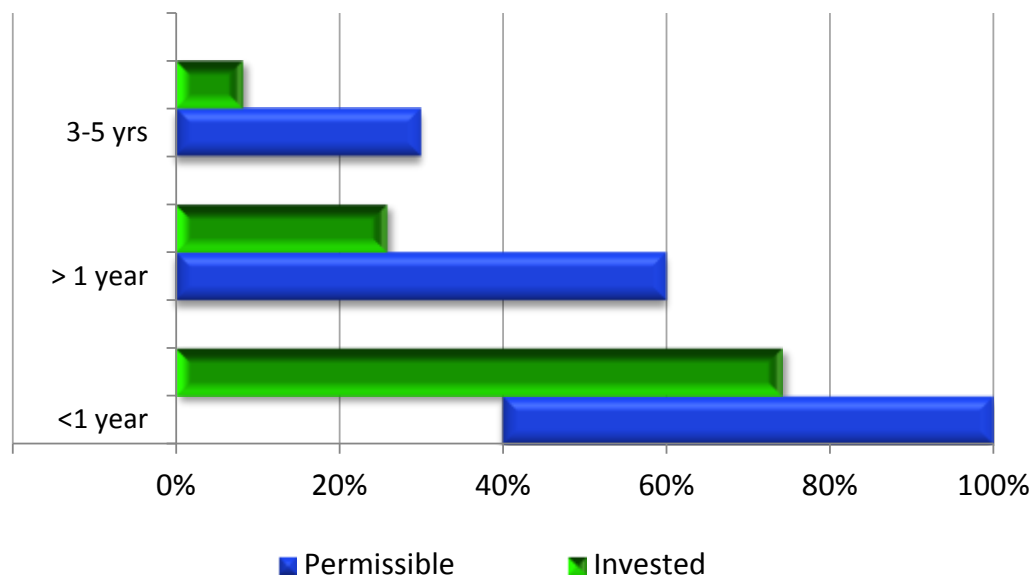
NB: This graph only compares the 2004 NAB loan.

Policy Limits

The following graph shows the limits, as a percentage of total cash investments, of the amounts by period, as allowed under Council’s policy, and comparing them to the amounts actually invested, as a percentage of total cash investments.

It shows that the funds invested are within the limits set in the policy.

Policy Limits on Maturities



ITEM 6 (continued)

INVESTMENT SUMMARY AS AT 30 JUNE 2015

Issuer	Investment Name	Investment Rating	Invested at 30-Jun-15 \$000's	Annualised Period Return (%)	Return since 01 July 2014	% of Total Invested	Indicative Market Value ** \$000's	% Market Value
Westpac	1. Westpac At Call	AA-	5,505	1.43	2.11	4.01	5,505	100.00%
Bank of Queensland	2. Bank of Queensland TD	A-	2,000	3.04	3.55	1.46	2,000	100.00%
CBA	3. Bankwest Term Deposit	AA-	1,000	3.04	3.47	0.73	1,000	100.00%
NAB	4. NAB Term Deposit	AA-	1,000	3.55	3.61	0.73	1,000	100.00%
Westpac	5. Westpac Term Deposit	AA-	1,000	2.79	4.09	0.73	1,000	100.00%
Westpac	6. Westpac Term Deposit	AA-	500	4.95	4.95	0.36	500	100.00%
NAB	7. NAB Term Deposit	AA-	1,000	4.08	4.08	0.73	1,000	100.00%
AMP	8. AMP TD	A	1,000	3.43	3.52	0.73	1,000	100.00%
MyState CU	9. MyState CU TD	BBB	1,000	3.02	3.32	0.73	1,000	100.00%
NAB	10. NAB Term Deposit	AA-	2,000	4.10	4.10	1.46	2,000	100.00%
CBA	11. Bankwest Term Deposit	AA-	2,000	2.83	3.33	1.46	2,000	100.00%
CBA	12. Bankwest TD	AA-	2,000	2.63	3.44	1.46	2,000	100.00%
CBA	13. Bankwest Term Deposit	AA-	1,500	3.03	3.38	1.09	1,500	100.00%
NAB	14. NAB Term Deposit	AA-	2,000	4.05	4.05	1.46	2,000	100.00%
Defence Bank	15. Defence Bank TD	BBB+	1,000	3.00	3.17	0.73	1,000	100.00%
Beyond Bank	16. Beyond Bank TD	BBB+	500	2.85	3.39	0.36	500	100.00%
Bendigo and Adelaide Bank	17. Bendigo Bank TD	A-	1,000	3.04	3.24	0.73	1,000	100.00%
Peoples Choice CU	18. Peoples Choice CU	BBB+	1,000	2.97	3.28	0.73	1,000	100.00%
Bendigo and Adelaide Bank	19. Rural Bank	A-	1,000	6.48	6.48	0.73	1,000	100.00%
Banana Coast CU	20. Bananacoast CU TD	Unrated	500	3.55	3.69	0.36	500	100.00%
CBA	21. CBA TD	AA-	2,000	3.15	4.59	1.46	2,000	100.00%
Me Bank	22. ME Bank TD	BBB+	1,000	2.88	3.67	0.73	1,000	100.00%
CBA	23. Bankwest Term Deposit	AA-	2,000	3.03	5.33	1.46	2,000	100.00%
IMB	24. IMB TD	BBB	1,000	3.43	3.44	0.73	1,000	100.00%
Summerland CU	25. Summerland CU TD	Unrated	250	5.05	5.05	0.18	250	100.00%
AMP	26. AMP Business Saver	A	979	2.59	3.05	0.71	979	100.00%
CBA	27. CBA Term Deposit	AA-	1,000	4.55	4.55	0.73	1,000	100.00%
Newcastle Perm Bldg Soc	28. Newcastle Perm Bldg Soc	BBB+	1,000	2.80	3.20	0.73	1,000	100.00%
Greater Bldg Soc	29. Greater Bldg Soc TD	BBB	1,000	3.60	3.61	0.73	1,000	100.00%
Police CU (SA)	30. Police CU - SA	Unrated	1,000	3.11	3.11	0.73	1,000	100.00%
AMP	31. AMP TD	A	1,000	3.05	5.44	0.73	1,000	100.00%
CBA	32. CBA TD	AA-	1,000	4.15	3.95	0.73	1,000	100.00%
CBA	33. CBA TD	AA-	2,000	3.12	3.34	1.46	2,000	100.00%
Rabobank	34. Rabodirect At-call	AA	5	2.32	2.82	0.00	5	100.00%
Me Bank	35. ME Bank At Call Account	BBB	1,216	2.52	2.92	0.89	1,228	101.00%
CBA	36. CBA FRN	AA-	1,000	3.40	3.80	0.73	1,008	100.81%
Westpac	37. Westpac FRN	AA-	999	3.41	3.83	0.73	1,008	100.93%
CBA	38. CBA FRN	AA-	999	3.46	3.85	0.73	1,008	100.94%
NAB	39. NAB FRN	AA-	998	3.70	4.08	0.73	1,007	100.94%
NAB	40. NAB FRN	AA-	998	3.69	4.06	0.73	1,008	101.00%
CBA	41. CBA FRN	AA-	998	3.61	4.01	0.73	1,006	100.81%
ANZ	42. ANZ FRN	AA-	998	3.61	4.03	0.73	1,057	105.90%
NAB	43. NAB Fixed MTN	AA-	997	6.30	6.25	0.73	1,056	105.93%
Westpac	44. Westpac Fixed MTN	AA-	999	6.21	6.19	0.73	999	100.00%
Macquarie Bank	45. Macquarie Bank TD	A	500	6.50	6.50	0.36	501	100.11%
CBA	46. CBA Retail Bond	AA-	968	3.96	4.33	0.71	968	100.00%
Bendigo and Adelaide Bank	47. Delphi Bank TD	Unrated	250	6.05	6.05	0.18	250	100.00%
Bendigo and Adelaide Bank	48. Rural Bank TD	A-	1,000	3.13	3.25	0.73	1,000	100.00%
Me Bank	49. ME Bank TD	BBB+	1,000	3.43	3.63	0.73	1,001	100.11%
CBA	50. CBA Retail Bonds	AA-	498	4.16	4.54	0.36	499	100.11%
CBA	51. CBA Retail Bonds	AA-	498	4.19	4.57	0.36	498	100.00%
Bank of Queensland	52. Bank of Queensland TD	A-	1,000	5.15	5.15	0.73	1,000	100.00%
Bank of Queensland	53. Bank of Queensland TD	A-	2,000	4.10	4.10	1.46	2,000	100.00%
BoQ Specialist	54. BoQ Specialist	BBB+	250	6.15	6.15	0.18	250	100.00%
IMB	55. IMB TD	BBB	1,000	3.50	3.50	0.73	1,001	100.11%

ITEM 6 (continued)

Issuer	Investment Name	Investment Rating	Invested at 30-Jun-15 \$000's	Annualised Period Return (%)	Return since 01 July 2014	% of Total Invested	Indicative Market Value ** \$000's	% Market Value
CBA	56. CBA Retail Bond	AA-	498	4.11	4.49	0.36	498	100.00%
Westpac	57. St George TD	AA-	1,000	4.05	4.05	0.73	1,001	100.11%
CBA	58. CBA Retail Bond	AA-	498	4.10	4.48	0.36	498	100.00%
Bendigo and Adelaide Bank	59. Rural Bank TD	A-	1,000	3.33	3.40	0.73	1,000	100.00%
ING	60. ING Floating Rate TD	A-	1,000	4.55	4.95	0.73	1,000	100.00%
Westpac	61. St George TD	AA+	1,000	4.05	4.05	0.73	1,000	100.00%
Bank of Queensland	62. Bank of Queensland TD	A-	1,000	2.97	3.62	0.73	1,000	100.00%
NAB	63. NAB TD	AA-	2,000	3.55	3.89	1.46	2,000	100.00%
Me Bank	64. ME Bank TD	BBB+	1,000	2.98	3.46	0.73	1,006	100.61%
Bank of Queensland	65. Bank of Queensland FRN	A-	2,000	3.85	4.22	1.46	2,000	100.00%
Bendigo and Adelaide Bank	66. Bendigo Bank TD	A-	1,000	2.75	3.54	0.73	1,010	100.95%
Bendigo and Adelaide Bank	67. Bendigo & Adelaide Bank FRN	A-	1,000	3.38	3.79	0.73	1,000	100.00%
CBA	68. CBA TD	AA-	1,000	3.19	3.19	0.73	1,000	100.00%
CBA	69. CBA TD	AA-	1,000	3.75	3.69	0.73	1,000	100.00%
NAB	70. NAB TD	AA-	1,000	3.55	3.63	0.73	1,000	100.00%
NAB	71. NAB Term Deposit	AA-	1,000	4.15	4.15	0.73	1,000	100.00%
NAB	72. NAB Term Deposit	AA-	1,000	4.27	4.27	0.73	1,000	100.00%
AMP	73. AMP Term Deposit	A+	2,000	3.30	3.47	1.46	2,000	100.00%
Bank of Queensland	74. Bank of Queensland TD	A-	2,000	3.15	3.50	1.46	2,000	100.00%
NAB	75. NAB TD	AA-	2,000	3.55	3.62	1.46	2,000	100.00%
Bendigo and Adelaide Bank	76. Bendigo and Adelaide Bank FRN	A-	2,000	3.46	3.87	1.46	2,028	101.41%
Bendigo and Adelaide Bank	77. Rural Bank TD	A-	2,000	3.08	3.38	1.46	2,000	100.00%
Auswide Bank	78. Auswide Bank TD	BBB	1,000	3.04	3.34	0.73	1,000	100.00%
Newcastle Perm Bldg Soc	79. Newcastle Perm Bldg Soc	BBB+	1,000	3.03	3.31	0.73	1,000	100.00%
Westpac	80. WBC Floating TD	AA-	1,000	3.13	3.54	0.73	1,000	100.00%
CUA	81. CUA FRN	BBB+	1,000	3.59	3.95	0.73	1,003	100.26%
Peoples Choice CU	82. Peoples Choice CU TD	BBB+	1,000	2.82	3.45	0.73	1,000	100.00%
CUA	83. CUA TD	BBB+	1,000	3.05	3.55	0.73	1,000	100.00%
NAB	84. NAB Flexi TD 2	AA-	1,000	3.18	3.59	0.73	1,000	100.00%
Bank of Queensland	85. Bankwest TD	AA-	2,000	2.93	3.31	1.46	2,000	100.00%
Bank of Queensland	86. Bank of Queensland FRN	A-	1,000	3.26	3.63	0.73	1,005	100.52%
AMP	87. AMP Notice Account	A+	1,033	2.73	3.22	0.75	1,033	100.00%
NAB	88. NAB TD	AA-	2,000	3.63	3.63	1.46	2,000	100.00%
Police Bank	89. Police Bank FRN	BBB+	1,000	3.26	3.66	0.73	1,002	100.21%
Bendigo and Adelaide Bank	90. Bendigo Bank TD	A-	2,000	2.98	3.39	1.46	2,000	100.00%
CUA	91. CUA TD	BBB+	1,000	3.10	3.39	0.73	1,000	100.00%
Newcastle Perm Bldg Soc	92. Newcastle Perm Bldg Soc	BBB+	1,000	2.70	3.30	0.73	1,000	100.00%
ANZ	93. ANZ FRN	AA-	2,000	3.03	3.38	1.46	2,008	100.42%
Me Bank	94. ME Bank FRN	BBB+	2,000	3.18	3.52	1.46	2,000	100.00%
NAB	95. NAB TD	AA-	2,000	3.55	3.55	1.46	2,000	100.00%
CBA	96. Bankwest TD	AA-	2,000	2.88	3.25	1.46	2,000	100.00%
Bendigo and Adelaide Bank	97. Rural Bank TD	A-	2,000	3.03	3.27	1.46	2,000	100.00%
QT Mutual Bank	98. Queensland Teachers Mutual Bank FRN	BBB+	1,000	3.30	3.60	0.73	1,001	100.12%
Teachers Mutual Bank	99. Teachers Mutual Bank	BBB+	1,000	3.25	3.58	0.73	1,001	100.12%
Auswide Bank	100. Auswide Bank TD	BBB	750	3.01	3.23	0.55	750	100.00%
MyState CU	101. MyState CU TD	BBB	750	3.60	3.60	0.55	750	100.00%
CBA	102. Bankwest TD	AA-	2,000	3.03	3.24	1.46	2,000	100.00%
CBA	103. Bankwest TD	AA-	2,000	2.92	3.12	1.46	2,000	100.00%
NAB	104. NAB Flexi TD	AA-	1,000	3.21	3.52	0.73	1,000	100.00%
Westpac	105. Westpac FRN	AA-	2,000	3.18	3.42	1.46	2,013	100.65%
Bendigo and Adelaide Bank	106. Rural Bank Ltd	A-	1,000	3.07	3.07	0.73	1,000	100.00%
Macquarie Bank	107. Macquarie Bank FRN	A	750	3.30	3.39	0.55	751	100.18%
CBA	108. CBA TD	AA+	2,000	3.15	3.15	1.46	2,000	100.00%

ITEM 6 (continued)

Issuer	Investment Name	Investment Rating	Invested at 30-Jun-15 \$000's	Annualised Period Return (%)	Return since 01 July 2014	% of Total Invested	Indicative Market Value ** \$000's	% Market Value
Newcastle Perm Bldg Soc	109. Newcastle Perm Bldg Soc FRN	BBB+	1,000	3.54	3.54	0.73	998	99.85%
Heritage Bank	110. Heritage Bank FRN	BBB+	1,000	3.35	3.35	0.73	999	99.86%
Bendigo and Adelaide Bank	111. Bendigo Bank TD	A-	2,000	2.92	2.92	1.46	2,000	100.00%
			137,184	3.36	3.70	100	137,449	

*Monthly returns when annualised can appear to exaggerate performance

**Market valuations are indicative prices only, and do not necessarily reflect the price at which a transaction could be entered into.

Return including Matured/Traded Investments

Weighted Average Return

Benchmark Return: AusBond Bank Bill Index (%)

Variance From Benchmark (%)

Jun FYTD

3.36 **3.69**

2.16 **2.60**

1.20 **1.09**

Investment Income

\$000's

This Period

379

Financial Year To Date

4,614

Budget Profile

4,200

Variance from Budget - \$

414

Certificate of the Chief Financial Officer (Responsible Accounting Officer)

I certify that as at the date of this report, the investments listed have been made and are held in compliance with Council's Investment Policy and applicable legislation.



John Todd

Date: 07/07/2015

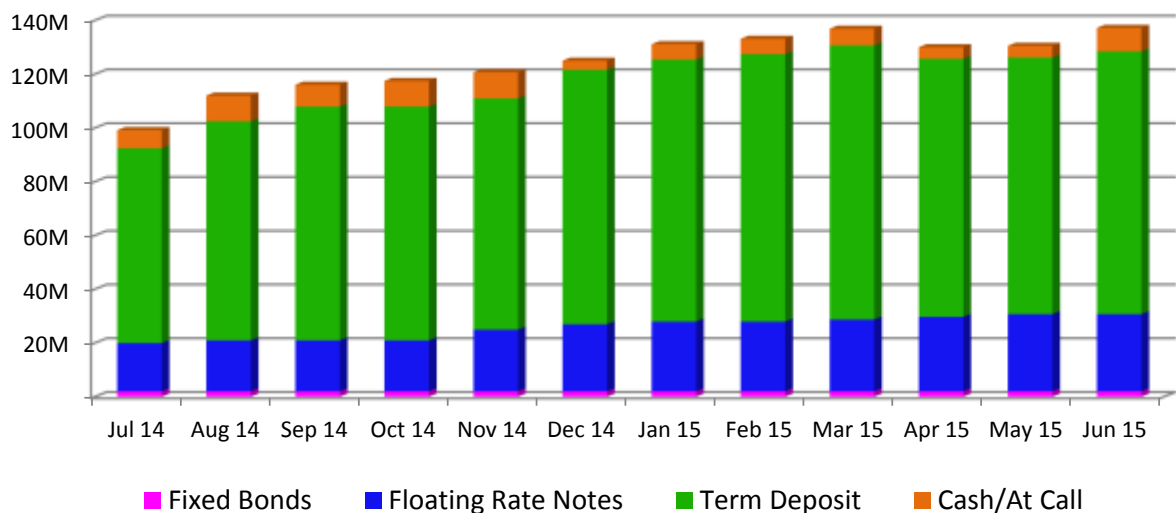
ITEM 6 (continued)

Analysis of investments

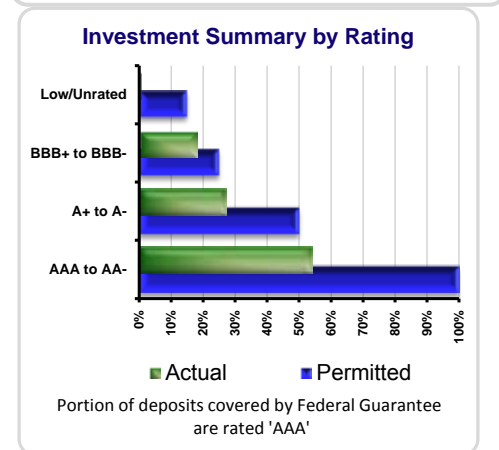
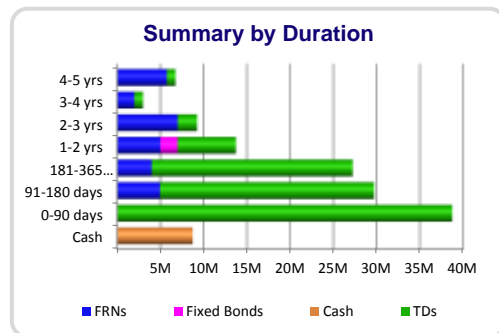
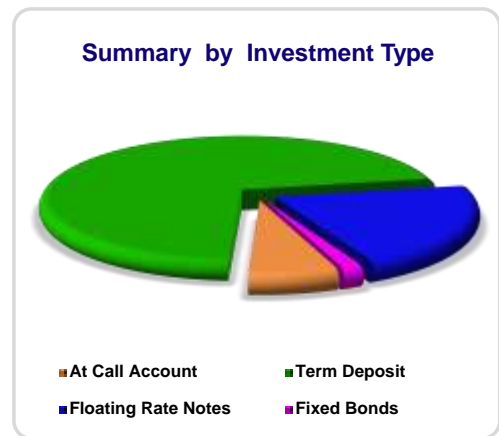
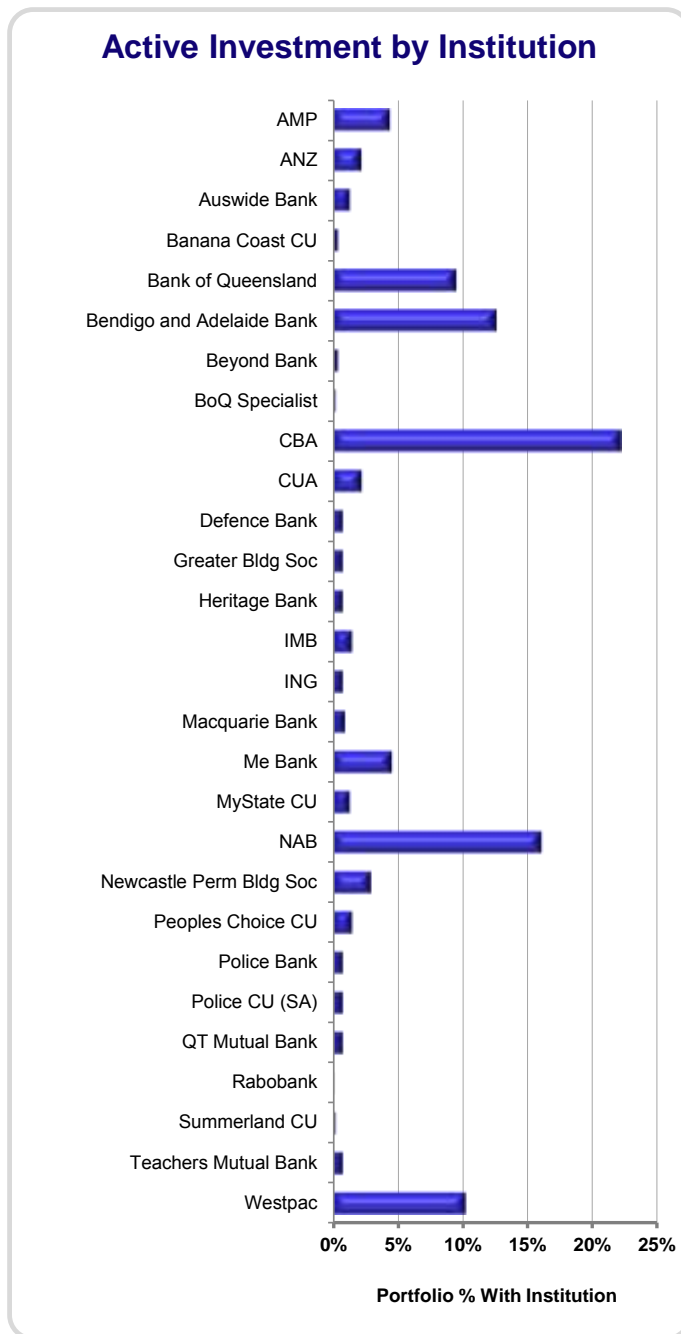
The following graphs show analysis of the total cash investments by:

- Type of investment
- Institution
- Duration
- Rating

Total Funds Invested



ITEM 6 (continued)



	<365 days	>365 days
Cash/TDs	\$95.5M	\$11.0M
FRNs	\$9.0M	\$19.7M
Fixed Bonds	\$0.0M	\$2.0M
	<u>\$104.4M</u>	<u>\$32.7M</u>

Context

The recommendation is consistent with Section 625 of the Local Government Act, which deals with the investment of surplus funds by Councils.

ITEM 6 (continued)

Financial Implications

Income from interest on investments and proceeds from sales of investments totals \$4.6M, being \$414K above revised budget projections, with an adjustment made in the September Quarterly Budget Review. The increase in interest is due mainly to Council receiving more funds for Section 94 contributions.

The Financial Security Reserve has a current balance of \$3.44 million.

ITEM 6 (continued)

ATTACHMENT 1

Council's Property Investment Portfolio

The following properties were held as part of Council's Property Investment portfolio:

	\$'M
2 Dickson Avenue, West Ryde	\$0.82
1A Station Road, West Ryde	\$1.05
8 Chatham Road, West Ryde	\$1.17
202 Rowe Street, Eastwood	\$2.34
226 Victoria Road, Gladesville	\$0.92
7 Anthony Road, West Ryde Car Park site, West Ryde	\$4.46
Herring Road Air Space Rights	Unknown
7 Coulter Street, Coulter St Car Park, Gladesville	\$16.05
6-12 Glen Street, Glen Street Car Park, Eastwood	\$19.40
2 Pittwater Road, John Wilson Car Park, Gladesville	\$6.20
150 Coxs Road, Cox Rd Car Park, North Ryde	\$1.24
33-35 Blaxland Road, Argyle Centre, Ryde	\$6.50
19-21 Church Street and 16 Devlin Street, Ryde	Unknown
1 Constitution Road, Operations Centre, Ryde	\$25.10
741-747 Victoria Road, Ryde	\$4.60
53-71 Rowe Street, Eastwood	\$2.09
6 Reserve Street, West Ryde	\$0.32M
Total	\$92.26M

Benchmark

The Australian UBS Bank Bill index is constructed as a benchmark to represent the performance of a passively managed short-term money market portfolio. It comprises thirteen Bank Bills of equal face value, each with a maturity seven days apart. The average term to maturity is approximately 45 days. A Bank Bill is a non-interest bearing security issued by a bank whereby the bank takes on an obligation to pay an investor a fixed amount (face value) at a fixed future date. It is sold to an investor at a discount to the face value. Bank Bills are short-term money market investments with maturities usually between 30 days and 180 days.

Types of Investments

The following are the types of investments held by Council:

At Call refers to funds held at a financial institution, and can be recalled by Council either same day or on an overnight basis.

A Floating Rate Note (FRN) is a debt security issued by a company with a variable interest rate. This can either be issued as Certificates of Deposit (CD) or as Medium Term Notes (MTN). The interest rate can be either fixed or floating, where the adjustments to the interest rate are usually made quarterly and are tied to a certain money market index such as the Bank Bill Swap Rate.

ITEM 6 (continued)

ATTACHMENT 1

A Fixed Rate Bond is a debt security issued by a company with a fixed interest rate over the term of the bond.

Credit Rating Information

Credit ratings are generally a statement as to an institution's credit quality. Ratings ranging from AAA to BBB- (long term) are considered investment grade.

A general guide as to the meaning of each credit rating is as follows:

- AAA: the best quality companies, reliable and stable
- AA: quality companies, a bit higher risk than AAA
- A: economic situation can affect finance
- BBB: medium class companies, which are satisfactory at the moment
- BB: more prone to changes in the economy
- B: financial situation varies noticeably
- CCC: currently vulnerable and dependent on favourable economic conditions to meet its commitments
- CC: highly vulnerable, very speculative bonds
- C: highly vulnerable, perhaps in bankruptcy or in arrears but still continuing to pay out on obligations
- D: has defaulted on obligations and it is believed that it will generally default on most or all obligations

Note: Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

Council's Investment Powers

Council's investment powers are regulated by Section 625 of the Local Government Act, which states:

- (1) A council may invest money that is not, for the time being, required by the council for any other purpose.
- (2) Money may be invested only in a form of investment notified by order of the Minister published in the Gazette.
- (3) An order of the Minister notifying a form of investment for the purposes of this section must not be made without the approval of the Treasurer.
- (4) The acquisition, in accordance with section 358, of a controlling interest in a corporation or an entity within the meaning of that section is not an investment for the purposes of this section.

ITEM 6 (continued)

ATTACHMENT 1

Council's investment policy requires that all investments are to be made in accordance with:

Local Government Act 1993 - Section 625
 Local Government Act 1993 - Order (of the Minister) dated 12 January 2011
 The Trustee Amendment (Discretionary Investments) Act 1997 – Sections 14A(2), 14C(1) & (2)
 Local Government (Financial Management) Regulation 1993
 Investment Guidelines issued by the Department of Local Government

Financial Security Reserve Transactional History

Starting Balance	8,000,000.00	10 Oct 2008
Write off Constellation	(1,000,000.00)	10 Oct 2008
Write off Rembrandt	(1,000,000.00)	10 Oct 2008
Write off Palladin	(2,000,000.00)	10 Oct 2008
Write off Alpha	(1,000,000.00)	10 Oct 2008
Write off Covent Garden	(2,000,000.00)	10 Oct 2008
Write off Oasis	(1,000,000.00)	10 Oct 2008
FY2009 and FY2010		
Interest Payments		
Default of Constellation - Residual	21,615.62	10 Oct 2008
Default of Palladin - Residual	-	28 Oct 2008
Default of Rembrandt - Residual	68,393.78	27 Oct 2008
FY2010		
Interest Payments	50,334.01	
FY2011		
Starting balance 1 July 2010	140,343.41	
Sale of Flinders	301,000.00	12 Aug 2010
Quartz Maturity	209,626.75	20 Oct 2010
Sale of Glenelg	160,000.00	29 Dec 2010
Interest on Grange IMP Sept	31,561.37	
Interest on Grange IMP Dec	24,731.75	
Interest on Grange IMP Mar	10,310.63	
Interest on Grange IMP June	16,092.08	
Interest on Oasis	81,758.10	
Interest on Alpha	12,534.80	
Interest on Covent Garden	16,521.58	
Default of Covent Garden	-	29 Mar 2011
Closing balance FY 2011	1,004,480.47	
FY2012		
Interest on Oasis	42,942.41	
Interest on Alpha	4,837.56	
Interest on Grange IMP Sept	9,862.09	
Interest on Grange IMP Dec	129.02	
Maturity of Alpha	1,001,974.90	20 Mar 2012
Interest on Grange IMP March	123.38	
Closing Balance FY 2012	2,064,349.83	
FY2013		
Interest on Oasis FY2013	20,215.91	
Sale of Oasis	219,266.42	23 Jan 2013
Grange Settlement -Beryl	559,966.39	25 Feb 2013
Grange Settlement -Zircon	192,383.73	25 Feb 2013
Rembrandt Settlement	381,695.85	04 Apr 2013
Closing Balance FY 2013	3,437,878.13	

ITEM 6 (continued)

ATTACHMENT 1

Overview of Investments

An overview of all investments held by the City of Ryde as at 30 June is provided below:

1. **Westpac at Call Account (AA-):** This investment is an at call account, paying the short term money market rate. These funds are used for operational purposes.
2. **Bank of Queensland Term Deposit (A-):** This investment is a 215 day term deposit paying 3.00% (3.04% annualised), and matures 12 January 2015.
3. **Bankwest Term Deposit (AA-):** This investment is a 183 day term deposit paying 2.70% (2.72% annualised), and matures 22 October 2015.
4. **NAB Term Deposit (AA-):** This investment is a one year term deposit, paying 3.55% p.a. (3.55% annualised), and matures 6 Oct 2015.
5. **Westpac Term Deposit (AA-):** This investment is a 90 day term deposit, paying 2.76% % (2.79% annualised), and matures 27 August 2015.
6. **Westpac Term Deposit (AA-):** This investment is a three year term deposit, paying 4.95% pa, and matures 21 September 2015.
7. **NAB Term Deposit (AA-):** This investment is a two year term deposit, paying 4.05% p.a., and matures 4 April 2016.
8. **AMP Term Deposit (A+):** This investment is a 182 day term deposit, paying 3.40% p.a. (3.43% annualised), and matures 30 July 2015.
9. **MyState Bank Term Deposit (BBB):** This investment is a 178 day term deposit, paying 3.00% p.a. (3.02% annualised), and matures 17 December 2015.
10. **NAB Term Deposit (AA-):** This investment is a two year term deposit, paying 4.10% p.a., and matures 11 March 2016.
11. **Bankwest Term Deposit (AA-):** This investment is a 93 day term deposit, paying 2.80% p.a. (2.83% annualised), and matures 23 July 2015.
12. **Bankwest Term Deposit (AA-):** This investment is a 62 day term deposit, paying 2.60% p.a. (2.63% annualised), and matures 9 July 2015.
13. **Bankwest Term Deposit (AA-):** This investment is a 149 day term deposit, paying 3.00% p.a. (3.03% annualised), and matures 15 October 2015.

ITEM 6 (continued)

ATTACHMENT 1

- 14. NAB Term Deposit (AA-):** This investment is a two year term deposit, paying 4.05% p.a., and matures 25 February 2016.
- 15. Defence Bank Term Deposit (BBB+):** This investment is a one year term deposit paying 3.00% p.a. and matures on 4 March 2016.
- 16. Beyond Bank Term Deposit (BBB+):** This investment is a 183 day term deposit paying 2.83% (2.85% annualised) and matures on 22 October 2015.
- 17. Bendigo Bank TD (A-):** This investment is a 184 day term deposit paying 3.02% (3.04% annualised) and matures on 10 September 2015.
- 18. Peoples Choice Credit Union Term Deposit (BBB+):** This investment is a five year term deposit, paying 2.95% p.a., and matures on 22 October 2015.
- 19. Rural Bank Term Deposit (A-):** This investment is a five year term deposit, paying 6.48% p.a., and matures on 21 March 2017.
- 20. Bananacoast CU Term Deposit (Unrated):** This investment is a one year term deposit paying 3.55% p.a. and matures on 7 January 2016.
- 21. CBA Term Deposit (AA-):** This investment is a 213 day term deposit paying 3.15% (3.15% annualised) and matures on 24 September 2015.
- 22. ME Bank Term Deposit (BBB+):** This investment is a 91 day term deposit paying 2.85% (2.88% annualised) and matures on 27 August 2015.
- 23. Bankwest Term Deposit (AA-):** This investment is a 118 day term deposit, paying 3.00% p.a. (3.03% annualised), and matures 17 September 2015.
- 24. IMB Term Deposit (Unrated):** This investment is a 181 day term deposit paying 3.40% (3.43% annualised) and matures on 21 September 2015.
- 25. Summerland CU Term Deposit (Unrated):** This investment is a three year term deposit paying 5.05% pa and matures on 14 July 2015.
- 26. AMP Business Saver at call account (A+):** This investment is an at-call account earning 3.35%. No fees are payable by Council on this investment.
- 27. CBA Term Deposit (AA-):** This investment is a three year term deposit paying 4.55% annually and matures on 16 May 2016.
- 28. Newcastle Permanent Building Society Term Deposit (BBB+):** This investment is a 36 day term deposit, paying 3.10% (3.14% annualised), and matures on 10 February 2016.

ITEM 6 (continued)

ATTACHMENT 1

- 29. Greater Building Society Term Deposit (BBB):** This investment is a one year term deposit, paying 3.60% pa, and matures on 7 August 2015.
- 30. Police CU SA Term Deposit (Unrated):** This investment is a two year term deposit paying 3.11% p.a. (3.11% annualised), and matures 27 March 2017.
- 31. AMP Term Deposit (A+):** This investment is a one year term deposit paying 3.05% p.a. which matures on 18 February 2016.
- 32. CBA Term Deposit (AA-):** This investment is a 216 day term deposit paying 3.10% (3.12% annualised), and matures on 1 October 2015.
- 33. CBA Term Deposit (AA-):** This investment is a five year term deposit paying 4.15% pa, and matures on 18 November 2019.
- 34. Rabodirect At-Call (AA):** This investment is an at call account, paying the short term money market rate. These funds are used for operational purposes.
- 35. Members Equity Bank At-Call Account (BBB):** This investment is an at call account, paying the short term money market rate. These funds are used for operational purposes.
- 36. CBA FRN (AA-):** This investment is a senior, unsecured floating rate note purchased at a yield of 120 above BBSW. This investment matures 2 August 2016.
- 37. Westpac Floating Rate Note (AA-):** This investment is a senior, unsecured floating rate note purchased at a yield of 123 above BBSW. This investment matures 9 May 2016.
- 38. CBA FRN (AA-):** This investment is a senior, unsecured floating rate note purchased at a yield of 125 above BBSW. This investment matures 2 August 2016.
- 39. National Australia Bank FRN (AA-):** This investment is a senior, unsecured floating rate note purchased at a yield of 142 above BBSW. This investment matures 21 June 2016.
- 40. National Australia Bank FRN (AA-):** This investment is a senior, unsecured floating rate note purchased at a yield of 140 above BBSW. This investment matures 21 June 2016.
- 41. CBA FRN (AA-):** This investment is a senior, unsecured floating rate note purchased at a yield of 140 above BBSW. This investment matures 2 August 2016.

ITEM 6 (continued)

ATTACHMENT 1

- 42. ANZ FRN (AA-):** This investment is a senior, unsecured floating rate note purchased at a yield of 142 above BBSW. This investment matures 9 May 2016.
- 43. NAB Fixed MTN (AA-):** This is a fixed rate bond paying 6.18% (6.30% annualised) and matures 15 February 2017.
- 44. Westpac Fixed MTN (AA-):** This is a fixed rate bond paying 6.00% (6.14% annualised) and matures 20 February 2017.
- 45. Macquarie Bank Term Deposit (A):** This is a five year term deposit paying 6.50% (6.50% annualised) and matures 3 April 2017.
- 46. CBA Retail Bond (AA-):** This is a senior, unsecured floating rate note purchased at a yield of 160 above BBSW. This investment matures 24 December 2015.
- 47. Delphi Bank Term Deposit (Unrated):** This investment is a five year term deposit paying 6.05% p.a. and matures on 15 May 2017.
- 48. Rural Bank Term Deposit (Unrated):** This investment is a 126 day term deposit paying 3.05% (3.08% annualised) and matures on 30 July 2015.
- 49. ME Bank Term Deposit (BBB+):** This investment is a 182 day term deposit paying 3.40% p.a. (4.33% annualised) and matures on 28 July 2015.
- 50. CBA Retail Bonds (AA-):** This is a senior, unsecured floating rate note purchased at a yield of 182 above BBSW. This investment matures 24 December 2015.
- 51. CBA Retail Bonds (AA-):** This is a senior, unsecured floating rate note purchased at a yield of 184 above BBSW. This investment matures 24 December 2015.
- 52. Bank of Queensland Term Deposit (A-):** This investment is a five year term deposit paying 5.15% (5.15% annualised) and matures 20 November 2018.
- 53. Bank of Queensland Term Deposit (A-):** This investment is a two year term deposit paying 4.10% (4.10% annualised) and matures 3 March 2016.
- 54. BoQ Specialist Bank (formerly Investec) Term Deposit (BBB+):** This investment is a five year term deposit paying 6.95% on maturity (6.15% annualised) and matures 15 August 2017.
- 55. IMB Term Deposit (BBB):** This investment is a one year term deposit paying 3.50% on maturity (3.50% annualised) and matures 14 August 2015.

ITEM 6 (continued)

ATTACHMENT 1

- 56. CBA Retail Bonds (AA-):** This is a senior, unsecured floating rate note purchased at a yield of 175 above BBSW. This investment matures 24 December 2015.
- 57. St George Term Deposit (AA-):** This investment is a two year term deposit paying 4.05% (4.05% annualised and matures on 27 August 2015).
- 58. CBA Retail Bonds (AA-):** This is a senior, unsecured floating rate note purchased at a yield of 174 above BBSW. This investment matures 24 December 2015.
- 59. Rural Bank Term Deposit (A-):** This investment is a one year term deposit, paying 3.60 p.a. and matures on 7 August 2015.
- 60. ING Floating Rate Term Deposit (A):** This is a five year floating rate term deposit paying 2.30% above 90 day BBSW, and matures 4 September 2017.
- 61. St George Term Deposit (AA-):** This is a two year term deposit paying 4.05% (4.05% annualised), and matures 13 August 2015.
- 62. Bank of Queensland Term Deposit (BBB+):** This is a 182 day term deposit paying 2.95% (2.97% annualised) and matures 12 November 2015.
- 63. NAB Term Deposit (AA-):** This is a one year term deposit paying 3.55% pa and matures 15 December 2015.
- 64. Members Equity Bank Term Deposit (BBB):** This is a 126 day term deposit paying 2.95% (2.98% annualised) and matures 29 October 2015.
- 65. Bank of Queensland FRN (BBB+):** This is a senior, unsecured floating rate note purchased at a yield of 160 above BBSW. This investment matures 7 December 2015.
- 66. Bendigo Bank Term Deposit (A-):** This investment is a 90 day term deposit paying 2.72% annually and matures 20 August 2015.
- 67. Bendigo Bank FRN (A-):** This is a senior, unsecured floating rate note purchased at a yield of 120 above BBSW. This investment matures 17 May 2017.
- 68. CBA Term Deposit (AA-):** This investment is a one year term deposit paying 3.19% pa and matures 9 February 2016.
- 69. CBA Term Deposit (AA-):** This investment is a three year term deposit paying 3.75% pa and matures 20 November 2017.

ITEM 6 (continued)

ATTACHMENT 1

- 70. NAB Term Deposit (AA-):** This investment is a one year term deposit paying 3.55% pa and matures 6 November 2015.
- 71. NAB Term Deposit (AA-):** This investment is a two year term deposit paying 4.15% (4.15% annualised) and matures 13 August 2015.
- 72. NAB Term Deposit (AA-):** This investment is a two year term deposit paying 4.27% (4.27% annualised) and matures 25 August 2015.
- 73. AMP Term Deposit (A+):** This investment is a two year term deposit paying 3.30 p.a., and matures 21 March 2017.
- 74. Bank of Queensland TD (A-):** This is a one year term deposit paying 3.15% p.a., and matures 11 February 2016.
- 75. NAB Term Deposit (AA-):** This investment is a one year term deposit paying 3.55% and matures 9 October 2015.
- 76. Bendigo Bank FRN (A-):** This is a senior, unsecured floating rate note purchased at a yield of 127 above BBSW. This investment matures 14 November 2018.
- 77. Rural Bank Term Deposit (A-):** This investment is a 181 day term deposit, paying 3.05% (3.08% annualised), and matures on 23 July 2015.
- 78. Auswide Bank Term Deposit (BBB):** This investment is a one year term deposit paying 3.04% (3.04% annualised) and matures on 10 March 2016.
- 79. Newcastle Permanent Building Society (BBB+):** This investment is a two year term deposit, paying 3.03% p.a. and matures on 5 June 2017.
- 80. Westpac Floating Rate Term Deposit (AA-):** This investment is a 25 month floating rate term deposit paying 90d BBSW + 95 and matures 9 February 2016.
- 81. Credit Union Australia Floating Rate Note (BBB+):** This is a senior, unsecured floating rate note purchased at a yield of 130 above BBSW. This investment matures 20 March 2017.
- 82. Peoples Choice CU Term Deposit (BBB+):** This is a 182 day term deposit paying 2.80% (2.82% annualised) and matures 26 November 2015.
- 83. Credit Union Australia Term Deposit (BBB+):** This investment is a one year term deposit paying 3.05% (3.05% annualised) and matures on 24 March 2016.
- 84. NAB Floating Rate Term Deposit (AA-):** This investment is a two year floating rate term deposit paying 90d BBSW + 100 and matures 16 May 2016.

ITEM 6 (continued)

ATTACHMENT 1

- 85. Bankwest Term Deposit (A-):** This investment is a 121 day term deposit paying 2.90% (2.93% annualised), and matures 15 October 2015.
- 86. Bank of Queensland FRN (AA-):** This investment is a four year floating rate term deposit paying 90d BBSW + 100 and matures 12 June 2018.
- 87. AMP 31 Day Notice Account (A+):** This investment is an account which pays +100 over the cash rate.
- 88. NAB Term Deposit (AA-):** This investment is a one year term deposit paying 3.63% and matures 14 August 2015.
- 89. Police Bank Floating Rate Note (BBB+):** This is a senior, unsecured floating rate note purchased at a yield of 110 above BBSW. This investment matures 21 August 2017.
- 90. Bendigo Bank Term Deposit (A-):** This investment is a 91 day term deposit paying 2.95% (2.98% annualised) and matures 17 September 2015.
- 91. Credit Union Australia Term Deposit (BBB+):** This investment is an 11 month term deposit paying 3.10% (3.10% annualised) and matures on 9 February 2016.
- 92. Newcastle Permanent Building Society (BBB+):** This investment is a one year term deposit, paying 2.70% (2.70% annualised), and matures on 10 June 2016.
- 93. ANZ Floating Rate Note (AA-):** This is a senior, unsecured floating rate note purchased at a yield of 85 above BBSW. This investment matures 11 November 2019.
- 94. ME Bank Floating Rate Note (BBB+):** This is a senior, unsecured floating rate note purchased at a yield of 100 above BBSW. This investment matures 17 November 2017.
- 95. NAB Term Deposit (AA-):** This investment is a one year term deposit paying 3.55% pa and matures 3 December 2015.
- 96. Bankwest Term Deposit (AA-):** This investment is a 91 day term deposit paying 2.85% (2.88% annualised) and matures 16 July 2015.
- 97. Rural Bank Term Deposit (A-):** This investment is a 126 day term deposit paying 3.00% (3.03% annualised) and matures 6 August 2015.
- 98. Queensland Teachers Mutual Bank Floating Rate Note (BBB+):** This is a senior, unsecured floating rate note purchased at a yield of 105 above BBSW. This investment matures 11 December 2017.

ITEM 6 (continued)

ATTACHMENT 1

- 99. Teachers Mutual Bank Floating Rate Note (BBB+):** This is a senior, unsecured floating rate note purchased at a yield of 105 above BBSW. This investment matures 4 December 2017.
- 100. Auswide Bank Term Deposit (BBB):** This investment is a one year term deposit, paying 3.01% p.a., and matures on 8 March 2016.
- 101. MyState Credit Union Term Deposit (BBB):** This investment is a one year term deposit, paying 3.60% pa, and matures on 8 December 2015.
- 102. Bankwest Term Deposit (AA-):** This investment is a 119 day term deposit paying 3.00% (3.03% annualised) and matures 10 September 2015.
- 103. Bankwest Term Deposit (AA-):** This investment is a 182 day term deposit paying 2.90% (2.92% annualised) and matures 10 December 2015.
- 104. NAB Flexi Term Deposit (AA-):** This investment is a two year floating TD paying 103 above 90 day BBSW and matures 9 January 2017.
- 105. Westpac Floating Rate Note (AA-):** This is a senior, unsecured floating rate note purchased at a yield of 90 above BBSW. This investment matures 22 January 2020.
- 106. Rural Bank Term Deposit (A-):** This investment is a 184 day term deposit paying 3.05% (3.07% annualised) and matures 3 September 2015.
- 107. Macquarie Bank FRN (A):** This investment is a five year floating rate term deposit paying 90d BBSW + 110 and matures 3 March 2020.
- 108. CBA Term Deposit (AA-):** This investment is a 214 day term deposit paying 3.13% (3.15% annualised) and matures on 6 October 2015.
- 109. Newcastle Permanent Building Society FRN (BBB+):** This investment is a five year floating rate term deposit paying 90d BBSW + 110 and matures 3 March 2020.
- 110. Heritage Bank FRN (BBB+):** This is a senior, unsecured floating rate note purchased at a yield of 115 above BBSW. This investment matures 7 May 2018.

**7 2015 LOCAL GOVERNMENT NSW ANNUAL CONFERENCE - Rosehill
Gardens Racecourse - 11 to 13 October 2015**

Report prepared by: Councillor Support Coordinator
File No.: CLR/07/8/95/1 - BP15/469

REPORT SUMMARY

This report is presented to Council for its consideration of Councillor attendance at the 2015 Local Government NSW Annual Conference and endorsement of the City of Ryde motions for inclusion on the Conference business paper.

RECOMMENDATION:

- (a) That Council nominate five (5) Councillors to attend the 2015 Local Government NSW Annual Conference as voting delegates and two (2) additional Councillors as observers; noting that the voting delegates will be reconfirmed at the Mayoral Election held on 8 September 2015.
- (b) That Council note that the General Manager will select staff to attend the Conference as appropriate.
- (c) That Council endorse the Motions for inclusion on the 2015 Local Government NSW Annual Conference business paper as detailed in this Report.

ATTACHMENTS

- 1 Local Government Association - Draft Conference Program
- 2 Local Government NSW Annual Conference 2015 - Information on Voting and Motions
- 3 Rule 4 – Objects of the Local Government Association
- 4 Councillor Attendance at Conferences - Guidelines
- 5 Proposed Motions to LGNSW Conference

Report Prepared By:

Sheron Chand
Councillor Support Coordinator

Report Approved By:

Amanda Janvrin
Section Manager - Governance

John Schanz
Manager - Governance, Risk and Audit

Roy Newsome
Group Manager - Corporate Services

ITEM 7 (continued)

Discussion

Conference

The Local Government NSW Annual Conference will be held at Rosehill Gardens Racecourse from Sunday 11 October to Tuesday 13 October 2015. Attached is **ATTACHMENT 1** - Draft Conference Program.

The Conference is the annual policy-making event for the 152 Councils of NSW. It is the pre-eminent event of the local government year where local Councillors come together to share ideas and debate issues that shape the way we are governed. In addition, it allows Councils to make recommendations on future challenges and opportunities that local government is experiencing.

Delegates Representing the City of Ryde

Advice was received by Council from the Association on 16 June 2015 on the number of voting delegates Council is entitled to send to the Conference. The Association advised that Council has been allocated **5 voting delegates** based on calculations measuring the population of the City of Ryde. However, as in previous years, the Association will review its calculation closer to the Conference date and notify Council if there are any changes to the number of delegates it can send to the Conference.

In this regard, this report recommends that Council select five Councillors to attend the Conference as voting delegates and an additional two Councillors to attend as observers. Based on the number of voting delegates the Association had allocated to the City of Ryde in previous years, it is likely that the two observers would attend the Conference as voting delegates.

A further report will be provided to Council at the Mayoral Election on 8 September 2015 to re-confirm the number of voting delegates Council can send to the Conference.

Motions

Local Government NSW has requested input from Councils to guide the content of business sessions at the conference and is requesting Councils to identify the most important issues which they believe are causing concern to the Council and/or the local community.

ITEM 7 (continued)

Councils were asked to identify issues or motions relating to the following overall categories:

1. Industrial Relations and Employment
2. Economic
3. Environmental
4. Governance/ Civic Leadership
5. Social Policy

Details of what functions or issues fall in each category are set out in the **ATTACHMENT 2**. In addition to meeting the above-listed categories, Motions must align with Rule 4 of the Associations Rules which is contained in **ATTACHMENT 3**.

Council is encouraged to suggest an appropriate solution by either including a motion which could be considered by the Conference or notes which might guide delegates to an agreed position.

The Association will review and assess all responses received and then identify the top issues as identified overall by member Councils. These issues will then be put to the Conference for debate and deliberation as part of the business sessions. Issues identified by Councils which fall outside the issues will be considered by the Board prior to the Conference.

The Association advised all Councils to submit proposed motions by 24 August 2015. All Motions must be adopted by Council before submission to the Association.

A notice was placed on the Councillors' Information Bulletin dated 1 July 2015 advising Councillors to submit proposed motions and/or notes for Council's consideration by 8 July 2015.

The following draft motions are referred to Council for its consideration;

Motion 1 has been prepared by staff, with Motion 2 being submitted by the Mayor, Councillor Pickering.

1. 'Fit for the Future' – Option of Joint Organisations for all NSW Councils

That in respect of the State Government's 'Fit for the Future' Reform Agenda, this conference calls upon the Premier of NSW, The Hon. Mike Baird MP, and the Minister for Local Government, The Hon. Paul Toole, to allow the one set of rules to equally apply to all Local Government in NSW and allow Regional Joint Organisations to be an option in the Sydney metropolitan area, in addition to rural and regional NSW.

ITEM 7 (continued)

2. 'Councillor Prosecutions for Defamation Proceedings – Against External Third Parties'

That LGNSW request the Office of Local Government (OLG) and the Director-General to vary the 'Guidelines for the payment of expenses and provision of facilities for Mayors and Councillors in NSW (2009)' to enable councils to provide partial indemnity and/or reimbursement in respect of reasonable legal expenses incurred by a Councillor in prosecuting a defamation action (or seeking advice in respect of same), against an external third party, in circumstances where a Councillor is defamed as a result of, or arising from, fulfilling his or her civic duty in good faith and in accordance with the relevant Code of Conduct.

The supporting information for the above two motions are detailed in **ATTACHMENT 5**.

Travel Arrangements to Conference

Councillors and staff can attend the Conference via taxi, public transport or using their own vehicle and receive reimbursement on the travel expenses, including parking fees.

As the Conference is held in Parramatta, accommodation will not be provided.

Critical Dates

The following deadlines are required to be met:

- Conference Motions to be submitted to the Local Government NSW by 5.00pm, 24 August 2015.
- Early bird registrations close on 31 August 2015.
- Councillor delegates are to be reconfirmed following the Mayoral Election held on Tuesday, 8 September 2015.
- Voting Delegates are to be confirmed to the Association by 18 September 2015.

Financial Impact

Early-bird registration cost for the Conference is \$899 per person. Council will meet the cost of Councillors travel to and from the Conference.

Currently there is an allocation of \$30,000 in the 2015-2016 budget for Conferences.

ITEM 7 (continued)

Policy Implications

The City of Ryde has regularly participated in the annual Local Government Association Conference. Funding is allocated in the annual budget for delegates to attend the Conference. The Policy on Expenses and Facilities for the Mayor and Other Councillors sets out the entitlements for Councillors attending such Conferences.

ATTACHMENT 4 is the Guidelines for Councillor Attendance at Conferences. The Guidelines provide that in addition to the Local Government Association Conference and the Australian Local Government Conference, every Councillor is entitled to attend a conference in NSW, Canberra, metropolitan Brisbane or metropolitan Melbourne.

ITEM 7 (continued)

ATTACHMENT 1



Local Government NSW Annual Conference 2015

DRAFT PROGRAM Sunday 11 – Tuesday 13 October, 2015 (as of 15 June 2015)

Main conference venue is Rosehill Gardens Racecourse, Grand Pavilion, James Ruse Drive, Rosehill 2142

This program is correct at the time of printing; speakers and program details may have changed due to unforeseen circumstances.

Sunday 11 October

- 11.00am – 3.00pm Bump in sponsors to Grand Pavilion Level 1
- 3.00pm – 7.00pm Registration opens in the Grand Pavilion Level 1
- 4.30pm – 5.00pm Prebooked local Transfer buses
- 5.00pm – 7.00pm President's Opening Reception in the Grand Pavilion Level 1
- Welcome To Country, **Auntie Kerrie Kenton, Watte Wanne Knowledge holder of the Darug Nation**
 - Welcome from **Cr Scott Lloyd, Lord Mayor of Parramatta**
 - Opening from **Cr Keith Rhoades AFSM, President, LGNSW**
- 7.00pm Prebooked local transfer buses

Monday 12 October

Business Session Day 1 – chaired by Cr Keith Rhoades AFSM, Grand Pavilion Level 2

- 8.00am – 5.00pm Registration opens in Ground Floor in the Grand Pavilion Level 1
Distribution of voting materials and electronic handsets
- Trade Exhibition opens in Grand Pavilion Level 1.
- Prebooked local transfer buses
- 8.00am – 10.00am Voting for LGNSW Board President, Vice Presidents, Treasurer and Directors (voting for all positions at the one time)
- 9.15am – 9.45am Address from **The Hon Mike Baird MP, Premier of New South Wales**
- 9.45am – 10.00am Address from **Cr Keith Rhoades AFSM, President, LGNSW**
- 10.00am – 11.00am Opening and closing of the Federal Conference, Opening of the State Conference and start of the Business session, Adoption of Standing Orders. Demonstration of voting units and Consideration of Motions chaired by **Cr Keith Rhoades AFSM**
- 11.00am – 11.30am Morning tea in Trade Exhibition
Voting for LGNSW Board President, Vice Presidents, Treasurer and Directors (voting for all positions at the one time)
- 11.30am – 1.00pm Consideration of Conference business continued chaired by the President
- 1.00pm – 2.00pm Lunch in Trade Exhibition
- Voting for LGNSW Board President, Vice Presidents, Treasurer and Directors (voting for all positions at the one time)
- 2.00pm – 3.30pm Consideration of Conference Business continued, chaired by the President
- 3.30pm – 4.00pm Afternoon tea in Trade Exhibition

ITEM 7 (continued)

ATTACHMENT 1

Voting for LGNSW Board President, Vice Presidents, Treasurer and Directors
(voting for all positions at the one time)

4.00pm – 5.30pm	Consideration of Conference Business continued, chaired by the President Collection of all electronic handsets and voting cards
5.30pm – 6.30pm	Delegate networking function in Trade Exhibition Voting for LGNSW Board President, Vice Presidents, Treasurer and Directors (voting for all positions at the one time)
6.30pm	Trade Exhibition Closes
5.30pm – 6.30pm	Prebooked local transfer buses Free night for all delegates

Tuesday 13 October
Business Session Day 2 – chaired by Cr Keith Rhoades AFSM, Grand Pavilion Level 2

7.30am – 8.40am	ALGWA Breakfast 'Lessons on Leadership' with Donna Rygate, Local Government NSW Chief Executive, in Grand Pavilion 2 adjacent to main auditorium
8.00am – 5.00pm	Registration opens in Grand Pavilion Level 1 Prebooked local transfer buses
8.15am – 5.30pm	Trade Exhibition opens in Grand Pavilion Level 1
8.45am – 8.50am	Introduction by Master of Ceremonies, Ellen Fanning
8.50am – 9.10am	Short Address from Hon Duncan Gay MLC , Minister for Roads, Maritime and Freight (invited)
9.10am – 10.45am	Ellen Fanning presents Reform Q and A Debate: Hon Paul Toole MP , Minister for Local Government (invited), Hon Peter Primrose MLC , Shadow Minister for Local Government, Dr Joe Drew , Research Fellow in Local Government, UNE Centre for Local Government, Professor Percy Allan AM , Principal, Percy Allan & Associates
10.45am – 11.15am	Morning tea in Trade Exhibition
11.15am – 11.45pm	Address: Hon Paul Toole MP , Minister for Local Government
11.45am – 12.00pm	Presentation of the AR Bluett Awards
12.00pm – 12.30pm	Address: Hon Peter Primrose MLC , Shadow Minister for Local Government
12.30pm – 1.00pm	Messages from Elite and Distinguished Sponsors
1.00pm – 2.00pm	Lunch
2.00pm – 3.15pm	Federation and Constitutional Issues with Professor Greg Craven , Vice-Chancellor Australian Catholic University (invited), Speaker to be confirmed specialising in Local Government's role in Federation, Aden Ridgeway , RECOGNISE Spokesperson
3.15pm – 3.30pm	Message from Association of Mining Related Councils Inc (invited)

ITEM 7 (continued)

ATTACHMENT 1

3.30pm - 3.45pm	Address on Association Business from Cr Keith Rhoades AFSM, President, LGNSW
3.45pm – 4.00pm	Presentation of the Treasurer's Report
4.00pm – 5.00pm LGNSW	If required, Association Business chaired by Cr Keith Rhoades AFSM, President, LGNSW
4.30pm – 5.30pm	Afternoon tea and Delegate Networking Function in Trade Exhibition Prebooked local transfer buses Cloak room facilities for those not returning home to change for dinner
Conference Dinner	
7.00pm	Prebooked local transfer buses Arrival drinks on the outside terrace of the Exhibition Building
7.45pm	Delegates seated and entrée served
8.00pm	LGNSW President introduces Elite Sponsor, StateCover
8.10pm	LGNSW President and Elite Sponsor present the Outstanding Service Awards CEO announce incoming LGNSW Board
8.30pm	Main Course served
9.00pm	Entertainment and dancing
10.00pm	First prebooked local transfer buses
11.00pm	Function finishes, final transfer buses
Close of Conference.	

ITEM 7 (continued)

ATTACHMENT 2



Our ref:R14/0020 Out:23602
(Adam Dansie)

4 May 2015

Ms Gail Connolly
General Manager
Ryde City Council
Locked Bag 2069
North Ryde NSW 1670



Dear Ms Connolly

Local Government NSW Annual Conference 2015

The purpose of this letter is to provide members with important information about the Local Government NSW Annual Conference 2015 (Conference), including requirements arising under the rules of the Local Government and Shires Association of New South Wales ("the rules").

The Conference will take place from **Sunday 11 – Tuesday 13 October 2015** at Rosehill Gardens Racecourse, James Ruse Drive, Rosehill.

Details about the Conference, including information about the venue, sponsorship and accommodation options will be published on the Association's website as they become available. This will include specifics about the Gala Dinner, President's Opening Reception, Conference business sessions, voting, partners programs, and Early Bird pricing.

All attendees must register and online registration will open in early July on the LGNSW website.

Voting

This year the Conference will involve two types of voting.

Our rules mean that we will develop two rolls of voters, one for voting in the elections for Office Bearers and the Board, and a separate roll of voters for voting on motions.

Separate from Conference registration, members will need to nominate the names of their voting delegates for voting on motions and, where applicable, the names of their voting delegates for voting in the elections for Office Bearers and the Board. The Association will notify members of the number of both types of voting delegates that they are entitled to send to the Conference in approximately July 2015.

LOCAL GOVERNMENT NSW
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LGNSW.ORG.AU LGNSW@LGNSW.ORG.AU
ABN 48 853 913 882

ITEM 7 (continued)

ATTACHMENT 2

Ordinary members will need to nominate the names of their delegate(s) for both types of voting (i.e. voting for the Board and voting on policy motions). Associate members will need to nominate the names of their delegate(s) for voting on motions. Forms for nominating the names of each member's delegate(s) will be made available on the Association's website in due course.

Each member must nominate its delegate(s) to the Conference by 18 September 2015.

Nominations received after the closing date will not be accepted, however a member may substitute the name(s) of its delegate(s) at any time, in accordance with Rule 34 of the Association's Rules.

Voting for Office Bearers and the Board

Ordinary members of the Association who are financial can vote in the elections for Office Bearers and the Board of the Association.

The Australian Electoral Commission (AEC) will be conducting the elections for the Office Bearers and Board of the Association.

To be eligible to vote in the elections for Office Bearers and the Board, Ordinary members must be "financial on the seventh (7th) day prior to the date upon which the Returning Officer calls for nominations for the elections". The precise date, which will be determined by the AEC, is expected to be approximately eight (8) weeks prior to the first business day of the Conference (i.e. approximately mid-August).

Voting on motions

Ordinary members and Associate members of the Association who are financial can vote on policy motions that require consideration by the Conference.

Motions

Councils will be able to submit motions for consideration of Conference online. This online facility will be made available on the Association's website.

The Board has resolved that motions will be included in the Business Paper for the Conference where they:

1. are consistent with the objects of the Association (see Rule 4 of the Association's rules);
2. relate to Local Government in NSW and/or across Australia;
3. concern or are likely to concern Local Government as a sector;
4. seek to advance the Local Government policy agenda of the Association and/or improve governance of the Association;

ITEM 7 (continued)

ATTACHMENT 2

5. have a lawful purpose (a motion does not have a lawful purpose if its implementation would require or encourage non-compliance with prevailing laws);
6. are clearly worded and unambiguous in nature; and
7. do not express preference for one or several members over one or several other members.

Further, for a motion to be included in the Business Paper for the Conference the submitting member needs to provide accompanying evidence of its support for the motion to be included. Such evidence may include an extract of the minutes of the meeting at which the member resolved to submit the motion for consideration by the Conference.

To allow printing and distribution of the business paper, members are strongly encouraged to submit their motions by **24 August 2015**. The absolute closing date for submitting motions for inclusion in the Business Paper for the Conference is 14 September 2015.

Business Papers

It is our aim that a full Conference Business Paper be made available on the Association's website and forwarded to members approximately two weeks prior to the Conference. The Association's financial reports will be made available to members at least 21 days before the Conference.

Accommodation

We encourage attendees to pre-book accommodation listed on the website prior to registering online as you need to indicate where you are staying in order to book transfers in the registration process. These transfers will be priced at \$9.90 each way. There is plenty of parking at the Conference main venue for those wishing to drive instead.

Outstanding Service Awards

The Outstanding Service Awards will be presented at the Gala Dinner during the Conference. For information about the Awards, including where to apply and eligibility, please visit the Association's website at: www.lgnsw.org.au/member-services/long-service-awards.

Registration

Delegates, partners and attendees will be able to collect their voting cards and other Conference material at Rosehill Gardens Racecourse from the Conference registration desk on Sunday 11 October between 3.00pm – 7.00pm. The registration desk will be open during the President's Opening Reception which runs from 5.00pm to 7.00pm and on Monday 12 October from 7:30am.

ITEM 7 (continued)

ATTACHMENT 2

Privacy Statement

The Association, which is regulated by the *Privacy Act 1988* (Cth), collects private information about registered attendees to the Conference such as names, addresses, telephone numbers, credit card information and email addresses. We use the private information you give us to process your registration and to send you information in relation to the Conference. If you choose not to provide some or all of the private information that we have sought, LGNSW may be unable to process your registration or it may result in you being unable to vote at the Conference. Further information about how LGNSW collects, holds and uses private information is contained in LGNSW's Privacy Policy which is available on the website at the following web address: <http://www.lgnsw.org.au/privacy>

I very much look forward to seeing you at the Conference in October.

Yours sincerely



Cr Keith Rhoades AFSM
President

ITEM 7 (continued)

ATTACHMENT 3

RULE 4 – OBJECTS OF THE LOCAL GOVERNMENT ASSOCIATION

4. The objects of the Association shall be in New South Wales and elsewhere:
- (a) to encourage, promote, protect and foster an efficient and effective autonomous, democratic system of Local Government elected by and responsible to local communities with its position constitutionally guaranteed and with adequate resources including revenue from State and Commonwealth Governments;
 - (b) to promote, maintain and protect the interests, rights and privileges of Local Government in New South Wales and of the constituent members of the Association;
 - (c) to encourage and assist Local Government to seek out, determine, assess and respond to the needs and aspirations of its constituents;
 - (d) to encourage, assist, promote and foster the achievement and maintenance of the highest level of integrity, justice, competence, effectiveness and efficiency of Local Government;
 - (e) to develop, encourage, promote, foster and maintain consultation and co-operation between councils and Local, State and Commonwealth Governments and their instrumentalities;
 - (f) to develop, encourage, promote, foster and maintain the financial and economic well-being and advancement of Local Government and for such purposes to undertake, establish, acquire, conduct or dispose of any business, enterprise, undertaking or venture which in the opinion of the Association is necessary, desirable or convenient;
 - (g) to represent the members of the Association and Local Government generally in their dealings with State and Commonwealth Governments, with statutory and other corporations, with the media and with the public;
 - (h) to promote, support and encourage Local Government at a State and national level;
 - (i) to provide an industrial relations service to members including:
 - (i) representing the interests of members in industrial matters before courts and tribunals;
 - (ii) assisting in negotiations relating to the settlement of disputes between members and their employees;
 - (iii) representing the interests of members in negotiating the establishment of and/or variation of industrial awards and agreements;
 - (iv) promoting training programs aimed at enhancing the performance of Local Government.
 - (j) to undertake or promote any activity which the Board determines to be for the benefit and/or interest of members and local government in New South Wales.

ITEM 7 (continued)

ATTACHMENT 4



Councillor Attendance at Conferences Guideline

Related Policy

This guideline sets out the criteria to determine the attendance of Councillors at Conferences. It relates to the Policy on the Payment of Expenses and Provision of Facilities for the Mayor and Other Councillors.

Guidelines

Council acknowledges the value of Councillor attendance at conferences to enable them to be both knowledgeable and current on issues affecting the City of Ryde. In order to ensure that attendance at Conferences is equitable, transparent and consistent, attendance will be limited as follows:

1. Local Government Association Conference – the number of voting delegates plus one. Details of the delegates and attendee to be determined by resolution of Council.
2. Australian Local Government Association Conference.
3. In addition, to 1 and 2 above, every Councillor is entitled to attend one conference in either NSW, Canberra, metropolitan Brisbane or metropolitan Melbourne. The conference must directly relate to the business of Council. More than one Councillor may attend the same conference if Council resolves that this will be beneficial for both Council and the Councillors concerned.
4. Within 2 months after the conference the attending Councillor must report to Council on the proceedings of the conference. That report will be included in the Councillors Information Bulletin.
5. No Councillor can attend a Conference without the prior approval of Council. Reports to Council are to include details of the Conference and an estimate of the associated costs including registration, transport and accommodation.
6. Council may resolve that a Councillor can attend more than one conference per year but this determination will be dependant on budgetary constraints and with an emphasis on ensuring that all Councillors have equal access to conferences.
7. Each year, as part of the review of the Policy on the Payment of Expenses and Provision of Facilities for the Mayor and Other Councillors, Council officers will provide a full report of expenditure and Conference attendance by Councillors.

Councillor Attendance at Conferences guideline		
Owner: Governance Unit	Accountability: Mayoral and Councillor support service	
Trim Reference: D10/77193	Policy: Payment of Expenses and Provision of Facilities for the Mayor and other Councillors	One Page only

ITEM 7 (continued)

ATTACHMENT 5

Motions for NSW Annual Local Government Conference

That in respect of the State Government's 'Fit for the Future' Reform Agenda, this conference calls upon the Premier of NSW, The Hon. Mike Baird, and the Minister for Local Government, The Hon. Paul Toole, to allow the one set of rules to equally apply to all Local Government in NSW and allow Regional Joint Organisations to be an option in the Sydney metropolitan area, in addition to rural and regional NSW.

Supporting Information

In the Independent Panel's Final Report (ILGRP), 'Revitalising Local Government' the Panel considered and recommended Joint Organisations as an option for all NSW Local Government Authorities. The key objectives of the Panel in this review was to create:

- High capacity Councils providing better services to their community's and being equal partners with State and Federal agencies;
- More equitable pattern of development across the metropolitan area taking into account planned development;
- Underpin Sydney status as a global city;
- Support the implementation of the Metropolitan Strategy, especially planning major centres and sub-regional delivery plans;

In the ILGRP's recommendation No. 43 as detailed on Page 103 of their report, it stated;

'Pending any future action on mergers, establish Joint Organisations of Councils for the purposes of strategic sub-regional planning';

However when the Minister for Local Government launched the Government's 'Fit for the Future' reform initiative in September 2014, Joint Organisations were not an option for metropolitan Sydney and only applied to Regional NSW.

This Motion is put forward by the City of Ryde, with the support from both Hunter's Hill and Lane Cove Councils, to highlight the benefits of its proposed Joint Regional Authority (JRA) option for northern Sydney and it being a superior option over mergers, thereby enhancing the Local Government sector. Joint Organisations should therefore be an option for all Sydney metropolitan Councils.

The JRA Model proposed by the Councils of Ryde, Hunter's Hill and Lane Cove (JRA) is;

- Fit for purpose;
- A more functional and integrated approach to inter-government relations;
- Well positioned to provide strategic decision making, service delivery and advocacy;

ITEM 7 (continued)

ATTACHMENT 5

- An option that avoids the huge cost of amalgamations.

From our research and studies, mergers present;

- No evidence that forced mergers result in cost savings;
- That a 'one size fits all approach' of mergers is misplaced;
- Empirical evidence of the 2000-2004 NSW Council mergers, shows no difference in performance between merged and unmerged Councils;
- Empirical evidence of the 2008 Queensland amalgamations shows that most amalgamated Councils are operating under diseconomies of scale;
- The proposed mergers do not represent 'a common community of interest';
- Local representation is severely diminished; and
- A loss of 'local' in Local Government.

This Motion reinforces the recommendations of the ILGRP and the importance of the option of Joint Organisations being available to all Sydney metropolitan Councils.

An extract of the Executive Summary of the City of Ryde, Hunter's Hill and Lane Cove Councils Joint Submission is **ATTACHED**, in support of this Motion.

ITEM 7 (continued)

ATTACHMENT 5

Executive summary | Fit for the Future

Executive summary

The City of Ryde, Hunter's Hill and Lane Cove Councils, in accord with our communities, believe local government is the government of communities and places, giving expression to people's aspirations for their neighbourhoods and town centres.

Our Councils have proven scale and capacity to deliver our well-established visions for our communities, to engage effectively with our business communities and, importantly, to work in partnership with all tiers of government.

Our Councils have jointly and separately assessed the Independent Local Government Review Panel's (ILGRP) report Revitalising Local Government. This report proposes that our Councils merge with Mosman, North Sydney and Willoughby, with one-third of the City of Ryde amalgamating with a larger Parramatta Council.

We reject these proposals with the strong support of our communities, and base this rejection on:

- empirical research
- extensive community engagement
- our considered view that mergers are an inelegant response to the sophisticated and multifaceted challenge of sustaining Sydney's global competitiveness.

Our Councils are willing to participate in a pilot to test the JRA model, with Office of Local Government oversight. This will help to shape the JRA model and will ease the path towards the best allocation of functions to minimise duplication of services.

The ILGRP's proposals will be detrimental for our communities:

- They have significant establishment costs
- They will reduce local representation
- They will undermine the effective delivery of current and future services
- They will significantly impede our momentum and restrain our ability to deliver optimum regional outcomes.

We do not accept that forced mergers are appropriate, but agree that a sophisticated strategic regional approach is critical to Sydney's future. It is for this reason that we propose a regional collaboration model that centralises subregional-scale planning and development functions, with a secondary focus on regional procurement and shared services.

We believe this proposal is a superior approach that will enhance the local government sector.

We have embodied this proposal in a Joint Regional Authority (JRA) model. The JRA model is a fit for purpose response, heralding a more integrated and functional regional approach to intergovernmental relationships, strategic decision making, service delivery and advocacy. It can be readily adapted for implementation anywhere in Metropolitan Sydney.

This approach fulfils the NSW Government's objectives to optimise regional infrastructure and strategic planning outcomes. It is built on the Joint Organisation model contemplated by the NSW Government and recommended by the ILGRP. It provides all the benefits of increased scale without the expensive and disruptive impacts of large-scale mergers.

Our Councils have signed a Memorandum of Understanding that indicates serious intent and willingness to collaborate and partner with the NSW Government to establish a successful JRA as a credible and progressive next step in the local government reform agenda.

ITEM 7 (continued)

ATTACHMENT 5

Fit for the Future | Executive summary

Why we reject the ILGRP proposal

We have scale and capacity

This submission demonstrates that our Councils each have proven scale and capacity. It demonstrates that the ILGRP's assertions of economies of scale based on population size are illusory and have the potential to yield over-scaled councils that are too large to efficiently provide local services and engage effectively with their communities.

We meet the benchmarks

This submission presents evidence that our Councils currently meet or will meet the Fit for the Future benchmarks within the prescribed timeframe and beyond. It demonstrates the work and planning that each Council has undertaken to ensure long-term sustainability.

This submission errs on the side of caution and does not incorporate improvements (such as shared services) that would flow from the JRA model into the calculations that measure our performance against the benchmarks. We know, therefore, that subsequent improvements from the JRA will further enhance our fitness for the future in terms of financial performance.

Our communities support our proposal

This submission presents evidence of strong community support for:

- rejecting the ILGRP's proposal
- retaining each Council's identity
- exploring the JRA model.

Unlike Hornsby and Parramatta, we have not put forward any options whether the JRA, merger or boundary adjustment without first consulting with our communities.

The ILGRP proposal does not enhance scale and capacity

Empirical research shows that merger implementation patterns typically include, at minimum, a three-year embedding period that focuses on internal structure, operational alignment and day-to-day service delivery. This is followed by a period of system/process alignment; alignment of strategic plans; understanding the community's aspirations; and developing a single vision.

This implementation period could take between five to ten years in which there is virtually no focus on building and advancing a progressive strategic agenda for the merged entity. In a growing centre like Macquarie Park, for example, where the City of Ryde is continuing to champion its development, this strategic momentum would be lost – we do not wish to go down the path of Parramatta where achievement of a second CBD has stalled due to a lack of any coordinated State and local government strategic vision and a lacklustre level of business and investment confidence. The opportunity cost of shifting focus and resources away from a strategic view of operations and community building, is significant.

Furthermore, this submission shows that the efficiency of each Council suggested to merge with our Councils would reduce.

A JRA is a superior option

This submission presents a sound argument and business case that demonstrates the JRA of our three Councils is an economically viable, low cost and customised solution. It will enhance our strategic capacity and will be consistent with international best practice that uses strategic cross sectoral and intergovernmental collaboration to enable economic and social development and solve complex problems.

The JRA will be invested with a mandated collective authority to deliver subregional-scale planning and shared service functions on our behalf. It will function along the lines of the proposed Joint Organisations rather than voluntary Regional Organisations of Councils. The JRA could be further enhanced if more councils participate across Northern Sydney – an option our model allows for.

Our proposed JRA will have similar powers of a County Council, be governed by a Board of elected representatives and be serviced by an Executive Officer, with staff from member Councils, particularly those with subregional strategic and infrastructure planning expertise. The JRA will include a shared services function focused on delivering services where there are demonstrable economies of scale, including joint procurement services.

A JRA can be piloted

The JRA model would create a precedent. We propose a pilot to develop and get best value from the model and welcome the NSW Government's involvement to assist in the JRA's establishment and performance monitoring, and invite the Office of Local Government to work closely with the JRA Board.

ITEM 7 (continued)

ATTACHMENT 5

The scale and scope of the JRA

The JRA will strengthen the economic competitiveness of the region and contribute to the nationally-significant productivity of Sydney's Global Economic Corridor and the metropolitan area as a whole.

The JRA will be a powerful, consultative and influential Authority, able to engage as an equal partner with other tiers of government and the Greater Sydney Commission.

The JRA will harness the growth potential and leverage the scale of investment arising from:

Macquarie Park,

Sydney's second largest CBD and the fastest growing centre in NSW with a

growth rate of 6.8% in 2013

\$802 million

in building approvals in 2013 alone, the

fourth largest

in the Metropolitan area, behind the City of Sydney, Blacktown and Parramatta

\$106 million

in Voluntary Planning Agreements over the last four years and

\$56 million

in the pipeline

Major population growth

with the City of Ryde and Lane Cove delivering

41% and 36%

growth respectively, the highest growth rates north of the Parramatta River

a major transit orientated development

in the heart of the revitalised St Leonards that will

deliver 5,000

apartments

a combined population base of

216,000

people by 2031 - representing

8% of Sydney's population.

Fit for the Future

About this submission

This submission articulates the reasons why the City of Ryde, Hunter's Hill and Lane Cove Councils reject the ILGRP's proposals and details the benefits of our proposed JRA.

In making these points, this submission begins with an introductory chapter that details background, subregional context, our collective decision making and the process to date.

The submission then dedicates a chapter to our proposed JRA model, in which we detail the many substantiated reasons to reject the ILGRP's proposals, before detailing the case for the JRA.

Our submission then covers the completed Template 2, as requested by the NSW Government in response to the Fit for the Future reforms, for each of our Councils.

ITEM 7 (continued)

ATTACHMENT 5

Councillor Prosecutions for Defamation Proceedings – Against External Third Parties

That LGNSW request the Office of Local Government and the Director-General to vary the 'Guidelines for the payment of expenses and provision of facilities for Mayors and Councillors in NSW (2009)' to enable councils to provide partial indemnity and/or reimbursement in respect of reasonable legal expenses incurred by a Councillor in prosecuting a defamation action (or seeking advice in respect of same), against an external third party, in circumstances where a Councillor is defamed as a result of, or arising from, fulfilling his or her civic duty in good faith and in accordance with the relevant Code of Conduct.

Supporting Information

Currently the Guidelines issued by the Office of Local Government (OLG) in respect of Councils' Policy on Expense and Facilities for the Mayor and other Councillors does not provide any indemnity or reimbursement to Councillors in respect of reasonable legal expenses incurred by a Councillor in prosecuting a defamation action. This would apply in circumstances where a Councillor is defamed as a result of or arising from, fulfilling his or her civic duty in good faith and in accordance with Council's Code of Conduct.

The City of Ryde's policy on Expenses and Facilities for Mayor and other Councillors reflects the current OLG's Guidelines as would the majority, if not all, of NSW Councils.

This motion attempts to protect Councillors from defamation claims, where they are acting in good faith in fulfilling their civic functions. Currently, Councillors who have been placed in this position are meeting all legal costs at their own expense.

PRECIS OF CORRESPONDENCE

1 FEDERAL GOVERNMENT FINANCIAL COMMITMENT TO LOCAL GOVERNMENT

Report prepared by: Group Manager - Corporate Services
File No.: CSG/14/3/22 - BP15/997

CORRESPONDENCE:

Submitting correspondence from The Hon. Warren Truss MP, Deputy Prime Minister, and Minister for Infrastructure and Regional Development to Mayor Pickering, dated 30 June 2015. This response outlines the Federal Government's financial commitment to Local Government as detailed in the Federal Government's 2015/2016 Budget and as discussed at the Australian Local Government Association (ALGA).

Detailed in this advice, Councils are advised that they are the biggest winners from the Government's reintroduction of indexation of fuel excise, with additional funding for Roads to Recovery, the Bridges Renewal Programme and the Black Spot Programme. The Deputy Prime Minister has encouraged all Local Governments to apply for Round Two of the \$1 billion National Strong Regions Fund to deliver priority infrastructure projects in disadvantaged communities. However, this mainly applies to regional Councils in NSW and the City of Ryde will monitor this initiative in case this Fund is available to metropolitan Councils.

This correspondence also notes the temporary pausing of the indexing of the Financial Assistance Grant, noting Local Government still receive \$9.45 billion across the forward estimates, and that Councils will receive their first two 2015/2016 quarterly Financial Assistance Grant payments in the week commencing 29 June 2015. City of Ryde received its two instalments on 1 July 2015.

RECOMMENDATION:

That the correspondence be received and noted.

ATTACHMENTS

- 1 Letter from The Hon. Warren Truss MP outlining Federal Government financial commitment to Local Government as outlined at ALGA National General Assembly 15 June 2015

Report Prepared and Approved By:

Roy Newsome
Group Manager - Corporate Services

PRECIS OF CORRESPONDENCE 1 (continued)

ATTACHMENT 1



The Hon Warren Truss MP

Deputy Prime Minister
Minister for Infrastructure and Regional Development
Leader of The Nationals
Member for Wide Bay

PDR ID: MS15-001002

Cr Bill Pickering
Mayor
Ryde City Council
Locked Bag 2069
NORTH RYDE NSW 1670

Dear Mayor

I had the pleasure of opening the Australian Local Government Association's (ALGA) National General Assembly in Canberra on Monday 15 June 2015 where I spoke about the Australian Government's commitment to Local Government.

One year after we announced a record \$50 billion investment in infrastructure, the Government is getting on with the job of improving road and freight rail links in every state and territory – projects in the biggest cities and small local communities.

The 2015-16 Budget demonstrates this Government's continued commitment to working with Local Government to deliver the infrastructure and services you require for more prosperous communities. I encourage you to use the additional funding provided in the 2015-16 Budget this year.

Councils are the biggest winners from the Government's reintroduction of indexation of fuel excise. The Government will provide an additional \$1.105 billion in funding for the Roads to Recovery Programme over the next two years from the proceeds of the indexation – \$300 million in 2015-16 and \$805 million in 2016-17. This means local governments across Australia will receive an extra \$300 million in 2015-16, on top of the already doubled \$700 million you are receiving this year. In 2016-17, local governments will receive an extra \$805 million in addition to the \$350 million you were scheduled to receive. In 2017-18, the Roads to Recovery Programme will revert to its base funding of \$350 million.

The Government's commitment to the Roads to Recovery Programme and Local Government is demonstrated in the Government's *National Land Transport Act 2014*. We have increased the level of funding and the Programme is permanent – something Labor failed to do during their time in office.

PRECIS OF CORRESPONDENCE 1 (continued)**ATTACHMENT 1**

The increased funding will be distributed to Councils according to the usual formulae and there will be no requirement for Councils to match this extra money.

This major boost to local road construction and maintenance reflects the importance the Australian Government places on building last mile infrastructure for the future of our nation.

At the ALGA National General Assembly I announced that Round Two of the \$300 million Bridges Renewal Programme will be available exclusively to Local Government. Up to \$100 million will be provided to Local Government for the repair and replacement of local bridges to deliver better transport links for their communities and industries. Applications will be open on 1 July 2015 and close on 31 August 2015. I was pleased that ALGA President Mayor Troy Pickard welcomed the Government's moves to ensure this much needed funding hits the ground where it is most needed.

From 2015-16 an additional \$200 million has been committed by the Government over the next two years under the \$500 million Black Spot Programme to further reduce crashes on Australian roads. The Government has also committed \$200 million under the Heavy Vehicle Safety and Productivity Programme over five years providing councils with funding for important local infrastructure. I strongly encourage local governments to submit their applications to these important programmes.

Local governments are also encouraged to apply for Round Two of the \$1 billion National Stronger Regions Fund to deliver priority infrastructure projects in disadvantaged communities. The guidelines have been revised to give the programme broader reach to Local Government by allowing two applications to be submitted in each round and by quarantining \$25 million for projects worth less than \$1 million. Round Two is currently open and closes on 31 July 2015.

I regret to say that the quality of applications under Round One of both the National Stronger Regions Fund and the Bridges Renewal Programme was in some instances disappointing. Many good projects were undersold or ruled ineligible – often because questions were not answered, evidence was not provided, matching funding was not confirmed or projects were simply not eligible. To address this issue I have tasked Regional Development Australia (RDA) Committees to work closely with local government and industry to develop robust proposals that will support economic development in their region. I encourage councils to seek feedback on their applications from my Department and to work with their RDA Committees to enhance the quality of their funding proposals for subsequent rounds.

The Government's decision to temporarily pause the Financial Assistance Grant indexation was an unpopular one, and it was not one the Government wanted to take. However, when elected the Government inherited \$123 billion of cumulative deficits. The Government has undertaken the only responsible action in the circumstances and has succeeded in reducing that deficit by \$41 billion. The indexation pause has contributed to the important task of budget repair; however, there is still a long way to go. The pause is temporary and Councils will still receive \$9.45 billion across the forward estimates. Additionally, to ensure Councils have immediate access to untied funding to spend according to their local priorities, the first two 2015-16 quarterly Financial Assistance Grant payments have been brought forward. Councils will receive their payments from the week commencing 29 June 2015.

PRECIS OF CORRESPONDENCE 1 (continued)

ATTACHMENT 1

These programmes, along with other initiatives will help ensure councils have access to the funding they need to build the infrastructure they require. A list of Government investment programmes available to Local Government is included for your reference.

Over the months and years ahead, we are determined to strengthen the Budget and the economy so that all Australians benefit through more jobs and greater prosperity.

This Government's commitment to Local Government goes beyond providing financial support. There is now a once in a generation opportunity for us to rethink the way we as governments do business and serve our communities. The Government is providing the forum to discuss change through our White Papers on the Reform of the Federation and Taxation.

Our Federation has served our national well for over 100 years and shown some flexibility to deal with issues of concern over the years. But the balance of constitutional responsibility and revenue raising capability has become increasingly grotesque. Reforming the Federation is vital if we are to deliver our publicly funded services to the Australian people more effectively, more efficiently and more fairly.

I encourage all local governments to provide submissions and comments as part of the consultative processes in the development of the Green and White Papers.

Yours sincerely



WARREN TRUSS

30 June 2015

PRECIS OF CORRESPONDENCE 1 (continued)

ATTACHMENT 1

Australian Government investment programmes available to local government

Further information on these and other Commonwealth Grant Programmes can be found at:

<http://investment.infrastructure.gov.au/funding/>

Bridges Renewal Programme

The Bridges Renewal Programme will improve the economic capacity of bridges and access for local communities, by investing \$300 million over four years from 2015–16 to renew our nation's dilapidated bridges. Successful Round One projects were announced in February 2015. Nationally, 73 proposals for Australian Government funding of \$114.8 million were approved. Round Two will be exclusively available to Local Government meaning up to \$100 million will be provided for the repair and replacement of local bridges. Applications for Round Two of the programme will open on 1 July and close on 31 August.

Black Spot Programme

The Black Spot programme will continue to reduce crashes on our roads, with \$60 million allocated annually to target dangerous areas where crashes regularly occur on local roads. The Australian Government is almost tripling its funding for the Black Spot programme for the next two years with an extra \$100 million being allocated in 2015–16 and 2016–17 to accelerate road safety improvements.

Heavy Vehicle Safety and Productivity Programme

The Heavy Vehicle Safety and Productivity Programme will continue to fund infrastructure projects across Australia to improve the productivity and safety outcomes of heavy vehicle operations. The Australian Government has committed a further \$200 million from 2014–15 to 2018–19. Funding of \$96 million for 53 projects under Round Four of the Programme was announced in March 2015. Round 5 will be announced later in 2015.

Roads to Recovery Programme

The expanded \$3.2 billion Roads to Recovery Programme will continue to support the construction and maintenance of local roads by councils. The Government will provide an additional \$1.105 billion in funding for the Roads to Recovery Programme over the next two years – \$300 million in 2015-16 and \$805 million in 2016-17. This means Councils across Australia will receive an extra \$300 million in 2015-16, on top of the already doubled \$700 million they are receiving this year. In 2016-17, local governments will receive an extra \$805 million in addition to the \$350 million they were already scheduled to receive. More than 2,300 projects have already been listed for funding under the current 2014–2019 programme. The Roads to Recovery Programme operates uniformly across Australia. Under current arrangements, each council is guaranteed a share of the total available funding.

National Stronger Regions Fund

The National Stronger Regions Fund will begin from 2015–16, with the first 51 successful projects to support economic and infrastructure projects in regional communities; from freight and transport projects to convention centres and major multi-purpose sports facilities. \$1 billion is available under the Fund for community projects over five years. The guidelines have been revised to give the programme broader reach to Local Government by allowing two applications to be submitted in each round and by quarantining \$25 million for projects worth less than \$1 million. Round Two is currently open and closes on 31 July 2015. This is on top of the over \$300 million invested in Community Development Grants for 300 projects in local communities.

Stronger Communities Fund

The Australian Government's new Stronger Communities Programme will provide \$45 million over two years to fund small capital projects in local communities. Commencing in 2015–16, grants of between \$1,000 and \$20,000 will be made available to reputable, not-for-profit organisations.

PRECIS OF CORRESPONDENCE 1 (continued)

ATTACHMENT 1

Beef Roads

The new \$100 million Northern Australia Beef Roads Fund will work with the northern jurisdictions, transport and industry experts to improve the productivity and resilience of cattle supply chains in northern Australia by funding targeted upgrades to key roads necessary for transporting cattle in the north. The initiative will draw on CSIRO modelling and will commence in July 2015 terminating in June 2019.

Northern Australia: Our North, Our Future

The White Paper delivers an initial investment of \$1.2 billion. This is in addition to the \$5 billion Northern Australia Infrastructure Facility to provide concessional finance for infrastructure projects in the north. The Government will support the development of more water resources in the north by establishing a \$200 million Water Infrastructure Development Fund. Further, the Government will focus on funding high priority infrastructure through additional initiatives including:

- a new \$600 million roads package to improve key roads in the north, including consideration of upgrades for the Arnhem, Barkly, Flinders, Great Northern, Savannah and Hann highways, the Outback Way and the Tanami Road;
- investing \$39.6 million to upgrade airstrips and subsidise air services in remote Australia; and
- investing \$5 million in rail freight analyses — starting with a pre-feasibility analyses of the Mount Isa to Tennant Creek railway and an upgrade of the Townsville to Mount Isa line.

Drought Relief

A \$333 million drought relief package was announced by the Prime Minister ahead of the budget including:

- \$35 million for “shovel-ready” local infrastructure and employment projects
- \$26 million for the control of weeds and animal pests such as wild dogs
- \$20 million for social and community programs and improving mental health
- An extra \$250 million in concessional loans

Financial Assistance Grant Programme

The Financial Assistance Grant programme is provided under the *Local Government (Financial Assistance) Act 1995* (the Act) and has the following components:

- a general purpose component, which is distributed between the states and territories according to population; and
- an identified local road component, which is distributed between the states and territories according to fixed historical shares.

Both components of the grant are untied allowing councils to spend the funds according to local priorities.

CONFIDENTIAL ITEMS

8 LEGAL ACTION AGAINST RATEPAYER - SALE OF LAND FOR UNPAID RATES

Confidential

This item is classified CONFIDENTIAL under Section 10A(2) of the Local Government Act, 1993, which permits the meeting to be closed to the public for business relating to the following: (g) advice concerning litigation, or advice as comprises a discussion of this matter, that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege.

Legal action against an individual ratepayer.

Report prepared by: Chief Financial Officer

File No.: FIM/07/6/12/13 - BP15/948

Page No.: 87

9 ADVICE ON COURT ACTIONS

Confidential

This item is classified CONFIDENTIAL under Section 10A (2) of the Local Government Act, 1993, which permits the meeting to be closed to the public for business relating to the following: (g) advice concerning litigation, or advice as comprises a discussion of this matter, that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege.

This matter is classified confidential because it contains advice concerning legal matters that are:-

- (a) substantial issues relating to a matter to which the Council is involved.
- (b) clearly identified in the advice, and
- (c) fully discussed in that advice.

It is not in the public interest to reveal all details of this matter as it would prejudice Council's position in any court proceedings.

Report prepared by: Acting General Counsel

File No.: GRP/09/5/8 - BP15/990

Page No.: 93