

# **Reports of the Corporate Governance Committee Meeting held at 5.30pm on Tuesday, 4 March 2014.**

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## **APOLOGIES**

## **ACKNOWLEDGEMENT OF LAND**

## **DECLARATIONS OF INTEREST**

### **Pecuniary Interests**

### **Non Pecuniary – Significant Interests**

### **Non Pecuniary – Less than Significant Interests**

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**Minutes of the Corporate Governance Committee held on 4 March 2014**

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**Present**

His Worship the Mayor, Councillor C Mead  
Councillor S Dobson (Chairperson)  
Councillor G Greiss  
Councillor P Hawker  
Councillor R Kolkman  
Councillor P Lake  
Director Business Services - Mr M Sewell  
Acting Director City Works - Mr G Mitchell  
Acting Manager Assets and Supply Services - Mr W Miller  
Acting Manager Business Assurance - Mr C Taylor  
Manager Emergency Management and Community Safety - Mr R Blair  
Manager Executive Services - Mr N Smolonogov  
Manager Financial Services - Mrs C Mears  
Manager Operational Services - Mr A Davies  
Manager Property Services - Mr J Milicic  
Manager Waste and Recycling Services - Mr P Macdonald  
Human Resources Coordinator - Ms N Minns  
Policy and Governance Coordinator - Ms J Warner  
Executive Assistant - Mrs D Taylor

**Apology (Lake/Hawker)**

That the apology from Councillor Borg be received and accepted.

**CARRIED**

**Note:** Councillor A Chanthivong has been granted a leave of absence from Council, incorporating all formal Council and Committee meetings until Tuesday 12 August 2014.

**Acknowledgement of Land**

An Acknowledgement of Land was presented by the Chairperson Councillor Dobson.

**DECLARATIONS OF INTEREST**

Declarations of Interest were made in respect of the following items:

**Pecuniary Interests**

Nil

**Non Pecuniary – Significant Interests**

Nil

**Non Pecuniary – Less than Significant Interests**

Councillor Hawker - Item 1.2 - Local Government NSW - Request for Assistance with Legal Costs - Councillor Hawker advised that he is a member of Local Government NSW.

Councillor Greiss - Item 1.2 - Local Government NSW - Request for Assistance with Legal Costs - Councillor Greiss advised that he is a member of Local Government NSW.

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## **1. GOVERNANCE AND ADMINISTRATION**

### **1.1 Local Government (Early Intervention) Act 2013**

#### **Reporting Officer**

Acting Manager Governance and Administration

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#### **Attachments**

Nil

#### **Purpose**

To advise Council of the development of an "Improvement and Intervention Framework for NSW Councils" to support the Minister for Local Government and the Division of Local Government to identify appropriate intervention and improvement strategies for Councils.

#### **History**

Council was advised at its meeting of 3 September 2013 that following consultation with Local Government NSW, the *Local Government (Early Intervention) Act 2013* was assented on 25 June 2013.

#### **Report**

Council has been advised that an "Improvement and Intervention Framework for NSW Councils" has been developed to support the Minister for Local Government and Division of Local Government to identify appropriate intervention and improvement strategies for councils. The Framework will allow councils to more clearly understand when the Minister and Division will intervene, and what action will be undertaken to address issues of underperformance.

The *Local Government (General) Regulation 2005* now includes criteria that must be considered in determining whether to issue a performance improvement or suspension order.

Further detailed information is available at the 'Improvement and Intervention Framework - Councils in NSW' webpage on the Division's website at [www.dlg.nsw.gov.au](http://www.dlg.nsw.gov.au). It is also intended that this matter will be the subject of a briefing to council by Council's legal consultant in the near future.

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**Officer's Recommendation**

That the information be noted.

**Committee's Recommendation: (Lake/Kolkman)**

That the Officer's Recommendation be adopted.

**CARRIED**

**Council Meeting (Dobson/Thompson)**

That the Officer's Recommendation be adopted.

**Council Resolution Minute Number 31**

That the Officer's Recommendation be adopted.

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## **1.2 Local Government NSW - Request for Assistance with Legal Costs**

### **Reporting Officer**

Acting Manager Governance and Administration

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### **Attachments**

Nil

### **Purpose**

To advise Council that a request has been received from Local Government NSW asking for Council's assistance towards the cost of legal expenses incurred by Canterbury City Council.

### **Report**

Local Government NSW has written to Council seeking assistance in respect of legal costs incurred by Canterbury City Council in an appeal to the Supreme Court of NSW.

The matter concerns a land locked piece of land that was purchased by a private owner with no legal access to a public road. The land was previously owned by the RTA, who informed Canterbury City Council of their intention to sell the land to the adjoining owner. In 2006 the land was subject to a LEP that rezoned the land as residential and included a provision requiring the land have suitable road access before any approval could be given.

The RTA proceeded to sell the property on the open market without consulting Canterbury City Council. The new owner contacted the Council and sought an easement to the public road over land zoned as Open Space and classified as Community land. Canterbury City Council informed the owner that it did not have the power to do this. The owner then made an application to the Supreme Court of NSW to impose an easement over the Council land, which was granted.

Canterbury City Council has argued that, if allowed to stand, the decision will lower the bar for people seeking easements over community land and that the decision could have major adverse implications for other councils in terms of undermining their attempts to protect public recreation land from alienation for private purposes.

The former Association's Joint Committee approved the application for legal assistance as it complied with the provisions of the Legal Assistance policy.

Campbelltown City Council's voluntary contribution towards the legal costs would be \$651.24.

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It has been Council's policy in the past to support actions that affect Local Government and as this action does have relevance to Council it is recommended that Council contribute to legal costs in this matter.

### **Officer's Recommendation**

That Council support Canterbury City Council and forward the contribution of \$651.24 toward legal expenses as outlined in the body of the report.

### **Committee's Recommendation: (Kolkman/Lake)**

That the Officer's Recommendation be adopted.

### **CARRIED**

### **Council Meeting (Dobson/Thompson)**

That the Officer's Recommendation be adopted.

### **Council Resolution Minute Number 31**

That the Officer's Recommendation be adopted.

Councillor Mead asked that his name be recorded in opposition to the resolution in regard to Item 1.2 - Local Government NSW - Request for assistance with Legal Costs.

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## **2. PROPERTY SERVICES**

**No reports this round**

## **3. FINANCIAL SERVICES**

### **3.1 Investment report - January 2014**

#### **Reporting Officer**

Manager Financial Services

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#### **Attachments**

Investment portfolio performance as at 31 January 2014 (contained within this report)

#### **Purpose**

To provide a report outlining Council's investment portfolio performance for the month of January 2014.

#### **Report**

Council invests any surplus funds that become available through the financial instrument designated by the Ministerial Order from the Division of Local Government. The *Local Government Act 1993* and the *Local Government (General) Regulation 2005* require a monthly investment report be presented to Council.

Council's Investment Portfolio as at 31 January 2014 stood at approximately \$88m. Funds are currently being managed both by Council staff and Fund Managers and are in accordance with the *Local Government Act 1993*, *Local Government (General) Regulation 2005* and Council's Investment Policy.

#### **Portfolio Performance**

Directly managed investments show an outperformance of the 90 day bank bill index benchmark by more than 100 basis points for the reporting period.

<b>Monthly annualised return</b>		<b>January</b>
Council Managed Funds		4.06%
Benchmark: 90 Day Bank Bill Index		2.69%

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Investment returns can fluctuate during any one reporting period based on market perceptions, or as in the case of funds under management, changes in asset classes. As such, any measurement of performance is better reflected over a rolling 12 month period to average out any fluctuations in monthly performance. Council's total investment portfolio has outperformed the benchmark on average over the last 12 months.

Rolling year to date return	January
Council Managed Funds	4.33%
Benchmark: 90 Day Bank Bill Index	2.79%

Council's portfolio as at 31 January 2014 is diversified with 70% in term deposits of varying lengths of maturity which are managed in accordance with market expectations and Council's investment strategy, 22% in floating rate notes which gives Council a set margin above either 30 or 90 day bank bills, 7% in fixed rate bonds, 1% in funds in a short term at call account and a National Australia Bank offset facility which expires in June 2014.

Maturity profile	31 January
Short term at call	\$1,184,853
1 – 3 months	\$0
3 – 6 months	\$32,832,384
6 – 12 months	\$48,025,184
12 months +	\$6,000,000

All investments are placed with approved deposit taking institutions. No funds are placed with any unrated institutions.

Credit exposure	31 January
AAA to AA-	78%
A+ to A-	17%
BBB+ to BBB-	5%
Other approved deposit taking institutions	0%

### Economic outlook

The Board of the Reserve Bank of Australia (RBA) left the cash rate unchanged at its present level of 2.5% at its meeting held 4 February, which was in line with market expectations. The statements of monetary policy have, in recent months, had the same overtone that the Board would remain open to the possibility of further interest rates cuts, however, the statement issued on 4 February did provide a subtle but key change to this sentiment, namely:

'In the Board's judgement, monetary policy is appropriately configured to foster sustainable growth in demand with inflation outcomes consistent with the target. On present indications, the most prudent course is likely to be a period of stability in interest rates'.

This more balanced stance suggests that interest rates will remain at their present level during 2014.

### **Summary**

Council's investment portfolio continues to outperform the benchmark of the 90 day bank bill index. The Local Government Investment Guideline leaves little scope for the enhancement of Council's investment portfolio with the various investment products being offered. However, to enhance the portfolio, advantage is taken on the length of maturity of the investment given the rating of the institution, as well as reviewing any new investment products offered in consultation with Council's financial advisor, Spectra Financial Services.

Regular liaison with Council's external financial advisor assists in monitoring all of the risk factors to maximise Council's return on the investment portfolio, while minimising the risk associated with this strategy.

### **Officer's Recommendation**

That the information be noted.

### **Committee's Recommendation: (Lake/Hawker)**

That the Officer's Recommendation be adopted.

### **CARRIED**

### **Council Meeting (Dobson/Thompson)**

That the Officer's Recommendation be adopted.

### **Council Resolution Minute Number 31**

That the Officer's Recommendation be adopted.

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## ATTACHMENT 1

### CAMPBELLTOWN CITY COUNCIL INVESTMENT PORTFOLIO

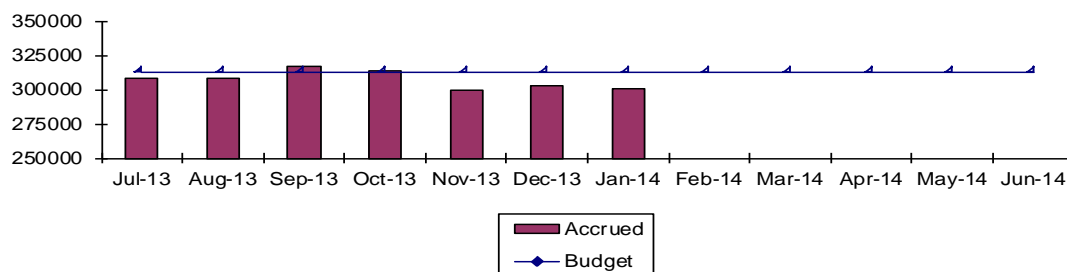
Summary January 2014

Benchmark UBS Warburg 90 Day Bank Bill Index  
Portfolio Balance \$88,042,421.52

Monthly Performance	Return (mth)	Return (pa)
UBSW 90 Bank Bill Index	0.23%	2.69%
Total Portfolio	0.34%	4.05%
<i>Performance to Benchmark</i>	+ 0.12%	+ 1.35%
Portfolio - Direct Investments	0.34%	4.06%
<i>Performance to Benchmark</i>	+ 0.12%	+ 1.37%
Short Term Call Account	0.25%	2.90%

□

#### Monthly Interest

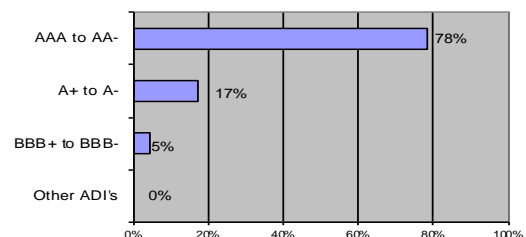


#### Year to Date Performance

#### Credit Exposure

Rolling 12 Month Period  
4.33% Council Managed Funds  
2.79% Benchmark

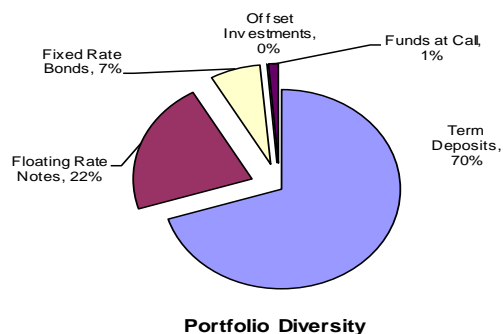
Interest Budget to Actual  
Budget to Period \$2,187,500  
Accrued to Period \$2,150,209



#### Securities

#### Institutions

□



	Amount Invested	% Portfolio
Funds at Call	\$ 1,184,853.27	1%
NSW Treasury	\$ 4,140,000.00	5%
National Australia Bank	\$ 26,728,940.27	30%
ANZ Bank	\$ 3,500,000.00	4%
Westpac Bank	\$ 13,166,533.25	15%
St George Bank	\$ 3,510,773.30	4%
Commonwealth Bank	\$ 12,500,000.00	14%
Bank Western Australia	\$ 4,187,925.08	5%
AMP Bank	\$ 5,000,000.00	6%
Suncorp Metway	\$ 7,123,396.35	8%
Bendigo/Adelaide Bank	\$ -	0%
Bank of Queensland	\$ 3,000,000.00	3%
ME Bank	\$ 4,000,000.00	5%
	<b>\$88,042,421.52</b>	<b>100%</b>

## **3.2 Monthly Rates Summary - January 2014**

### **Reporting Officer**

Manager Financial Services

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### **Attachments**

1. Monthly rates summary (contained within this report)
2. Actual to budget result (contained within this report)
3. Rates statistics (contained within this report)

### **Purpose**

This report details the Rates and Charges levy and monthly cash collections result as at 31 January 2014.

### **Report**

Rates and Charges levied to the end of January 2014 were \$83,740,539, representing 99.44% of the budget amount.

Rates and Charges collected to the end of January totalled \$49,142,111. In percentage terms this amount represents 57% of all rates and charges due to be paid. In comparison, the amount collected in the same period last year was 57.6%.

The February quarterly rate instalment notices were issued on 14 January 2014 to 48,336 ratepayers. Ratepayers continue to register to receive their annual and instalment notices via email with 1341 ratepayers now registered for eRates.

Debt recovery action during the month involved the issue of 522 letters of demand on ratepayers who had either not cleared their debt or made a suitable payment arrangement before 19 January 2014. Formal recovery action has been commenced by way of Statement of Claim against 236 ratepayers who had either failed to maintain arrangements or had not responded to previous correspondence. In addition, 16 Writs were served on ratepayers who failed to respond to the Statement of Claim.

Ratepayers who purchased property since the February quarterly instalment notices were served have been issued a 'Notice to new owner' letter. This letter advises ratepayers of the annual amount levied and any balance unpaid since settlement occurred. During the month, 48 of these notices were sent to ratepayers.

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**Officer's Recommendation**

That the information be noted.

**Committee's Recommendation: (Hawker/Greiss)**

That the Officer's Recommendation be adopted.

**CARRIED**

**Council Meeting (Dobson/Thompson)**

That the Officer's Recommendation be adopted.

**Council Resolution Minute Number 31**

That the Officer's Recommendation be adopted.

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## ATTACHMENT 1

### RATES SUMMARY

#### STATEMENT OF ALL OUTSTANDING RATES AND EXTRA CHARGES

RATE - CHARGE	NET ARREARS 1/7/2013	NET LEVY FOR YEAR	PENSION REBATES	EXTRA CHARGES	TOTAL RECEIVABLE	CASH COLLECTED	NET AMOUNT DUE	POSTPONED RATES & INTEREST	GROSS AMOUNT DUE
RESIDENTIAL	2,489,704.10	47,270,559.50	1,337,365.64	504,197.69	48,927,095.65	27,517,949.18	21,409,146.47	349,015.60	21,758,162.07
BUSINESS	468,656.67	15,748,637.33		71,319.42	16,288,613.42	9,506,897.71	6,781,715.71		6,781,715.71
BUSINESS - IND	3,940.83	0.00		87.10	4,027.93	1,081.44	2,946.49		2,946.49
FARMLAND	12,880.47	363,957.78	884.94	208.42	376,161.73	225,190.18	150,971.55	154,066.65	305,038.20
MINING	0.00	13,929.61		0.00	13,929.61	13,929.61	0.00		0.00
LOAN	243,314.66	4,120,949.70		8,397.92	4,372,662.28	2,451,474.94	1,921,187.34	48,667.65	1,969,854.99
F5 ACCESS RAMPS	764.21	0.00		13.09	777.30	45.24	732.06		732.06
MAIN STREET	40.12	0.00		0.00	40.12	0.00	40.12		40.12
TOTAL	\$3,219,301.06	\$67,518,033.92	\$1,338,250.58	\$584,223.64	\$69,983,308.04	\$39,716,568.30	\$30,266,739.74	\$551,749.90	\$30,818,489.64
GARBAGE	735,268.06	15,890,129.91	797,487.68	29,688.80	15,857,599.09	8,883,316.48	6,974,282.61		6,974,282.61
SANITARY	0.00	0.00		0.00	0.00	0.00	0.00		0.00
STORMWATER	51,164.38	900,011.30		1,497.32	952,673.00	542,225.73	410,447.27		410,447.27
GRAND TOTAL	\$4,005,733.50	\$84,308,175.13	\$2,135,738.26	\$615,409.76	\$86,793,580.13	\$49,142,110.51	\$37,651,469.62	\$551,749.90	\$38,203,219.52

Total from Rates Financial Transaction Summary	37,833,872.31
Overpayments	-369,347.21
Difference	0.00

#### ANALYSIS OF RECOVERY ACTION

Rate accounts greater than 6 months less than 12 months in arrears	776,026.05
Rate accounts greater than 12 months less than 18 months in arrears	131,333.46
Rate accounts greater than 18 months in arrears	45,775.27
TOTAL rates and charges under instruction with Council's agents	\$953,134.78

## ATTACHMENT 2

### COMPARISON OF BUDGET TO ACTUAL

DESCRIPTION	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	BALANCE STILL RECD.	% RAISED
RESIDENTIAL	46,699,900	46,699,900	47,270,560	(570,660)	101.22%
BUSINESS	15,792,500	15,792,500	15,748,637	43,863	99.72%
FARMLAND	415,500	415,500	363,958	51,542	87.60%
MINING	15,000	15,000	13,930	1,070	92.86%
LOAN	4,176,500	4,176,500	4,120,950	55,550	98.67%
TOTALS	67,099,400	67,099,400	67,518,034	(418,634)	100.62%
INTEREST CHARGES	368,900	368,900	129,208	239,692	35.03%
LEGAL COSTS RECOVERED	710,000	710,000	462,623	247,377	65.16%
PENSIONERS - Sec 575	(1,735,300)	(1,735,300)	(1,775,038)	39,738	102.29%
PENSIONERS - Sec 582	0	0	(360,700)	360,700	0.00%
PENSIONERS SUBSIDY	953,500	953,500	976,271	(22,771)	102.39%
SUB TOTAL	67,396,500	67,396,500	66,950,397	446,103	99.34%
DOMESTIC WASTE CHARGES	15,566,800	15,566,800	15,483,240	83,560	99.46%
COMMERCIAL WASTE CHARGES	358,800	358,800	406,889	(48,089)	113.40%
STORMWATER MNGMNT	894,000	894,000	900,011	(6,011)	100.67%
GRAND TOTALS	84,216,100	84,216,100	83,740,539	475,561	99.44%

### COLLECTIONS AS A % OF:

	TOTAL RECEIVABLE	TOTAL LEVIED	TOTAL RECEIVABLE	TOTAL LEVIED
RESIDENTIAL	56.24%	58.21%		
BUSINESS	58.37%	60.37%	RATES	58.82%
FARMLAND	59.87%	61.87%	WASTE	55.90%
LOAN	56.06%	59.49%	STORMWATER	60.25%
ALL RATES	56.75%	58.82%	TOTAL RATES & CHARGES	58.73%

## ATTACHMENT 3

### RATES STATISTICS

No. of documents issued	July	August	September	October	November	December	January	February	March	April	May	June	Jan-13
Rate Notices	48,779	121		238			165						88
Electronic - DoH	5,655												42,014
Instalment Notices				42,363			42,019						5,602
Electronic - DoH				5,703			6,317						
Missed Instalment Notices			7,916			6,949							
- Pensioners > \$15.00			489			436							
Notice to new owner	169	91	41	71	41	39	48						37
7-day Letters - Council issued			1,755			1,901							
- Pensioners > \$500.00			124			99							
7-day Letters - Agent issued			698				522						607
Statement of Claim	235	31	19	248	20	15	236						252
Judgments	20	81	21	19	65	9	21						32
Writs	23	44	53	9	15	37	16						37
eRates	1,163	1,309	1,327	1,331	1,335	1,337	1,341						1,223
Arrangements	382	297	385	334	277	389	373						353



### 3.3 Sundry Debtors Report - January 2014

#### Reporting Officer

Manager Financial Services

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#### Attachments

1. Debtors summary to 31 January 2014 (contained within this report)
2. Ageing of sundry debts to 31 January 2014 (contained within this report)

#### Purpose

To provide a report detailing the amount outstanding by type and age for sundry and miscellaneous debts for the period ending 31 January 2014.

#### Report

Debts outstanding to Council as at 31 January 2014 are \$1,589,360, reflecting a decrease of \$482,735 since December 2013. The ratio of outstanding debts to current invoices has increased from 42% in November to the current level of 64%. This debtor management ratio is a measure of the effectiveness of recovery efforts, however is impacted by Council policies as well as economic and social conditions.

#### Invoices raised – January 2014

During the month, 830 invoices were raised totalling \$525,735. The majority of these are paid within a 30 day period, however those that remain unpaid from previous periods for longer than 90 days are detailed at the end of this report. The most significant invoices raised during the month have been in the following areas:

Various Sundry Items – \$226,309 – the main invoices relate to:

NSW Community Options - ComPacks Program 1 July 2013 to 31 December 2013	\$149,692
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Land and building rentals – \$120,997 – the main invoices relate to:

Glenquarie Hotel Pty Ltd – monthly rental Glenquarie Shopping Centre, Macquarie Fields	\$24,018
Nuvezo Pty Ltd – monthly rental Dumaresq Street Cinema	\$22,229
Aldi Stores (A Limited Partnership) – monthly rental Macquarie Fields	\$22,064
Caltex Oil Australia Pty Ltd – monthly rental Macquarie Fields	\$15,062
Mycorp Group Pty Ltd – monthly rental Macquarie Fields	\$13,344
Macarthur Community Options - monthly rental Campbelltown	\$11,917

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Waste collection services – \$52,781 – three main invoices relate to:

G & G Waste Services – effluent for December 2013	\$28,350
Remondis Australia Pty Ltd – effluent for December 2013	\$18,567
Veolia Water Network Services – effluent for December 2013	\$5,864

Corporate administration – \$43,712 – the main invoices relate to:

Old Town Hall 530A - recovery of outgoings	\$5,353
YMCA NSW South West Office - recovery of outgoings	\$4,759
St Marys Eagle Vale Soccer Club - recovery of outgoings	\$4,334
YMCA Minto- recovery of outgoings	\$3,214
Macarthur District Soccer Football Association - recovery of outgoings	\$2,671
South West Sydney Regional Advisory Council - recovery of outgoings	\$2,206
YMCA of Sydney - recovery of outgoings	\$2,251
Debtor 673327 - recovery of outgoings	\$1,707
Muru Nanga Mai Inc - recovery of outgoings	\$1,492
Campbelltown & District Softball Association - recovery of outgoings	\$1,494
Rotary Club of Campbelltown - sponsorship of Photography Award 2013 Fishers Ghost Art Award	\$1,100

Receipts to the value of \$1,008,469 have been received during the period, the most notable in the following areas:

Corporate administration	\$275,534
Various sundry items	\$200,431
Government and other Grants	\$163,625
Land and building rentals	\$117,401
Waste collection services	\$81,961

### **Sundry debts outstanding – 31 January 2014**

Debts exceeding 90 days of age totalled \$740,139 as at 31 January 2014. The major invoices relating to this balance include:

<b>Description</b>	<b>Date Invoiced</b>	<b>Balance</b>
Roads & Maritime Services - repair grant for Ben Lomond Road, Blaxland Road and Gilchrist Drive, payment expected February 2014	18/10/13	\$330,000
Coal & Allied – 2013 Parliament of NSW Aboriginal Art Prize Partnership Contribution, payment expected February 2014	20/09/13	\$63,250
NSW Land and Housing Corporation – Campbelltown Arts Centre Aboriginal arts project, payment expected February 2014	25/06/13	\$50,000
Remondis Pty Ltd – effluent for August 2013, payment expected February 2014	12/09/13	\$33,983

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Rightline Plumbing – footpath restoration Park Central Campbelltown, account has been referred to Council agents for debt recovery action February 2014	25/07/13	\$29,372
G & G Waste Services - effluent removal for September 2013, payment expected February 2014	09/10/13	\$27,560
Debtor 68316.9 - retaining wall between Lot 1451 DP 703487, 2 and 4 Brownlow Place, Ambarvale. Debtor is maintaining arrangement to pay \$450 per month as approved by Council	09/06/10	\$16,006

Debt recovery action is undertaken in accordance with Council's Sundry Debtor Recovery Procedures Policy and commences with the issue of a tax invoice. A person or entity may be issued any number of invoices during the calendar month for any business, services or activities provided by Council. At the conclusion of each calendar month, a statement of transactions is provided with details of all invoices due and how payments or credit notes have been apportioned. Once an invoice is paid, it no longer appears on any subsequent statement.

All debts that age by 60 days or more are charged a statement administration fee of \$5.50 per statement. Debtors are contacted by telephone, email or in writing to make suitable arrangements for payment of the overdue debt. Where a suitable arrangement is not achieved or not maintained as agreed, a seven day letter is issued referencing referral to Council's debt recovery agents.

Matters referred to Council's recovery agent are conducted in accordance with relevant legislation and the *Civil Procedures Act 2001*. Formal legal recovery commences with a letter of demand (or letter of intent) providing debtors with at least 10 days to respond. In the event that no response is received, instructions are given to proceed to Statement of Claim allowing a further 28 days to pay or defend the action. Failing this, the matter will automatically proceed to judgment and continue through the *Civil Procedures Act 2001* process.

All costs associated with formal legal recovery are payable by the debtor and staff continue to make every effort to assist debtors to resolve their outstanding debt before escalating it through the local court.

During the month, 19 accounts progressed to recovery action. The defaulting debtors were issued a letter of demand on Council's letterhead, advising that if the account was not settled or an appropriate arrangement was not made, the account will escalate to formal legal action through Council's agents.

Council's agents were instructed to proceed with two Judgments for unpaid license fees.

Council officers continue to provide assistance to debtors experiencing difficulties in paying their accounts. Debtors are encouraged to clear their outstanding debts through regular payments where possible, to avoid any further recovery action.

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**Officer's Recommendation**

That the information be noted.

**Committee's Recommendation: (Lake/Kolkman)**

That the Officer's Recommendation be adopted.

**CARRIED**

**Council Meeting (Dobson/Thompson)**

That the Officer's Recommendation be adopted.

**Council Resolution Minute Number 31**

That the Officer's Recommendation be adopted.

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## ATTACHMENT 1

### *DEBTORS SUMMARY 1 January 2014 to 31 January 2014*

DEBTOR TYPE/DESCRIPTION	ARREARS AT 31/12/2013	RAISED THIS PERIOD	RECEIVED THIS PERIOD	BALANCE AT 31/01/2014	% DEBT RATIO
Corporate Administration	586,057	43,712	275,534	354,236	22.29%
Abandoned Items	10,680	0	1,737	8,944	0.56%
Child Care Debts	18,710	0	0	18,710	1.18%
Community Bus	143	0	0	143	0.01%
Tennis Court Hire	0	0	0	0	0.00%
Sportsground and Field Hire	79,301	3,983	36,076	47,207	2.97%
Government and other Grants	626,538	0	163,625	462,913	29.13%
Public Hall Hire	25,501	11,694	18,956	18,238	1.15%
Health Services	350	0	0	350	0.02%
Land and Building Rentals	62,298	120,997	117,401	65,895	4.15%
Healthy Lifestyles	2,499	28,294	28,215	2,577	0.16%
Library Fines and Costs	174,497	0	0	174,497	10.98%
Shop Licence Fees	39,666	525	6,894	33,297	2.09%
Pool Hire	26,498	158	15,544	11,112	0.70%
Private Works	56,217	0	26,333	29,884	1.88%
Road and Footpath Restoration	53,629	13,226	11,174	55,681	3.50%
Shop and Office Rentals	18,666	24,056	24,588	18,133	1.14%
Various Sundry Items	97,184	226,309	200,431	123,062	7.74%
Waste Collection Services	233,094	52,781	81,961	203,915	12.83%
	<b>2,072,095</b>	<b>525,735</b>	<b>1,008,469</b>	<b>1,589,360</b>	<b>100%</b>

## ATTACHMENT 2

### AGEING OF SUNDRY DEBTOR ACCOUNTS - 31 January 2014

Description	Current Charges	Total 30 Days	Total 60 Days	Total 90+ Days	Balance Due	Previous Month 90+ days
Corporate Administration	78,777	2,794	149,030	123,635	354,236	118,852
Abandoned Items	0	0	0	8,944	8,944	10,680
Child Care Debts	18,710	0	0	0	18,710	0
Community Bus	89	54	0	0	143	0
Sportsground and Field Hire	372	10,712	9,670	26,453	47,207	22,177
Government and other Grants	0	47,850	35,063	380,000	462,913	50,000
Public Hall Hire	5,508	4,399	3,272	5,059	18,238	4,195
Health Services	0	0	0	350	350	350
Land and Building Rentals	46,306	1,199	359	18,032	65,895	18,923
Healthy Lifestyles	1,605	397	0	576	2,577	636
Library Fines and Costs	174,497	0	0	0	174,497	0
Shop Licence Fees	167	2,919	2,905	27,306	33,297	29,350
Pool Hire	365	8,615	226	1,905	11,112	1,941
Private Works	1,189	0	0	28,695	29,884	31,153
Road and Footpath Restoration	8,434	0	5,229	42,019	55,681	42,019
Shop and Office Rentals	12,873	3,217	893	1,151	18,133	0
Various Sundry Items	73,874	4,754	33,090	11,345	123,062	50,327
Waste Collection Services	52,451	57,748	29,045	64,670	203,915	63,752
	435,783	144,657	268,782	740,139	1,589,360	444,356

### **3.4 Revised Policy - Investment**

#### **Reporting Officer**

Manager Financial Services

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#### **Attachments**

Revised Investment Policy (contained within this report)

#### **Purpose**

To seek Council's endorsement of the revised Investment Policy.

#### **History**

The abovementioned policy was adopted by Council on 3 August 1984 and was last reviewed on 10 April 2012. The policy is now due for review in accordance with the Records and Document Management Policy.

#### **Report**

The abovementioned policy has been reviewed in accordance with Council's Record Management Policy, the adopted procedure for Policy Development and Review and the Investment Policy Guidelines issued by the Division of Local Government (DLG) in May 2010.

Council maintains an Investment Policy in accordance with best practice recommended by the DLG. A monthly report is provided to Council outlining the performance of Council's investment portfolio.

In conducting a review of Council's financial instruments and debt structuring, advice is sought from Council's external financial advisor, Spectra Financial Services. Council has maintained a conservative approach to the structure of the investment portfolio while taking the opportunity, after reviewing the risk profile and advice from Spectra Financial Services to enhance the performance of returns with various products that become available, such as floating rate notes or longer term fixed bonds.

The abovementioned Investment Policy has been reviewed and found that no changes were required. It is now recommended that the policy be adopted and a new review date set.

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### **Officer's Recommendation**

1. That the revised Investment Policy as attached to this report be adopted.
2. That the Policy review date be set at 31 March 2015.

### **Committee's Recommendation: (Kolkman/Greiss)**

That the Officer's Recommendation be adopted.

### **CARRIED**

### **Council Meeting (Dobson/Thompson)**

That the Officer's Recommendation be adopted.


### **Council Resolution Minute Number 31**

That the Officer's Recommendation be adopted.

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## ATTACHMENT 1

 <b>campbelltown</b> city council		<b>POLICY</b>
Policy Title	Investment Policy	
Related Documentation	Accounting Practices Statement	
Relevant Legislation/ Corporate Plan	<i>Local Government Act 1993</i> <i>Local Government General Regulation 2005</i> Ministerial Investment Order Local Government Code of Accounting Practice and Financial Reporting Australian Accounting Standards Division of Local Government Circulars	
Responsible Officer	Manager Financial Services	

**Policy details may change prior to review date due to legislative changes etc, therefore this document is uncontrolled when printed.**

### Objectives

To maximise earnings through a diversified portfolio invested in approved investments that recognise Council's planning and cash flow forecasts.

To minimise the risk of loss of principal through a policy based on high credit levels (counterparty risk) and diversification.

To seek to ensure earnings are positive over the life of the investment.

To minimise the risk of loss (both principal and interest) through clear management procedures and investment discretions.

To provide a planning framework for ongoing monitoring and review of Council's investments and its policy.

To consider investment management in the wider context of Treasury Risk Management.

### Policy Statement

Interest on these investments represents a significant contribution to the total income of Council and it is essential that Council has clear policy guidelines as to how funds can be invested. While the *Local Government Act 1993 – Order* (relating to investments by Councils) is quite explicit as to the types of institutions with which Council can invest, there are nevertheless variations in the financial ratings of these institutions and the types of investments that can be purchased, which are not explained. This policy aims to clearly state the institutions with which Council can invest the

maximum proportion of funds that may be placed with individual organisations and the types of investments entered into.

### **Scope**

This policy applies to Investment monies built up through:

- General unrestricted reserves created through rate income and other revenue sources exceeding (re)current expenditure, sale of properties and other assets
- Restricted reserves that accrue through contributions under Section 94 of the *EPA Act*
- Internally restricted reserves
- Restricted reserves accruing through special purpose grants, donations etc
- Loan proceeds drawn down awaiting expenditure
- Timing differences within the year between rate receipts and expenditures.

### **Definitions**

Working Funds	Maturities up to 180 days
Contingent Reserves	Maturities 6 months to 24 months
Core Holdings	Maturities beyond 24 months

### **Legislative Context**

Council's power to invest is derived from Section 625 of the *Local Government Act 1993*, as amended by the *Statute Law (Miscellaneous Provisions) Act 2000* – which limits investments to only those that the Minister approves.

#### *The Local Government Act*

Section 625 (2) of the Act provides that:

"Money may be invested only in a form of investment notified by order of the Minister published in the Gazette"

Investments previously authorised under the *Trustee Act* are no longer available to Council.

The current Ministerial order – 12 January 2011.

### **Principles**

#### Authority for Investment

Investment of Council funds is limited to those allowed by the most current Ministerial Investment Order that has been issued by the NSW Minister for Local Government in accordance with the following guidelines:

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### Guidelines

a) Authorised Investments

- i) Public funds or securities issued by or guaranteed by the Commonwealth, State of the Commonwealth or a Territory
- ii) Debentures or securities issued by a Council (within the meaning of the *Local Government Act 1993* (NSW))
- iii) Interest bearing deposits with, or any debentures or bonds issued by, an authorised deposit taking institutions (as defined by the *Banking Act 1959* (Cwlth)), but excluding subordinated debt obligations
- iv) Bills of exchange which have maturity dates of not more than 200 days; and if purchased for value confers on the holder in due course the right of recourse against a bank which has been designated as an authorised deposit taking institution by the Australian Prudential Regulation Authority (APRA)
- v) Deposits with the New South Wales Treasury Corporation or investments in an Hour-Glass investment facility of the New South Wales Treasury Corporation.

All investment instruments (excluding short term discount instruments) referred to above include both principal and investment income.

b) Council's Own Direct Investments

Council's policy is to only invest with the four major tier one Australian trading banks and their subsidiaries, as well as other tier two publicly listed Australian banks, in term deposits and senior debt instruments in accordance with the Ministerial order.

Investments in other tier two Australian banks are not to exceed twelve months in duration, be limited to 5% of the portfolio per institution to a maximum of 20% of the portfolio for this group and each institution must have a short term Standard & Poor's rating of not less than A-1 or A-2.

Council may take the opportunity to allocate core funds in longer term investments such as floating rate notes and fixed rate bank bonds. This will depend on the interest rate outlook and be based on Council's cash flow forecast and the need to hold contingent reserves.

**Short Term Rating** (0-365 days) means the institution's capacity to repay debt in the short term. Example of short term paper are:

- i) Commercial Bills
- ii) Certificate of Deposits
- iii) Term Deposits
- iv) Bill Lines and
- v) 11am Deposits etc.

**The Short Term Rating Order** (as defined by S&P Australian Ratings) is:

- A1+ extremely strong degree of safety regarding timely payment
- A1 a strong degree of safety
- A2 a satisfactory capacity for timely payment

**Long Term Paper** is usually Bonds, Government and Semi-Government Securities etc. The rating order is:

- AAA } an extremely strong capacity to repay debt
  - AAA- }
  - AA+ }
  - to } a very strong capacity to repay debt
  - AA- }
-

A+ }  
to } a strong capacity to repay debt  
A- }

BBB+ }  
to } an adequate capacity to repay debt  
BBB- }

#### Quotations on Investments

Not less than three quotations shall be obtained from authorised institutions whenever an investment is proposed. The best quote on the day will be successful after allowing for administrative and banking costs, as well as having regard to the limits set above.

### General Policy Guidelines

#### Diversification

Diversification is used to spread risk through utilisation of maximum percentage investment limits to the following:

- Individual Institutions (varies per credit rating)
- Credit Rating Bands (eg, AAA v A) - these are Standard & Poors Long Term ratings (or Moody's or Fitch equivalents).

These limits are as per the following schedule:

Credit Rating of Institution (Standard & Poors)	Maximum % of Total Investments	Maximum % with one Institution	Maximum Term
AAA An extremely strong capacity to pay	100%	45%	5 yrs
AA+, AA, AA- A very strong capacity to pay	100%	40%	5 yrs
A+, A, A- A strong capacity to pay	60%	20%	1 yr
<b>Standard &amp; Poor's Short Term Rating</b> A-1 strong capacity to pay A-2 satisfactory capacity to pay	20%	5%	1 yr

#### Authorised Investments

Major trading banks (MTB's) refer only to ANZ Banking Group Ltd, Commonwealth Bank of Australia, National Australia Bank and Westpac Banking Corporation.

Wholly-owned bank subsidiaries of MTB's refer to Bankwest (CBA) and St George Bank (Westpac). Both bank subsidiaries carry the same short and long term credit ratings as their parent (A1+ / AA) but neither is guaranteed by their parent.



Other ADI's refer to those intermediaries listed at any time on APRA's website, <http://www.apra.gov.au/adi/pages/adilist.aspx>. Listed Australian banking entities include Bank of Queensland, Suncorp Metway, Bendigo and Adelaide Bank and Macquarie Bank.

#### **Maturities**

Working funds representing Council's liquidity requirements are managed so as to minimise the use of expensive overdraft to meet Council's day to day trading needs. An amount of at least \$3m or 5% of the value of the total investment portfolio must be accessible within seven days.

Funds may be invested for a period up to five years. Investments exceeding a term of 12 months will only be placed with tier one institutions or wholly owned subsidiaries thereof, provided the institution is authorised under the current Ministerial Investment Order, and the subsidiary's rating from Standard and Poors, Moody's or Fitch is at least equivalent to its parent tier one institution rating.

The maturity allocation of core funds, and whether fixed or floating rates, will be determined by the interest rate outlook and be apportioned based on Council's cash flow forecast in conjunction with Council's Financial Advisor, Spectra Financial Services.

#### **Independent Financial Advice**

New Investment instruments that are promoted by an appropriately rated Financial Institution must be the subject of a review by Council's independent financial advisor. Funds may not be placed in any new financial product before this review has been completed.

#### **Review of Investment Portfolio Performance**

Council is presented with a monthly report on the performance of each fund/product that makes up Council's Investment portfolio. In conjunction with Spectra Financial Services, the Investment Policy will be reviewed at least annually or as required in the event of legislative changes.

#### **Benchmarks**

Cash	Reserve Bank Cash Reference Rate
Direct Investments	UBS 90 Day Bank Bill Index

#### **Responsibility**

Manager Financial Services, Finance & Tax Accountant, and other authorised signatories.

#### **Effectiveness of this Policy**

This policy will be reviewed annually in accordance with Regulations and Departmental Guidelines to ensure its continuing suitability and effectiveness. Records of reviews shall be maintained.

### **END OF POLICY STATEMENT**

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## **3.5 Bulk Mail Outs**

### **Reporting Officer**

Manager Financial Services

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### **Attachments**

Detailed list of bulk mail outs (contained within this report)

### **Purpose**

To provide an outline of the cost to Council of bulk mail outs since September 2012.

### **History**

At the Corporate Governance Committee Meeting held on 4 February 2014, a report was requested outlining the cost to Council of any bulk mail outs undertaken during the current term of Council.

### **Report**

Throughout the year, Council sends bulk mail outs via Australia Post for a variety of activities and legislative requirements. A detailed list is provided as an attachment.

### **Rates Notices**

In accordance with section 710 of the *Local Government Act 1993*, the majority of rates notices are distributed to ratepayers via post. Currently, 1341 residents have nominated to receive their rates notices electronically. Due to the large volume of rates notices for Housing NSW, these notices are issued in an electronic batch file each quarter.

### **Compass and Community Report**

The Compass magazine is distributed to households four times a year and has been developed to promote Council's current services and activities to the community and to provide a positive image for Council and the City. It features articles on Council's services and facilities, upcoming events and initiatives, contact details and photographs of Councillors, a what's on listing and Council news briefs.

Council also provides audio CDs for residents with visual impairment. The CDs contain a recorded version of the current edition of Compass and are available free of charge at Council's libraries for residents to either take home or listen to in the sound lounge at the HJ Daley Library. The sound file is also available on Council's website.

The Community Report is distributed annually to provide a summary of the achievements and financial results for the year.

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### **Arts Centre**

The Campbelltown Arts Centre continues to use hard copy mail for audiences who do not effectively communicate electronically, such as seniors, Heritage Week audiences, Aboriginal and Torres Strait Islander communities, under privileged communities and those funding bodies who require hard copy invites. The Campbelltown Arts Centre also continues to post material for events that such as an entry form including a map for Fisher's Kids and entry forms primarily sent to rural areas of Australia for the Parliament of NSW Aboriginal Art Prize and Fisher's Ghost. Campbelltown Arts Centre has also taken steps to decrease the amount of hard copy mail with the introduction of electronic entry forms last year.

### **Health Tips Brochure**

The Health Tips brochure is distributed three times a year to a pre-defined mailing list and includes community preventative health information linked specifically to Council events and healthy lifestyles initiatives eg, Learn to Swim, Challenge Walk, fun runs, obesity assistance services.

Overall Council expended \$194,840 on bulk mail outs for the period September 2012 to January 2014.

Council is committed to increasing the use of its technology to reduce the amount spent on printing and mail outs however anticipates bulk mail outs will still be required to inform and engage with residents who do not interact via technology.

### **Officer's Recommendation**

That the information be noted.

### **Committee's Recommendation: (Mead/Kolkman)**

That the Officer's Recommendation be adopted.

### **CARRIED**

### **Council Meeting (Dobson/Thompson)**

That the Officer's Recommendation be adopted.

### **Council Resolution Minute Number 31**

That the Officer's Recommendation be adopted.

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## ATTACHMENT 1

### Bulk Mail Outs

Mail Outs	Cost	Units	Month	Destination
Special Rate Variation Newsletter	\$ 11,034.02	55,422	Dec-13	Entire LGA
Rates Missed Instalment Notices	\$ 3,454.76	7,028	Dec-13	
Compass and Community Report	\$ 16,708.23	111,719	Nov-13	Entire LGA
Special Rate Variation Newsletter	\$ 2,711.82	5,100	Nov-13	Ratepayers outside LGA
Arts Centre	\$ 685.00	721	Oct-13	Arts Centre Pre-defined mailing list
Rates 2 <sup>nd</sup> Instalment Notices	\$ 17,920.11	36,465	Oct-13	
Rates Missed Instalment Notices	\$ 3,905.45	7,943	Sep-13	
Waste calendars - biennial	\$ 3,900.00	55,708	Aug-13	Residential homes in LGA
Arts Centre	\$ 874.00	920	Sep-13	Arts Centre Pre-defined mailing list
Compass	\$ 7,390.00	55,679	Aug-13	Entire LGA
Health Tips Brochure	\$ 800.35	1,314	Aug-13	Pre-defined mailing list including schools, GPs, child care centres etc
Arts Centre	\$ 586.00	488	Aug-13	Arts Centre Pre-defined mailing list
Arts Centre	\$ 944.00	787	Jul-13	Arts Centre Pre-defined mailing list
Rates Annual Notice (1st Instalment)	\$ 19,233.46	41,774	Jul-13	
Rates Missed Instalment Notices	\$ 3,481.95	7,823	Jun-13	
Arts Centre	\$ 487.00	541	Jun-13	Arts Centre Pre-defined mailing list
Compass and Special Edition - Swimming Pool	\$ 14,810.91	111,594	May-13	Entire LGA
Arts Centre	\$ 416.00	737	May-13	Arts Centre Pre-defined mailing list
Arts Centre	\$ 151.40	268	Apr-13	Arts Centre Pre-defined mailing list
Rates 4 <sup>th</sup> Instalment Notices	\$ 15,248.33	34,278	Apr-13	
Rates Missed Instalment Notices	\$ 2,938.08	6,781	Mar-13	
Arts Centre	\$ 1,444.00	1641	Mar-13	Arts Centre Pre-defined mailing list
Arts Centre	\$ 305.00	347	Feb-13	Arts Centre Pre-defined mailing list
Arts Centre	\$ 744.00	1573	Feb-13	Arts Centre Pre-defined mailing list
Compass	\$ 7,393.17	55,702	Feb-13	Entire LGA
Health Tips Brochure	\$ 909.26	1,527	Feb-13	Pre-defined mailing list including schools, GPs, child care centres etc
Campbelltown City Challenge Walk	\$ 242.55	460	Feb-13	Past participants of Challenge walk and Fishers Ghost Fun Run
Arts Centre	\$ 356.12	307	Jan-13	Arts Centre Pre-defined mailing list
Rates 3 <sup>rd</sup> Instalment Notices	\$ 14,937.70	34,493	Jan-13	
Rates Missed Instalment Notices	\$ 2,993.57	6,910	Dec-12	
Compass and Community Report	\$ 15,713.64	110,767	Nov-12	Entire LGA
Arts Centre	\$ 530.10	91 parcels	Nov-12	Arts Centre Pre-defined mailing list
Arts Centre	\$ 232.00	418	Nov-12	Arts Centre Pre-defined mailing list
Arts Centre	\$ 1,622.70	1834	Oct-12	Arts Centre Pre-defined mailing list
Rates 2 <sup>nd</sup> Instalment Notices	\$ 16,036.36	34,833	Oct-12	
Rates Missed Instalment Notices	\$ 3,240.41	7,472	Sep-12	
Arts Centre	\$ 459.00	824	Sep-12	Arts Centre Pre-defined mailing list
	<b>\$ 194,840.45</b>			



## **3.6 Quarterly Budget Review Statement as at 31 December 2013**

### **Reporting Officer**

Manager Financial Services

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### **Attachments**

Quarterly Budget Review Statement for the period 1 October 2013 to 31 December 2013  
(contained within this report)

### **Purpose**

A quarterly financial review has been conducted on the original income and expenditure estimates presented in the 2013-2014 budget. The adjustments relating to the review of the original budget allocations are presented for Council's consideration.

### **Introduction**

The current planning and reporting framework for NSW Local Government has a greater focus on financial sustainability. In an effort to achieve consistency in reporting between councils, the Division of Local Government introduced a set of minimum requirements and predefined templates to assist councils in meeting their legislative obligations. Collectively, these documents are known as the quarterly budget review statement (QBRS). The latest QBRS under the reporting framework is attached.

### **Report**

In accordance with Clause 203 of the *Local Government (General) Regulations 2005*, the Responsible Accounting Officer is required to prepare a quarterly budget review of income and expenditure estimates and submit a report to Council. The QBRS must also include an opinion of the Responsible Accounting Officer concerning the financial position of Council. This report provides an overview of the results of the financial review for the quarter ended 31 December 2013.

In June 2013, Council adopted a balanced budget for 2013-2014. There is no proposed change to the budget result in this review.

The recommended movements relating to income and expenditure are summarised in the attachment and details of significant items greater than \$20,000 are listed in the body of this report for Council's consideration.

In the October to December quarter, Council considered a number of reports that either required an adjustment to budget estimates or requested that consideration be given to funding programs. The recommendations from these reports have been included in this review.

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The following items are detailed with corresponding adjustments recommended following the completion of the quarterly financial review:

**Swimming Pool Inspection Program (1157) - \$25,000 increase in expenditure**

Council has recently employed three new staff to administer and carry out the requirements of the new swimming pool inspection regulations. Part of the establishment of this program has been the requirement to engage consultants to convert the swimming pool register, and also costs involved in fitting out the new staff accommodation.

**Airds Housing Estate (1801) - \$50,000 decrease in expenditure**

The Arts Centre has received funding for the Airds Housing Estate Project as well as allocated funds from Council. There has been a delay in commencing this project and the Council funds allocated for this year's budget have been transferred to other projects. It is proposed to reallocate these funds in a future budget. The funds will be utilised for the exhibition program, the school holidays program and the Fisher's Ghost Art exhibition.

**Indigenous Art Prize Tour (1807) - \$20,000 increase in expenditure**

The Indigenous Art Prize Tour has been run annually for several years. In recent years the exhibition has received grant funding and has grown in size as result. Additional expenses have been incurred this year as a result of a change to the prize guidelines which allowed artists to enter more than one piece of artwork, resulting in additional exhibition costs.

**Pacific Communities Strategy (1822) - \$33,500 increase in expenditure**

The Pacific Communities Strategy is a project administered by the Arts Centre. The project has exceeded the budgeted funds by the above amount. The increase is mainly due to exhibition and transportation costs which was greater than was originally anticipated.

**Bridge Maintenance Control Account (2235) - \$1,500,000 increase in expenditure**

As previously reported to Council, this adjustment is the finalisation of funds required for the construction of the Leumeah Pedestrian Railway Overbridge. The allocation has been sourced from reserve funds held over from the income received from the sale of Council land to Railcorp, which was acquired as part of the southern freight line project.

**3425 - Rates-General Purpose Revenue (3425) - \$53,500 increase in income**

During the current financial year there have been several supplementary rate levies issued as a result of the subdivision of land parcels. This has generated additional rating income. These additional funds have been utilised to offset various adjustments throughout the budget.

**Summary**

As reported to Council in previous years, the financial objective has been to budget a surplus to improve Council's liquidity ratio. As Council is aware, the liquidity ratio has improved to a satisfactory level and as such, a balanced budget is proposed for the 2013-2014 financial year.

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As per the Responsible Accounting Officer's statement, the 2013-2014 results continue to support Council's sound financial position in the short to medium term. During 2013-2014, Council will further refine its financial strategy in line with the development of the 10 year Long Term Financial Plan, required by the Integrated Planning and Reporting Framework and determine the most appropriate and financially responsible action for future periods.

### **Officer's Recommendation**

That the adjustments recommended in the Quarterly Budget Review Statement be adopted.

### **Committee's Recommendation: (Lake/Hawker)**

That the Officer's Recommendation be adopted.

### **CARRIED**

### **Council Meeting (Dobson/Thompson)**

That the Officer's Recommendation be adopted.

### **Council Resolution Minute Number 31**

That the Officer's Recommendation be adopted.

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## ATTACHMENT 1

Campbelltown City Council

**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

### **Report by Responsible Accounting Officer**

The following statement is made in accordance with Clause 203(2) of the Local Government (General) Regulations 2005:

It is my opinion that the Quarterly Budget Review Statement for Campbelltown City Council for the quarter ended 31/12/13 indicates that Council's projected financial position at 30/6/14 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Signed:

  
Corinne Mears

Responsible Accounting Officer

date: 17.2.14

**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

Campbelltown City Council

**Income & Expenses Budget Review Statement**

Budget review for the quarter ended 31 December 2013

**Income & Expenses - Council Consolidated**

(\$'000's)	Original Budget 2013/14	Approved Changes			Revised Budget 2013/14	Variations for this Dec Qtr	Notes	Projected Year End Result	Actual YTD figures
		Other than by QBRs	Sep QBRs	Dec QBRs					
<b>Income</b>									
Rates and Annual Charges	82,044	0	-	-	82,044	164	1	82,208	81,988
User Charges and Fees	10,088	(26)	27	-	10,089	251	2	10,340	6,690
Interest and Investment Revenues	4,119	-	-	-	4,119	(110)	3	4,009	2,418
Other Revenues	3,991	(78)	(33)	-	3,881	65	4	3,945	2,690
Grants & Contributions - Operating	26,783	281	(5,153)	-	21,911	3	5	21,914	14,948
Grants & Contributions - Capital	1,700	66	-	-	1,766	-	-	1,766	8,124
Net gain from disposal of assets	-	-	-	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>128,725</b>	<b>244</b>	<b>(5,159)</b>	<b>-</b>	<b>123,810</b>	<b>373</b>		<b>124,182</b>	<b>116,858</b>
<b>Expenses</b>									
Employee Costs	58,351	156	(262)	-	58,244	(468)	6	57,776	32,181
Borrowing Costs	899	-	-	-	899	-	-	899	663
Materials & Contracts	22,087	2,031	97	-	24,216	362	7	24,578	10,890
Depreciation	26,297	-	-	-	26,297	-	-	26,297	5,875
Legal Costs	974	1	3	-	978	66	8	1,044	535
Consultants	526	446	4	-	976	42	9	1,018	620
Other Expenses	31,067	367	178	-	31,613	378	10	31,991	18,153
Net Loss from disposal of assets	-	-	-	-	-	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>140,201</b>	<b>3,001</b>	<b>20</b>	<b>-</b>	<b>143,222</b>	<b>379</b>		<b>143,601</b>	<b>68,917</b>
<b>Net Operating Result from Continuing Operation</b>	<b>(11,476)</b>	<b>(2,758)</b>	<b>(5,179)</b>	<b>-</b>	<b>(19,413)</b>	<b>(7)</b>		<b>(19,419)</b>	<b>47,941</b>
Discontinued Operations - Surplus/(Deficit)					-	-		-	
<b>Net Operating Result from All Operations</b>	<b>(11,476)</b>	<b>(2,758)</b>	<b>(5,179)</b>	<b>-</b>	<b>(19,413)</b>	<b>(7)</b>		<b>(19,419)</b>	<b>47,941</b>
<b>Net Operating Result before Capital Items</b>	<b>(13,176)</b>	<b>(2,824)</b>	<b>(5,179)</b>	<b>-</b>	<b>(21,179)</b>	<b>(7)</b>		<b>(21,185)</b>	<b>39,817</b>

This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 31/12/13 and should be read in conjunction with the total QBRs report

Campbelltown City Council

**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

**Income & Expenses Budget Review Statement**  
**Recommended changes to revised budget**

Budget Variations being recommended include the following material items:

Notes	Details
1	During the current financial year there have been several supplementary rate levies issued as a result of subdivided land, which has generated additional rating income.
2	Additional user charge income generated from the learn to swim programs and usage of Library equipment. Additional income generated from rental properties, both new and existing.
3	Anticipated reduction in the income received from interest charged on outstanding rates and charges as a result of lower interest rates and arrears balances.
4	Additional income received from the operation of the Sports Stadium while hosting a recent soccer match (part offset by additional expenses).
5	Minor variations in Development Services income generated from development activity.
6	There have been several staff vacancies in various sections of Council. Some of these savings have utilised to engage consultants/hired personnel, thereby reducing the employee costs.
7	Increase in contractor costs due to contract staff being used to fill vacancies, capital budget used to fund operational program, increase in costs at the Sports Stadium and additional works at the Arts Centre.
8	Minor adjustments to expenditure allocations - Funding required for legal advice provided, including the outsourcing of the Animal Management centre.
9	Consultants have been engaged to carry out required work such as conducting training on new software and performance management.
10	Movements in Other Expenses have occurred due to additional use of hired personnel in various Sections, increase in expenditure on various Arts Centre projects and increases in public utility charges at various centres.



**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

Campbelltown City Council

**Capital Budget Review Statement**

Budget review for the quarter ended 31 December 2013

**Capital Budget - Council Consolidated**

(\$000's)	Original Budget 2013/14	Approved Changes				Revised Budget 2013/14	Variations for this Dec Qtr	Notes	Projected Year End Result	Actual YTD figures
		Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs					
<b>Capital Expenditure</b>										
New Assets										
- Plant & Equipment	321	1,350	1,827	-	-	3,498	-	-	3,498	6,106
- Land & Buildings	-	-	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-	-	-
Renewal Assets (Replacement)										
- Plant & Equipment	3,421	-	-	-	-	3,421	-	-	3,421	521
- Office Equipment/Furniture & Fittings	523	199	8	-	-	730	(129)	1	601	303
- Land & Buildings	2,278	2,934	34	-	-	5,246	60	2	5,306	2,716
- Roads, Bridges, Footpaths	9,745	3,477	89	-	-	13,310	1,445	3	14,755	11,763
- Stormwater/Drainage	-	551	-	-	-	551	-	-	551	1,219
- Other Assets	360	-	-	-	-	360	-	-	360	127
Loan Repayments (Principal)	3,776	-	-	-	-	3,776	-	-	3,776	2,321
<b>Total Capital Expenditure</b>	<b>20,424</b>	<b>8,511</b>	<b>1,958</b>	<b>-</b>	<b>-</b>	<b>30,892</b>	<b>1,376</b>		<b>32,268</b>	<b>25,076</b>
<b>Capital Funding</b>										
Rates & Other Untied Funding	9,933	250	(495)	-	-	9,688	(115)	4	9,573	7,459
Capital Grants & Contributions	1,700	66	-	-	-	1,766	-	-	1,766	8,124
Reserves:										
- External Restrictions/Reserves	100	2,702	-	-	-	2,802	-	-	2,802	809
- Internal Restrictions/Reserves	1,071	5,493	-	-	-	6,564	1,491	5	8,055	807
New Loans	5,000	-	-	-	-	5,000	-	-	5,000	5,000
Receipts from Sale of Assets										
- Plant & Equipment	2,015	-	1	-	-	2,016	-	-	2,016	373
- Land & Buildings	600	-	2,452	-	-	3,052	-	-	3,052	2,500
- Other Assets	5	-	-	-	-	5	-	-	5	5
<b>Total Capital Funding</b>	<b>20,424</b>	<b>8,511</b>	<b>1,958</b>	<b>-</b>	<b>-</b>	<b>30,892</b>	<b>1,376</b>		<b>32,268</b>	<b>25,076</b>
<b>Net Capital Funding - Surplus/(Deficit)</b>	<b>-</b>	<b>(0)</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>

This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 31/12/13 and should be read in conjunction with the total QBRs report

**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

Budget Variations being recommended include the following material items:

[illegible]



**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

Campbelltown City Council  
**Cash & Investments Budget Review Statement**

Budget review for the quarter ended 31 December 2013

**Cash & Investments - Council Consolidated**

(\$000's)

**Externally Restricted <sup>(1)</sup>**

Stormwater Managemnt  
Specific Purpose Grants  
Specific Purpose Contributions  
Developer Contributions - S94  
Developer Contributions - Other  
Domestic Waste Management  
Self Insurance Workers Compensation Claims  
**Total Externally Restricted**

(1) Funds that must be spent for a specific purpose

**Internally Restricted <sup>(2)</sup>**

Property Development  
Committed Works  
Self Insurance Workers Compensation Claims  
Replacement of Plant and Vehicles  
Committed Works funded by Loans  
Employee Leave Entitlements  
Environmental Sustainability  
Asset Replacement  
Olympic Ambassador  
Insurance Claims - Excess  
Local Government Elections  
Other  
**Total Internally Restricted**

(2) Funds that Council has earmarked for a specific purpose

**Unrestricted (ie. available after the above Restrictions)**

**Total Cash & Investments**

	Opening Balance 2013/14	Movement in Reserves			Current Balance 2013/14	Projected Movement Dec Qtr	Notes Projected Year End Balance	Actual YTD figures
		Income/ Expenses	Transfers to/from	Works in Kind				
	242	-	(44)	-	198	-	198	198
	6,900	-	(5,489)	-	1,411	-	1,411	1,411
	5,834	-	(663)	-	5,172	-	5,172	5,172
	5,786	2,487	(6,992)	5,635	6,917	-	6,917	6,917
	878	157	-	-	1,035	-	1,035	1,035
	2,284	-	-	-	2,284	-	2,284	2,284
	3,340	-	-	-	3,340	-	3,340	3,340
	<b>25,264</b>	<b>2,644</b>	<b>(13,187)</b>	<b>5,635</b>	<b>20,356</b>	<b>-</b>	<b>20,356</b>	<b>20,356</b>
	12,373	-	-	-	12,373	-	12,373	12,373
	1,856	-	(261)	-	1,594	-	1,594	1,594
	2,495	-	-	-	2,495	-	2,495	2,495
	2,348	-	76	-	2,424	-	2,424	2,424
	2,568	-	(208)	-	2,360	-	2,360	2,360
	10,577	-	-	-	10,577	-	10,577	10,577
	405	-	-	-	405	-	405	405
	15,387	-	1,050	-	16,437	-	16,437	16,437
	90	-	5	-	95	-	95	95
	3,784	-	751	-	4,535	-	4,535	4,535
	39	-	200	-	239	-	239	239
	125	0	-	-	125	-	125	125
	<b>52,046</b>	<b>0</b>	<b>1,614</b>	<b>-</b>	<b>53,660</b>	<b>-</b>	<b>53,660</b>	<b>53,660</b>
	10,328	-	-	-	22,018	-	22,018	22,018
	<b>87,638</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96,034</b>	<b>-</b>	<b>96,034</b>	<b>96,034</b>

This statement forms part of Council's Quarterly Budget Review Statement (QBRS) for the quarter ended 31/12/13 and should be read in conjunction with the total QBRS report

Campbelltown City Council

**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

**Cash & Investments Budget Review Statement**

**Comment on Cash & Investments Position**

The recommended variations and projected position will not impact on Council's management plan.

**Investments**

Investments have been invested in accordance with Council's Investment Policy.

**Cash**

The Cash at Bank figure included in the Cash & Investment Statement totals \$96,033,881

This Cash at Bank amount has been reconciled to Council's physical Bank Statements.  
The date of completion of this bank reconciliation is 31/12/13

**Reconciliation Status**

The YTD Cash & Investment figure reconciles to the actual balances held as follows:

**\$ 000's**

Cash at Bank (as per bank statements)		6,633,366
Investments on Hand		88,998,524
less: Unpresented Cheques	(Timing Difference)	(49,630)
add: Undeposited Funds	(Timing Difference)	29,054
less: Identified Deposits (not yet accounted in Ledger)	(Require Actioning)	(471,389)
add: Identified Outflows (not yet accounted in Ledger)	(Require Actioning)	893,956
less: Unidentified Deposits (not yet actioned)	(Require Investigation)	
add: Unidentified Outflows (not yet actioned)	(Require Investigation)	
<b>Reconciled Cash at Bank &amp; Investments</b>		<b>96,033,881</b>
<b>Balance as per Review Statement:</b>		<b>96,033,881</b>
Difference:		-

**Recommended changes to revised budget**

Budget Variations being recommended include the following material items:

**Notes   Details**

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Campbelltown City Council

**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

**Key Performance Indicators Budget Review Statement - Council specific KPI's**

Budget review for the quarter ended 31 December 2013

(\$000's)	Current Projection Amounts 13/14	Indicator 13/14	Original Budget 13/14	Actuals Prior Periods 12/13	11/12
-----------	--	--------------------	-----------------------------	-----------------------------------	-------

The Council monitors the following Key Performance Indicators:

<b>1. Current Ratio</b>					
Current assets	105,611	3.16 : 1	3.00 : 1	3.03 : 1	2.72 : 1
Current liabilities	33,466				

To assess the adequacy of working capital and the ability to satisfy obligations in the short term.

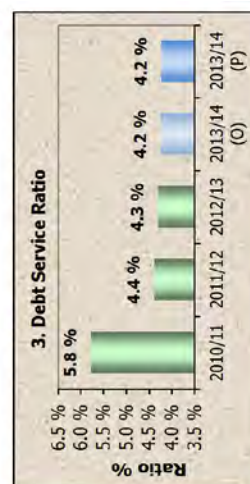
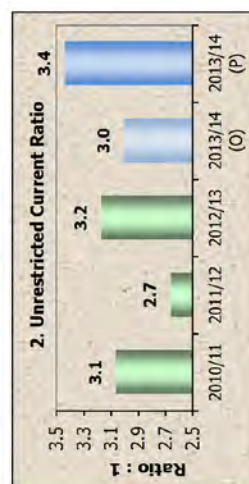
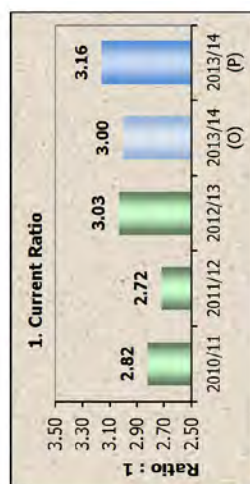
<b>2. Unrestricted Current Ratio</b>					
Current assets less all external restrictions	85,255	3.4 : 1	3.0 : 1	3.2 : 1	2.7 : 1
Current liabilities less specific purpose liabilities	24,824				

To assess the adequacy of working capital and the ability to satisfy obligations in the short term from the unrestricted activities of Council.

<b>3. Debt Service Ratio</b>					
Debt service cost	4,675	4.2 %	4.2 %	4.3 %	4.4 %
Income from continuing operations*	110,847				

To assess the impact of loan principal and interest repayments on discretionary revenue.

\* excluding capital items and specific purpose grants & contributions



Campbelltown City Council

**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

**Key Performance Indicators Budget Review Statement - Council specific KPI's**

Budget review for the quarter ended 31 December 2013

(\$000's)	Current Projection Amounts Indicator 13/14 13/14	Original Budget 13/14	Actuals Prior Periods 12/13 11/12
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The Council monitors the following Key Performance Indicators:

<b>4. Rate Coverage Ratio</b>			
Rates and annual charges	82,332	63.7 %	59.9 % 57.7 %
Income from continuing operations	124,182		

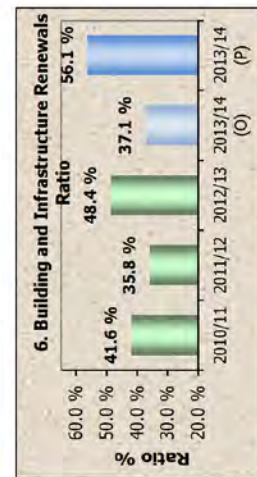
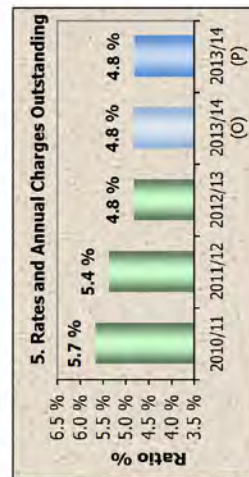
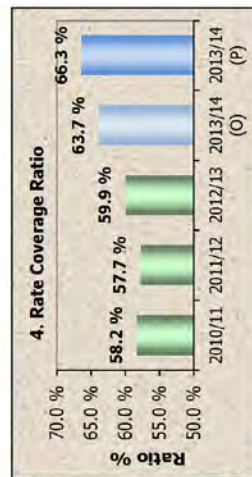
To assess the degree of dependence upon rates and annual charges as well as the security of Council's income.

<b>5. Rates and Annual Charges Outstanding</b>			
Rates and annual charges outstanding	3,952	4.8 %	4.8 % 5.4 %
Rates and annual charges collectible	82,208		

To assess the impact of uncollected rates and annual charges on liquidity and the adequacy of recovery efforts.

<b>6. Building and Infrastructure Renewals Ratio</b>			
Asset renewals	14,755	56.1 %	48.4 % 35.8 %
Depreciation, amortisation and impairment	26,297	37.1 %	

To assess the rate at which assets are being renewed against the rate at which they are depreciating.





**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

Campbelltown City Council

**Contracts Budget Review Statement**

Budget review for the quarter ended 31 December 2013  
**Part A - Contracts Listing** - contracts entered into during the quarter

Contractor	Contract detail & purpose	Procurement Process Undertaken	Start Date	Duration of Contract	Budgeted (Y/N)	Notes
<b>EXPENDITURE \$50,000 - \$150,000</b>						
Virtual Machine Technology Pty Ltd	Q13/16 Storage Area Network Maintenance	LGP Quotation	01/10/13	12 Months	Y	
The Trustee for Dad & Dave's Turf Unit	Q13/19 Supply and Lay Turf at Campbelltown Stadium	Selective Quotation	01/11/13	Until Completion	Y	
Trust t/as Dad and Dave's Turf				3 years maintenance following installation		
FE Technologies Pty Ltd	Q13/17 Glenquarie Library RFID System	LGP Quotation	27/11/13	Until Completion	Y	
Tony Pollard Electrics Pty Ltd t/as Transelect	Q13/15 Street Lighting Eagle Vale Drive	Public Quotation	31/10/13	Until Completion	Y	
	Q13/11 Remove Existing Platform and Design and Construct Viewing Platform at Eagle Farm Reserve	LGP Quotation	02/10/13	Until Completion	Y	
Scully Outdoor Designs Pty Ltd	Q13/10 Supply and Installation of Playground Equipment at Kenny Reserve	LGP Quotation	08/10/13	Until Completion	Y	
Austek Constructions Pty Ltd t/as Austek Play						
	Q13/10 Supply and Installation of Playground Equipment at Bellevue Park and Trobriand Park	LGP Quotation	08/10/13	Until Completion	Y	
Australasian Playgrounds Pty Ltd t/as A-Play	Q13/10 Supply and Installation of Playground Equipment at Digger Black Reserve	LGP Quotation	08/10/13	Until Completion	Y	
Hansen Pty Ltd as Trustee for The Hansen f				3 years maintenance following installation		
ATI Australia Pty Limited	Q13/14 Supply and Installation of Microwave Link	LGP Quotation	17/11/13	Until Completion	Y	
<b>EXPENDITURE \$150,000 - \$300,000</b>						

This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 31/12/13 and should be read in conjunction with the total QBRs report



Campbelltown City Council

**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

**Contracts Budget Review Statement**  
**Comments & Explanations relating to Contractors Listing**

**Notes   Details**

1      Contract Price is per service therefore the contract value is an estimation only

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Campbelltown City Council

**Quarterly Budget Review Statement**  
for the period 01/10/13 to 31/12/13

**Consultancy & Legal Expenses Budget Review Statement**

Consultancy & Legal Expenses Overview

Expense	YTD Expenditure (Actual Dollars)	Budgeted (Y/N)
Consultancies	619,903	Y
Legal Fees	534,792	Y

**Definition of a consultant:**

A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision making by management. Generally it is the advisory nature of the work that differentiates a consultant from other contractors.

**Comments**

Expenditure included in the above YTD figure but not budgeted includes:

**Details**

NA



4.1 Revised Policy - Workplace Harassment, Bullying And Violence (To Be Renamed As The Inappropriate Workplace Behaviour Policy)

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## **4. HUMAN RESOURCES**

### **4.1 Revised Policy - Workplace Harassment, Bullying and Violence (to be renamed as the Inappropriate Workplace Behaviour Policy)**

#### **Reporting Officer**

Manager Human Resources

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#### **Attachments**

Inappropriate Workplace Behaviour Policy (contained within this report)

#### **Purpose**

To seek Council's endorsement of the revised policy.

#### **History**

The Workplace Harassment, Bullying and Violence policy was adopted by Council on 31 May 2011 and is now due for review in accordance with the Records and Document Management Policy.

#### **Report**

The Workplace Harassment, Bullying and Violence policy has been revised in accordance with Council's Record Management Policy and the adopted procedure for Policy Development and Review.

The impetus for this policy review was recent changes to the *Sex Discrimination Act 1984* which were effective 1 August 2013. These changes specified that it is unlawful under federal law to discriminate against a person on the grounds of their sexual orientation, gender identity and intersex status. Same-sex couples have now been protected from discrimination under the new definition of 'marital or relationship status' which was previously marital status. These specific changes are reflected in the definition of discrimination.

In reviewing the policy to include these legislative changes further amendments were made as follows:

- the title was changed to reflect the fact that there are numerous forms of inappropriate workplace behaviour specifically identified under various legislation. These include discrimination, harassment, bullying, violence and victimisation and are too numerous to list in a policy title
-

#### 4.1 Revised Policy - Workplace Harassment, Bullying And Violence (To Be Renamed As The Inappropriate Workplace Behaviour Policy)

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- reference to Council's EEO Policy was made in the 'Related Documentation' section
- any reference to 'Occupational Health and Safety' has been changed to Work Health and Safety to reflect the new *Work Health and Safety Act 2011*
- any reference to 'employees' has been changed to 'workers' to reflect the new *Work Health and Safety Act 2011*
- the scope has been made clearer by articulating that it applies to all Council workplaces as well as work related functions/conferences etc
- the definitions have been rearranged into alphabetical order
- the definition of 'bullying' has been expanded to provide examples of what bullying is not, as articulated in the national '*Guide for Preventing and Responding to Workplace Bullying*' November 2013
- the definitions of 'worker' and 'discrimination' have been included
- the definition of 'harassment' has been expanded to incorporate associated Acts
- the definition of 'victimisation' has been included
- where any reference is made in a sentence to 'harassment, bullying and violence' this has been extended to include 'discrimination' and 'victimisation'
- under the heading 'legislative context' the legal responsibility of Council and individual employees under the *Anti-Discrimination Act 1977* is further clarified by explaining 'vicarious liability' and 'aiding and abetting'
- point 14 of the principles refers to 'aiding and abetting'
- numerous changes have been made to the content further to legal advice (see below).

Subsequent to making the above amendments, legal advice was sought from Sparke Helmore lawyers with regards to the overall provisions of the policy. Their additional advice has been incorporated as follows:

- the policy has been amended so as not to use language and terminology that is absolute (for example, rather than committing Council to 'ensure' that something occurs, rephrasing the statement to say 'take all reasonable steps to allow....'). The purpose of this is to avoid creating additional and unreasonable obligations for Council under the policy.

The above changes have been highlighted in the attached policy.

### **Officer's Recommendation**

1. That the revised Inappropriate Workplace Behaviour Policy as attached to this report be adopted.
2. That the Policy review date be set at 30 June 2016.

### **Committee's Recommendation: (Hawker/Greiss)**

That the Officer's Recommendation be adopted.

**CARRIED**

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**Council Meeting (Dobson/Thompson)**

That the Officer's Recommendation be adopted.


**Council Resolution Minute Number 31**

That the Officer's Recommendation be adopted.

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#### 4.1 Revised Policy - Workplace Harassment, Bullying And Violence (To Be Renamed As The Inappropriate Workplace Behaviour Policy)

## ATTACHMENT 1

		<b>POLICY</b>
Policy Title	Inappropriate Workplace Behaviour	
Related Documentation	Grievance and Dispute Handling Authorised Statement Grievance and Dispute Handling Procedure Work Health and Safety Policy Critical Incident Management Authorised Statement Critical Incident Management Procedure Code of Conduct Workplace Investigation Authorised Statement Disciplinary Action Authorised Statement Equal Employment Opportunity Policy	
Relevant Legislation/ Corporate Plan	Local Government (State) Award Work Health and Safety Act 2011 NSW Anti-Discrimination Act 1977 NSW Industrial Relations Act 1996 Race Discrimination Act 1975 (Cth) Sex Discrimination Act 1984 (Cth) Disability Discrimination Act 1992 (Cth) Age Discrimination Act 2004 (Cth)	
Responsible Officer	Manager Human Resources	

**Policy details may change prior to review date due to legislative changes, therefore this document is uncontrolled when printed.**

### Objectives

To affirm Council's commitment to providing a workplace free from behaviours that is unlawful or inappropriate, including discrimination, harassment, bullying, violence or victimisation.

### Policy Statement

Council is committed to providing a harmonious work environment that is free from discrimination, harassment, bullying, violence and victimisation. This behaviour is not condoned or tolerated by Council. Such behaviour constitutes misconduct, breaches Council's Code of Conduct and may also be unlawful.

### Scope

This policy applies to all workers and Councillors in any of Council's workplaces which includes but is not limited to: conferences, training courses, workshops, business or field trips and any other work function such as Christmas parties and farewells.

#### 4.1 Revised Policy - Workplace Harassment, Bullying And Violence (To Be Renamed As The Inappropriate Workplace Behaviour Policy)

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### Definitions

#### Bullying

Workplace bullying is a form of harassment, and is the repeated, unreasonable behaviour directed towards a worker or group of workers that creates a risk to their health, safety and welfare (including psychological welfare). It is most often an abuse of power. Workplace bullying may involve:

- Behaviour aimed to demean, humiliate or intimidate workers either as individuals or as a group;
- The less favourable treatment of a person by another in the workplace, beyond that which may be considered reasonable and appropriate workplace practice;
- Unwelcome and unreasonable behaviour that creates a hostile, uncomfortable atmosphere leading to stress;

Examples of such behaviour may include, but is not limited to:

- Continual unjustified and unnecessary comments about a worker or colleague, their work or capacity for work;
- Continual ignoring or exclusion of a worker, colleague or group of workers or colleagues from normal conversation, work assignments, work-related social activities and networks;
- Unreasonable demands and impossible targets;
- Phone calls, letters or emails which are threatening, abusive or offensive;
- Taking deliberate advantage of a lack of understanding or knowledge due to inexperience;
- Restrictive and petty work rules;
- Being intentionally overworked and being forced to stay back or perform additional tasks;
- Unjustified open or implied threats of demotion, dismissal or disciplinary action;
- Constant criticism or denigration of a worker(s) or colleague(s) in front of others;
- Denying access to training or promotion opportunities

These examples are indicative rather than exhaustive.

#### What bullying is not

Bullying should not be confused with the legitimate exercise of managerial or supervisory authority. It is not bullying for a Supervisor, within the framework of Council policies and procedures, to counsel a staff member on their performance or institute proceedings for unsatisfactory performance, misconduct or dismissal with complaints from others.

It is not bullying for staff to express differences of opinion or difficulties they may have with another staff member provided it is done in the appropriate manner.

An isolated incident of the behaviour described in the definition above may be in breach of the Code of Conduct, but as a once-off incident it is not necessarily considered to be bullying.

Examples of what bullying is not may include, but is not limited to:

- Allocating work to a worker;
  - Rostering and allocating working hours;
  - Transferring a worker;
  - Implementing organisational change;
  - Deciding not to select a worker for promotion;
  - Setting performance goals, standards and deadlines;
  - Performance management ;
  - Informing a worker about unsatisfactory performance;
  - Informing a worker about inappropriate behaviour;
  - Constructive feedback and downsizing
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#### 4.1 Revised Policy - Workplace Harassment, Bullying And Violence (To Be Renamed As The Inappropriate Workplace Behaviour Policy)

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**Discrimination**

Discrimination occurs when someone is treated unfairly because they happen to belong to a particular group of people or have a particular characteristic. Discrimination can be "direct" or "indirect".

Direct discrimination is treating someone unfairly compared to someone else in the same or similar circumstances.

Indirect discrimination means a requirement (or rule) that is the same for everyone but has an effect or result that is unequal and unreasonable having regard to the circumstances.

The grounds for discrimination include:

- A person's sex;
- Gender identity;
- Sexual orientation;
- Intersex status;
- Pregnancy;
- Breastfeeding;
- Race (including colour, nationality, descent, ethnic or ethno-religious background);
- Age;
- Marital or relationship status;
- Homosexuality;
- Disability;
- Transgender status;
- Carers' responsibilities; or
- If a person has an infectious disease.

**Harassment**

Harassment means unsolicited and unwelcome behaviour which may cause offence or distress to its recipients, and which creates an intimidating, hostile or offensive work environment. Harassment is unlawful when the harassment occurs in relation to any of the grounds for discrimination under the Anti-Discrimination Act 1977 and associated acts as identified above under the definition of "discrimination".

Acts or behaviour that may appear to be humorous and/or insignificant to one person may be offensive or disturbing to another. Harassment is defined by reference to the nature and consequences of the behaviour, not the intent of the initiator (NSW Anti-Discrimination Act 1977). Harassment in the workplace may include, but is not limited to:

- Coercive behaviour to control, influence or affect the career or job of a person;
- Offensive jokes, suggestions or derogatory comments;
- The distribution or display of offensive or obscene material;
- Sending derogatory or offensive material through email;
- Stereotyping, or making assumptions about a person's behaviour, values, culture and abilities;
- Intimidation;
- Abuse or assault.

**Sexual Harassment**

Sexual harassment is unsolicited and unwelcome sexist or sexual behaviour or activity that the recipient sees as offensive and/or distressing. Sexual harassment may include, but is not limited to:

- Offensive or smutty jokes;
  - Personally offensive verbal comments;
  - Comments or teasing about a person's alleged sexual activities or personal life;
  - Persistent unwelcome social invitations or telephone calls from work mates at home or at work;
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- Being followed home from work;
- Posters of a sexual nature in the workplace;
- Physical contact such as frequent brushing against a person, touching, pinching, patting or putting an arm around someone when it is unwelcome;
- Offensive hand or body gestures;
- Sexual harassment, assault or rape.

##### **Victimisation**

Victimisation may occur when someone exploits or treats another person unfairly. In the workplace it may include:

- Bullying and intimidation by co-workers
- Being denied a promotion or being moved to a position with lower responsibility
- Dismissal from employment
- Being refused further work

Victimisation is unlawful under Anti-discrimination legislation

##### **Violence**

For the purposes of this policy Council identifies workplace violence as violence committed against a worker by a member of the public.

Violence can be described as the attempted or actual exercise by a person of any physical force so as to cause injury to a worker, and includes any threatening statement or behaviour which gives a worker reasonable cause to believe they are at risk of injury.

Violence includes verbal and emotional threats, and physical attack to an individual's person or property by another individual or group.

##### **Worker**

A person as defined under the Work Health and Safety Act 2011 is a "worker" if the person carries out work in any capacity for a person conducting a business or undertaking, including work as:

- A worker;
- A contractor or subcontractor;
- A worker of a contractor or subcontractor;
- A worker of a labour hire company who has been assigned to work in the person's business or undertaking;
- An outworker;
- An apprentice or trainee;
- A student gaining work experience;
- A volunteer;
- A person of a prescribed class.

##### **Legislative Context**

##### **Legal Consequences of Workplace Discrimination, Harassment, Bullying, Violence and Victimisation**

- Workers that discriminate, harass or bully may, in addition to disciplinary penalties, be prosecuted under the NSW Anti-Discrimination Act 1977, the Race Discrimination Act 1975, the Sex Discrimination Act 1984, the Age Discrimination Act 2004 or the Disability Discrimination Act 1992.
  - Under the Work Health and Safety Act 2011, a workplace in which discrimination, harassment, bullying, violence and victimisation is tolerated or condoned is not a safe working environment and could result in criminal charges.
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- Under S104 of the NSW Industrial Relations Act 1996, if the worker alleges that their resignation as a result of bullying conduct was a “constructive dismissal”, they may succeed in a claim of unfair dismissal.
- Under the Anti-Discrimination Act 1977, an employer may be legally responsible for discrimination and harassment which occurs in the workplace or in connection with a person's employment unless it can be shown that ‘all reasonable steps’ have been taken to reduce this liability. This legal responsibility is called ‘vicarious liability’.
- Under the Anti-Discrimination Act 1977, a person may be seen as ‘aiding and abetting’ where they cause, instruct, induce, aid or permit another person to do an act that is unlawful. This includes observing an unlawful act and not reporting it to the relevant person.
- Physical assault constitutes a criminal offence.

#### **Discrimination, harassment, bullying, violence and victimisation may occur between:**

- Co-workers;
- A supervisor and a subordinate, that is, people using the power of their position to exercise control over another person;
- A worker and a member of the public
- A worker and a Councillor.

#### **Principles**

1. All workers shall ensure their behaviour is appropriate and in accordance with this and other relevant Council policies and procedures.
  2. Directors, Managers, Coordinators, Supervisors and Team Leaders shall take reasonably practicable steps to prevent discrimination, harassment, bullying, violence and victimisation in workplaces under their control.
  3. Council will make every reasonable effort to distribute and publicise this Policy Statement throughout the organisation and elsewhere as appropriate.
  4. All workers will be provided with awareness and prevention training in workplace discrimination, harassment, bullying, violence and victimisation.
  5. Council will take all allegations of workplace discrimination, harassment, bullying, violence and victimisation seriously and take action to promptly address the matter, including measures to prevent the potential for such behaviour to reoccur.
  6. Council will deal with complaints of workplace discrimination, harassment, bullying, violence and victimisation in accordance with the Grievance and Dispute Handling Procedure. With regard to workplace violence, Council will endeavour where appropriate or possible to settle all complaints within the workplace.
  7. Nothing in this policy will be construed as excluding the involvement of any external body competent to deal with alleged workplace discrimination, harassment, bullying, violence or victimisation.
  8. Management will identify hazardous work areas and implement control measures to prevent or minimise the risk of workers being exposed to specific hazards such as acts of violence from members of the public.
  9. Workers should report all work areas which they consider may be a high risk area for workplace violence to their supervisors.
  10. Victims of workplace discrimination, harassment, bullying, violence or victimisation will be provided with access to appropriate counselling, mediation and other forms of worker assistance.
  11. Complainants will be given as much protection as possible to avoid victimisation or retaliation. If an investigation results in the transfer or relocation of a worker or workers, the complainant will not be transferred or relocated without their agreement.
  12. If it has been found that a worker has been subjected to workplace discrimination, harassment, bullying, violence or victimisation in the course of their engagement with Council, all attempts shall be made to minimise any potential disadvantage to the worker.
  13. Any worker found to be responsible or complicit in discrimination, harassment, bullying, violence or victimisation may be subjected to disciplinary action up to and including termination of their employment.
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14. Those in authority who knowingly tolerate such behaviour are also guilty of misconduct and could be held legally liable under the principles of vicarious liability and/or aiding and abetting.
15. Council shall take all reasonable steps to keep complaints and information obtained in the course of any subsequent investigation confidential.

#### Responsibility

##### General Manager

- Take all reasonable step to allow Council to meet its commitment to this policy.
- Foster the development of a culture within Council that is respectful of individual workers, and discourages discrimination, bullying, harassment, violence and victimisation of any sort.
- Act in a manner which provides an example of good and acceptable workplace behaviour.
- Commit adequate resources and staffing for the effective implementation of this policy.
- Encourage all Directors, Managers, Coordinators, Supervisors and Team Leaders to commit to a workplace that is safe and free from workplace discrimination, harassment, bullying, violence and victimisation.

##### Directors, Managers, Coordinators, Supervisors and Team Leaders

- Take all reasonable steps to prevent workplace discrimination, harassment, bullying, violence and victimisation.
- Provide leadership by treating all workers with dignity, respect and compassion.
- Act in a manner consistent with this policy and Council's Code of Conduct.
- Actively promote this policy so that workers are aware they do not have to be the recipients of workplace discrimination, harassment, bullying, violence and victimisation, and so that workers are aware of the procedures to deal with these types of behaviour if they occur.
- Consult with relevant workers, health and safety representatives, equal employment opportunity representatives and Council's Employee Assistance Provider (EAP) to develop strategies to prevent or minimise the incidence of workplace discrimination, harassment, bullying, violence and victimisation.
- Provide information, instruction and support training to workers about Council's policies and procedures in relation to workplace discrimination, harassment, bullying, violence and victimisation.
- Promptly deal with complaints of workplace discrimination, harassment, bullying, violence and victimisation in a sensitive and unbiased manner and resolve them with the assistance of relevant people.

##### Human Resources

- Communicate and assist in educating workers on this policy.
- Provide assistance in the resolution of complaints where appropriate.

##### Contact Officers

- Fulfil their obligations under Council's Grievance and Dispute Handling Procedure.

##### Workers

- Ensure that they take the appropriate steps to protect themselves from workplace discrimination, harassment, bullying, violence and victimisation if it exists in the workplace.
- Ensure that they do not adversely affect the health, safety and welfare of others by engaging in workplace discrimination harassment, bullying, violence and victimisation.
- Help to eliminate workplace discrimination, harassment, bullying, violence and victimisation by:
  - Refusing to join in with discriminatory, harassing or bullying actions/behaviours;
  - Supporting others to say "no" to discriminatory, harassing or bullying actions/behaviours, and;
  - Reporting instances of workplace violence where they witness it occurring.

#### END OF POLICY STATEMENT

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## **5. INFORMATION MANAGEMENT AND TECHNOLOGY**

**No reports this round**

## **6. GENERAL BUSINESS**

### **6.1 Business Paper Attachments**

#### **Committee's Recommendation: (Mead/Greiss)**

That all attachments referenced in the agenda, but not included in the agenda are either:

- i. placed on Council's website on the same webpage as the agenda or
- ii. referenced on the website on the same webpage as the agenda with reason given why the attachment can not be publicly available, and whether or not it can be viewed in person at Council.

**CARRIED**

#### **Council Meeting (Dobson/Thompson)**

That the Committee's Recommendation be adopted.

#### **Council Resolution Minute Number 31**

That the Committee's Recommendation be adopted.

### **6.2 Charities/not-for profits Operating in Campbelltown**

#### **Committee's Recommendation: (Mead/Greiss)**

That a report be presented detailing Council regulations, forms and processes that not-for-profits and charities are typically required to complete to run public activities and fundraisers in Campbelltown. The report should also include:

- i. aspects such as cost, required notice time/typical time to approve, and whether such regulations are mandated by law or at the discretion of council.
- ii. suggestions for ways that Council could streamline its processes and regulation to reduce any burden on charities/not-for-profits operating in Campbelltown.

**CARRIED**

#### **Council Meeting (Dobson/Thompson)**

That the Committee's Recommendation be adopted.

#### **Council Resolution Minute Number 31**

That the Committee's Recommendation be adopted.

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## **6.3 Local Government NSW - Legal Matters**

Council at its meeting of 5 June 2012 resolved:

That Council submit a motion to the 2012 Local Government Conference asking the Local Government Association to consider establishing a reserve fund for legal costs to assist member Councils in defending matters before the Administrative Decisions Tribunal.

The motion was submitted and subsequently carried at the conference. Council has not been formally advised of the Association's determination.

### **Committee's Recommendation: (Lake/Dobson)**

That Council write to Local Government NSW asking for the outcome of the 2012 Local Government Conference resolution that the Local Government Association be asked to consider establishing a reserve fund for legal matters referred to Local Government NSW for funding.

**CARRIED**

### **Council Meeting (Dobson/Thompson)**

That the Committee's Recommendation be adopted.

### **Council Resolution Minute Number 31**

That the Committee's Recommendation be adopted.

## **6.4 Advertising of Council Facilities**

### **Committee's Recommendation: (Greiss/Hawker)**

That a report be presented outlining the feasibility of compiling short video clips to be loaded on Council's website to promote Council's outstanding recreational facilities.

**CARRIED**

### **Council Meeting (Dobson/Thompson)**

That the Committee's Recommendation be adopted.

### **Council Resolution Minute Number 31**

That the Committee's Recommendation be adopted.

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### **Confidentiality Motion: (Kolkman/Lake)**

That the Committee in accordance with Section 10 of the *Local Government Act 1993*, move to exclude the public from the meeting during discussions on the items in the Confidential Agenda, due to the confidential nature of the business and the Committee's opinion that the public proceedings of the Committee would be prejudicial to the public interest.

**CARRIED**

## **21. CONFIDENTIAL ITEMS**

### **21.1 Grant of Easement for sewer purposes - Hephher Road, Campbelltown**

#### **Reason for Confidentiality**

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(c) of the *Local Government Act 1993*, which permits the meeting to be closed to the public for business relating to the following: -

- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.

### **21.2 Confidential Report Directors of Companies**

#### **Reason for Confidentiality**

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(c) of the *Local Government Act 1993*, which permits the meeting to be closed to the public for business relating to the following: -

- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business
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### **21.3 12 Browne Street, Campbelltown**

#### **Reason for Confidentiality**

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(c) of the *Local Government Act 1993*, which permits the meeting to be closed to the public for business relating to the following: -

- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.

There being no further business the meeting closed at 6.00pm.

S Dobson  
CHAIRPERSON

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