

Reports of the Corporate Governance Committee Meeting held at 5.30pm on Tuesday, 9 August 2016.

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 9 August 2016

Present

His Worship the Mayor, Councillor P Hawker
Councillor G Greiss (Chairperson)
Councillor C Mead (arrived late to the meeting during discussion of item 3.3)
Councillor F Borg
Councillor R Kolkman
Councillor P Lake
Acting Director Business Services - Mrs S Peroumal
Director Business Services - Mr M Sewell
Director City Works - Mr W Rylands
Acting Manager Assets and Supply Services - Ms K Stares
Manager Emergency Management and Facility Services - Mr R Blair
Manager Financial Services - Mrs C Mears
Manager Governance and Risk - Mrs M Dunlop
Manager Operational Services – Mr A Davies
Manager Property Services - Mr J Milicic
Internal Auditor - Mrs D Goodyear
Executive Assistant - Mrs K Peters

Election of the Chairperson

In the absence of the Chairperson Councillor Mead, Councillor Greiss was elected to Chair the meeting.

Apology

(Lake/Kolkman)

That the apology from Councillor Chanthivong and Dobson be received and accepted.

CARRIED

Also in Attendance

Bruce Hanrahan – Audit Committee

Acknowledgement of Land

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

DECLARATIONS OF INTEREST

There were no Declarations of Interest at this meeting.

1. GOVERNANCE AND RISK

1.1 Actuarial Report 2016

Reporting Officer

Manager Governance and Risk

Attachments

Nil

Purpose

This report is to provide Council with information on the actuarial assessment completed for the 2015-2016 financial year as it relates to Council's Self-Insurance Licence for Workers Compensation.

Report

Campbelltown City Council enacted its Self-Insurance Licence for Workers Compensation on 1 July 2000. Under condition 3.4(a) of the licence, Council is required to have an actuarial report prepared by a qualified actuary, estimating Council's potential outstanding liability for its Workers Compensation claims each financial year. An independent external consultant (actuary) is contracted by Council to provide the actuarial report in meeting the requirements developed by the State Insurance Regulatory Authority.

The 2016 report has been prepared in accordance with the Institute of Actuaries Professional Standard (PS300) relating to outstanding claims in general insurance as issued by The Institute of Actuaries of Australia. This report also provides results intended for accounting standards AASB137 as it related to the disclosure of provisions.

Statistics provided are as follows:

| Claims Experience | | | |
|-------------------|--------------|--------------------------|-------------------------------------|
| Year | No of Claims | No of Claims Outstanding | Estimated Ultimate Claim Costs (\$) |
| Prior to 2010 | 927 | 2 | \$215,000 |
| 2010-2011 | 80 | 2 | \$135,000 |
| 2011-2012 | 93 | 3 | \$175,000 |
| 2012-2013 | 66 | 2 | \$30,000 |
| 2013-2014 | 66 | 4 | \$110,000 |
| 2014-2015 | 58 | 6 | \$265,000 |
| 2015-2016 | 44 | 24 | \$330,000 |
| Total | 1334 | 43 | \$1,260,000 |

In the 2015-2016 financial year, 44 claims were reported and 43 claims remain outstanding. 24 of the claims relate to 2015-2016 and 19 relate to earlier years. Of the 24 claims, three have a precautionary estimate. The 21 remaining are not considered serious and are just waiting finalisation.

Based on these claims figures, Council's outstanding liability has decreased in this financial year due to finalisation of two tail end claims.

| Actuarial Liability of Outstanding Claims as at 30 June 2016 | |
|--|-------------|
| Current Component | \$680,000 |
| Non-Current Component | \$1,089,000 |
| Provision as at 30 June 2016 | \$2,570,000 |

| Security Deposit 2016-2017 | |
|-------------------------------|-------------|
| Estimated liabilities | \$2,570,000 |
| 50 per cent Prudential Margin | \$1,290,000 |
| Security Deposit | \$3,860,000 |

Council is required to lodge a bank guarantee or an investment with NSW Treasury Corporation (TCorp) to represent the security deposit for the Workers Compensation Licence. In the past Council was only in a position to accept the interest rates offered by TCorp, which were conservative when compared to those offered by other financial institutions. The Licence now contains provisions to allow TCorp to source interest rates from other approved financial institutions, giving Council the capacity to earn better returns on these invested funds. The investment that Council will hold has decreased to an amount of \$3.86m from \$4.21m. This is a \$350,000 return to Council.

Every effort is made to ensure a safe working environment for staff and this is reflected by Council's commitment to Work Health and Safety. Council continues to provide safety awareness, increased training and improvements in identifying risk profiles associated with all work activities undertaken.

In the finalisation of the 2015-2016 financial accounts, an amount of \$3.86m has been restricted for future liabilities in accordance with the legislation. This restriction is required to be fully cash backed. There is also an internal restriction for future unforeseen potential liabilities of \$1.5m respectively.

The Workers Compensation vote in the budget has not increased for several years and provides for all expenses associated with the administration of the Workers Compensation Licence and also provides for three Safety Officers within Council's Work Health and Safety Unit.

Officer's Recommendation

That Council restrict funds of \$3.86m as per legislative requirements developed by the State Insurance Regulatory Authority.

Committee's Recommendation: (Lake/Borg)

That the Officer's Recommendation be adopted.

CARRIED

Council Meeting 16 August 2016 (Greiss/Thompson)

That the Officer's Recommendation be adopted.

Council Resolution Minute Number 139

That the Officer's Recommendation be adopted.

1.2 Local Government NSW Annual Conference 2016

Reporting Officer

Manager Governance and Risk

Attachments

1. LGNSW Annual Conference draft program (contained within this report)
2. LGNSW Conference Business Submission form (contained within this report)

Purpose

To advise Councillors of the 2016 Local Government NSW Annual Conference.

Report

The 2016 Local Government NSW Annual Conference will be held at WIN Entertainment Centre, Wollongong from Sunday 16 October to Tuesday 18 October 2016.

The conference is the annual policy making event for councils. Councils work together with Local Government NSW to promote Local Government and advocate on behalf of their communities for local democracy, informed decision making and good governance.

The conference is the pre-eminent event of the Local Government event calendar, where Councillors come together to share ideas and debate issues contained within the conference business paper.

Motions

Councils will be able to submit motions for consideration of the conference. Motions will be included in the business paper for the conference where they:

1. are consistent with the objects of the Association (see Rule 4 of the Association's rules)
2. relate to Local Government in NSW and/or across Australia
3. concern or are likely to concern Local Government as a sector
4. seek to advance the Local Government policy agenda of the Association and/or improve governance of the Association
5. have a lawful purpose (a motion does not have a lawful purpose if its implementation would require or encourage non-compliance with prevailing laws)
6. are clearly worded and unambiguous in nature
7. do not express preference for one or several members over one or several other members.

Further, for a motion to be included in the business paper for the conference, Council should resolve to submit the motion for consideration by the conference.

Councillors proposing a motion for the conference should put the proposed motion to Council for its consideration by Notice of Motion. Motions should identify the proposed category, the heading, details of the issue and the motion or proposed solution. Staff will lodge motions supported by Council via the electronic LGNSW Conference Business Sessions Submission Form. Motions should be lodged prior to Monday 22 August 2016.

Councils should identify motions relating to the following overall categories:

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

Details of what functions or issues fall in each category are set out in the LGNSW Conference Business Submission Form (attachment 2).

Voting

Council will be required to nominate the ten voting delegates for voting on motions at the Extraordinary Meeting of Council after the local government election.

It has been Council's practice to authorise the attendance at the conference of any Councillor interested in attending, but not nominated as a voting delegate.

Officer's Recommendation

That the information be noted.

Committee's Recommendation: (Lake/Kolkman)

That the Officer's Recommendation be adopted.

CARRIED

Council Meeting 16 August 2016 (Greiss/Thompson)

That the Officer's Recommendation be adopted.

Council Resolution Minute Number 139

That the Officer's Recommendation be adopted.

ATTACHMENT 1



Local Government NSW Annual Conference 2016

Sunday 16 – Tuesday 18 October 2016

Main conference venue is WIN Entertainment Centre, Crown and Harbour Streets, Wollongong, 2500

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

DRAFT PROGRAM (as of 18 July 2016)

| SUNDAY 16 OCTOBER | |
|--|---|
| 1.00pm – 4.45pm | Bump in sponsors to WIN Entertainment Centre Foyer |
| 1.00pm – 4.00pm | Registration opens in WIN Entertainment Centre Foyer |
| 2.00pm – 4.45pm | Councillor training sessions in Winners Room 1, Winners Room 2, Victory Room <ul style="list-style-type: none"> - Understanding changes to the Local Government Act - Know your planning - Principles of good governance |
| 2.00pm – 4.45pm | LGNSW briefing for General Managers and Interim General Managers in Premiers Room. This briefing will give progress on negotiation for a new 2017 Local Government (State) Award and workplace reform. |
| 3.00pm – 3.30pm | Afternoon Tea meet the sponsors in trade exhibition next to Premiers Room |
| 4.45pm – 5.00pm | Pre-booked local transfer buses from WIN to Lagoon Seafood Restaurant, Stuart Park, George Hanley Drive, North Wollongong |
| 5.00pm – 7.00pm | President's Opening Reception in Lagoon Seafood Restaurant <ul style="list-style-type: none"> - Welcome To Country - Welcome from Cr Gordon Bradbery OAM, Lord Mayor of Wollongong City Council - Opening from Cr Keith Rhoades AFSM, President, LGNSW |
| 7.00pm | Pre-booked local transfer buses will drop off back to WIN Entertainment Centre |
| MONDAY 17 OCTOBER – Business Session Day 1 Chaired by Cr Keith Rhoades AFSM, WIN Entertainment Centre | |
| 7.00am – 5.00pm | Registration opens in Box Office of foyer WIN Entertainment Centre Distribution of voting materials and electronic handsets |
| 7.30am – 8.45am | NSW Reconciliation Council Breakfast, Winners Room 1 <ul style="list-style-type: none"> - Welcome from the Hon Leslie Williams MP, Minister for Aboriginal Affairs - Address from Mick Gooda, Aboriginal and Torres Strait Islander Social Justice Commissioner - Address from Stan Grant, journalist, author, and Referendum Councillor Supported by NSWALC and sponsored by Aboriginal Affairs NSW |
| 8.15am -9.00am | Trade exhibition opens in WIN Entertainment Centre Foyer |
| 9.00am – 9.30am | Address from The Hon Mike Baird MP , Premier of New South Wales |

| | |
|---|--|
| 9.30am – 10.00am | Address from Cr Keith Rhoades AFSM , President, LGNSW |
| 10.00am – 11.00am | Opening of the Federal Conference, chaired by Cr Keith Rhoades AFSM including demonstration of voting units, adoption of standing orders, presentation of the auditor's report, general financial report and operating report to members. Business session and consideration of motions. Opening of the State Conference, chaired by Cr Keith Rhoades AFSM including adoption of standing orders, business session and consideration of motions |
| 11.00am - 11.30am | Morning tea in trade exhibition sponsored by LG Super |
| 11.30am – 1.00pm | Consideration of Conference business continued, chaired by the President |
| 1.00pm – 2.00pm | Lunch in trade exhibition sponsored by LG Super General Managers Lunch: StateCover, LG Super, LGP, LGNSW Member Services and councils: Building Mutually Beneficial Partnerships, Winners Room 1 and 2 |
| 2.00pm – 3.30pm | Consideration of Conference business continued, chaired by the President |
| 3.30pm – 4.00pm | Afternoon tea in trade exhibition |
| 4.00pm – 5.30pm | Consideration of Conference business continued, chaired by the President Collection of all electronic handsets and voting cards Conference business session closes |
| 5.30pm – 6.30pm | Delegate networking function in trade exhibition |
| 6.30pm | Trade exhibition closes. Free night for delegates |
| TUESDAY 18 OCTOBER – Business Session Day 2 WIN Entertainment Centre | |
| 7.00am – 5.00pm | Registration opens in WIN Entertainment Centre Foyer |
| 7.30am – 8.45am | Australian Local Government Women's Association (ALGWA) Breakfast Winners Room 1: Tracy Howe , Chief Executive Officer, NSW Council of Social Service (NCOSS) Anti-Poverty Week 'Fighting Poverty Together', Room 1 |
| 8.00am – 5.30pm | Trade exhibition opens in WIN Entertainment Centre Foyer |
| 9.00am – 9.15am | Introduction by Master of Ceremonies, Tracey Spicer |
| 9.15am – 9.30am 9.30am – 9.45am | Address from The Hon Paul Toole MP , Minister for Local Government Facilitated questions from the conference to the Minister |
| 9.45am – 10.00am | Launch of NSW Workforce Development Strategy |
| 10.00am – 10.05am | Premier Sponsor Meridian IT Company Update |
| 10.05am – 10.30am | Morning tea in trade exhibition sponsored by EPA |
| 10.30am – 10.45am | Address from The Hon Peter Primrose MLC , Shadow Minister for Local Government |
| 10.45am – 11.00am | Facilitated questions from the conference to the Shadow Minister |

| | |
|------------------------|--|
| 11.00am – 11.45am | Keynote: Rethinking the role of Local Government, Peter McKinlay , Executive Director, McKinlay Douglas Ltd. |
| 11.45am – 12.30pm | Tracey Spicer facilitates a Local Government Reform Panel: Challenges and Achievements. Panellists: <ul style="list-style-type: none"> - Jane Mills, Chief Operating Officer, City of Parramatta Council - Luke Johnson, General Manager, Wollondilly Shire Council |
| 12.30pm – 12.45pm | Address on Association business from Cr Keith Rhoades AFSM, President, LGNSW |
| 12.45pm – 1.00pm | Treasurer's Report |
| 1.00pm – 1.45pm | Lunch in the trade exhibition WIN Entertainment Centre sponsored by EPA |
| 1.45pm – 3.00pm | MOVE TO CONCURRENT SESSIONS |
| 1.45pm – 3.00pm | CONCURRENT SESSION 1 - Natural Resources and Environment Stream Facilitated by Barry Buffier , Chair and Chief Executive Officer, NSW Environment Protection Agency |
| 1.45pm – 2.30pm | Working Together to Keep our Environment Clean, with presentations on litter prevention by Steve Beaman , Executive Director Waste and Resource Recovery Developing sound planning decisions, and underground petroleum storage systems presented by Justin Turk , Operations Officer, Hazardous Incidents and Environmental Health |
| 2.30pm – 2.50pm | Crown Lands Review Update, David Clarke , Group Director Governance & Strategy, NSW Department of Primary Industries – Lands |
| 1.45pm – 3.00pm | CONCURRENT SESSION 2 - Infrastructure and Planning |
| 1.45pm – 2.10pm | Fixing Country Roads, Fredric Horst , Principal Manager for Freight Strategy and Investment, Transport NSW |
| 2.10pm – 2.30pm | Engaging councils in the process of allowing access to local roads for heavy vehicles, Sal Petrocchio , Chief Executive Officer, National Heavy Vehicle Regulator |
| 2.30pm – 2.50pm | Councils investment in Human and Cultural Infrastructure /Sporting Facilities, Paul Doorn , Executive Director – Sport Infrastructure, NSW Office of Sport |
| 1.45pm – 3.00pm | CONCURRENT SESSION 3 - Capacity Building and Diversity Facilitated Sarah Artist, Senior Manager, Innovation and Capacity, LGNSW |
| 1.45pm – 2.05pm | Designing a Capability Framework for NSW Local Government – towards an integrated package for job design, recruitment, performance management and capacity building, Jo Grisard , Principal, Grisard Consulting (invited) |
| 2.05pm – 2.30pm | Developing Council's Workforce: Case Studies from Wollongong and Port Stephens Councils presented by David Farmer , General Manager, Wollongong Council and Wayne Wallis , General Manager, Port Stephens Council (invited) |
| 2.30pm – 2.50pm | Change – Fit for Purpose presented by Nigel Ward , Chief Executive Officer and Director, Australian Business Lawyers & Advisors |

| | |
|----------------------------|--|
| 3.00pm – 3.15pm | RETURN TO PLENARY SESSION AND CLOSE OF CONFERENCE |
| 3.30pm – 4.00pm | Final Keynote: TBC |
| 4.00pm – 4.30pm | Afternoon tea and delegate networking function in trade exhibition |
| 7.30pm – 11.00pm | CONFERENCE DINNER WIN Entertainment Centre (within the conference room) |
| 7.30pm | Doors Open |
| 7.45pm | Delegates seated and entrée served |
| 8.00pm | LGNSW President introduces Elite Sponsor, StateCover Mutual Limited |
| 8.10pm | LGNSW President and Elite Sponsor present the Outstanding Service Awards |
| 8.30pm | LGNSW Chief Executive and Bluett Trustees present A R Bluett Awards |
| 9.00pm | Main Course served |
| | Entertainment and dancing |
| 11.00pm | Function finishes |
| CLOSE OF CONFERENCE | |

ATTACHMENT 2

LGNSW Conference Business Sessions Submission Form

For assistance completing this form please contact Bilyana Mitrevski 02 9242 4035

Set out below are the definitions for the categories which are used to help sort motions into groups of like motions:

1. INDUSTRIAL RELATIONS & EMPLOYMENT

Industrial relations and employment related legislation; industrial awards and rates of pay; WHS and worker compensation compliance; human resources policy, practice and benchmarking; workforce planning and development; staff and councillor training and development; skills shortages; staff attraction, retention and productivity; employment security; workplace change; Code of Conduct; leadership and management capacity; capability framework; council governance.

2. ECONOMIC

Own source revenue (e.g. rates, fees, charges etc.); intergovernmental fiscal relations (e.g. grants, cost shifting etc.); financial management and governance including long term financial planning and asset management; financial sustainability; economic policy affecting Local Government; local and regional economic development (including tourism); transport (e.g. roads, bridges, airports, pedestrian and cycle facilities, rail); Local Water Utilities; stormwater and floodplain infrastructure; other infrastructure and disaster management and recovery.

3. ENVIRONMENTAL

Land use planning (including environmental, heritage conservation and development planning); ecologically sustainable development; waste management in accordance with the waste hierarchy and extended producer responsibility; natural resource management; protection of local, regional and state natural environments including air quality, rivers and waterways and biodiversity, biosecurity and weeds management; pollution prevention including energy consumption and soil contamination; environmental risk management through reduction of hazards and pollutants and remediation/rehabilitation of degraded environments; climate change mitigation and adaptation; and responsible resource consumption and conservation.

4. GOVERNANCE/CIVIC LEADERSHIP

Local Government legislative and regulatory settings (e.g. Australian and/or NSW Constitutional recognition; Local Government Act review); corporate governance (e.g. role differentiation for Mayors, Councillors, General Managers and senior staff; Codes of Conduct; Political donations); structural reform (e.g. amalgamations and/or boundary changes; shared resources and services); Local Government elections (e.g. financial impact of electoral reforms on councils; impact of electoral reforms); participation (e.g. women's participation rates as councillors; cultural diversity in leadership; other opportunities for citizens to genuinely participate in council processes); and policies and programs of other spheres of government that impact on Local Government governance or citizen involvement in local democracy.

5. SOCIAL POLICY

Social planning, social impact assessment, access, equity and social justice; community development and community cultural development; community halls and neighbourhood centres, ageing and disability services, women's services, youth services and children's care

and education services); issues of concern and interest to NSW Aboriginal and Torres Strait Islander Peoples; cultural services (performing and visual arts, art galleries, performing arts centres, museums, public art, community arts, festivals, celebrations, heritage, new media and digital arts); Libraries; Health services (regulatory activities reducing public health risks; promoting healthy lifestyles; immunisation, early childhood health centres or rural medical services); Recreation facilities and services; and crime prevention planning.

Council*

Contact person*

Email*

Contact phone*

Submissions

Issue 1

Category

Please select:
Industrial Relations and Employment
Economic
Environmental
Governance/Civic Leadership
Social Policy

Heading or Title

Details of issue

Motion or Proposed Solution

2. PROPERTY SERVICES

2.1 Transfer of Land to Council - Glenfield Release Area

Reporting Officer

Manager Property Services

Attachments

1. Locality plan - Mirvac land transfers (contained within this report)
2. Locality plan - Newpro land transfer (contained within this report)
3. Locality plan - Glenvac, Calstruct, Des State, Dasmac and Modolo land transfers (contained within this report)

Purpose

To seek Council approval to accept the transfer of land zoned as Open Space (for open space and drainage reserve purposes) within the Glenfield Road Urban Release Area (GRURA) as identified in the Section 94 Contributions Plan – Glenfield Road Urban Release Area – May 2007 from various owners as outlined in this report.

History

Although sections of open space land have previously been transferred to Council upon registration of the survey plans which identified the land to be transferred, these lots were not transferred at the time of subdivision on the understanding that the developers would undertake the necessary embellishment works to deliver the open space/drainage reserves prior to transfer.

As part of the development of the GRURA some of these parcels were on-sold during the subdivision and development process prior to the necessary works being undertaken in order for the land to be transferred to Council.

Report

As part of the residential development of the Glenfield Road Urban Release Area (GRURA), developers of various parts of the GRURA have been delivering open space lands to the Council. These lands are specifically the open space (environmental corridor) and open space (drainage/riparian) lands identified within the Council's Section 94 Development Contributions Plan - Glenfield Road Urban Release Area, May 2007 (the s94 Plan).

As developers undertake the development of their respective holdings, some of the parcels identified under the s94 Plan as being required for open space and drainage purposes, have been progressively transferred to the Council, through the normal subdivision registration process.

However, some of the open space parcels identified under the s94 Plan and created under previous subdivision releases, have not been transferred to the Council during the normal subdivision registration process, but instead, remained in the ownership of the developer. The usual reason for this is that the developer, at the time of the subdivision release, had not undertaken the specified open space/drainage works required under the s94 Plan, and as such, the Council would not accept ownership of the parcel of land until those specific works had been undertaken to the Council's satisfaction.

Having regard to the above, the following is an account of various lands which had been previously held back by the respective developer, but are now considered to be at a stage of readiness for transferring to the Council.

Mirvac Homes NSW Pty Ltd (Mirvac)

Mirvac has approached Council seeking its acceptance for the transfer of various lands being Lot 18 DP 1159589, Lot 24 DP 1192946, and Lots 301 and 302 DP 1216565 on the basis of providing open space land credits as identified within the s94 Plan.

As background, Lot 30 DP 1192946, which was previously identified as Lot 30 Britannia Drive, was subdivided to create three Torrens Title allotments being Lots 301 and 302 mentioned above, as well as residual lot nominated as Lot 303 under the same Deposited Plan (DP).

In addition to Mirvac's request for open space credits to be provided for Lots 18, 24, 301 and 302, Mirvac has also requested Council provide open space credits for the residual parcel of land being Lot 303 DP 1216565, as this parcel has been identified as containing significant levels of vegetation that cannot be developed for urban purposes following assessment of the land pursuant to the requirements of the Threatened Species Conversation Act 1995.

However, based on the current status of the s94 Plan, Lot 303 DP 1216565 (residual lot) is not identified as open space land, and as such, Council is not able to provide any open space credits for this parcel. The residual land is not identified in the current plan and is zoned R2 Low Density Residential under the Campbelltown Local Environmental Plan 2015.

Having regard to the above, Mirvac has requested that Council accepts the transfer of the following four listed lots which are open space (drainage/riparian) land to be transferred to Council as required under the s94 Plan.

1. Lot 18 DP 1159589 - The subject property is open space land zoned RE1 Public Recreation under the Campbelltown Local Environmental Plan 2015 and has an area of approximately 4,928 square metres and is situated on Morley Place, Glenfield.
 2. Lot 24 DP 1192946 - The subject property is open space land zoned RE1 Public Recreation under the Campbelltown Local Environmental Plan 2015 and has an area of approximately 676.2 square metres and is situated on the corner of Regalia Crescent and Britannia Drive, Glenfield.
 3. Lot 301 DP 1216565 - The subject property is open space land zoned RE1 Public Recreation under the Campbelltown Local Environmental Plan 2015 and has an area of approximately 9,978 square metres and is situated between Hebe Terrace and Rolla Road, Glenfield.
-

4. Lot 302 DP 1216565 - The subject property is open space land zoned RE1 Public Recreation under the Campbelltown Local Environmental Plan 2015 and has an area of approximately 2,261 square metres and is situated on the corner of Mary Ann Drive and Britannia Drive, Glenfield.

It is proposed that in return for the land being transferred to Council as open space (environmental corridor/drainage reserve) that the applicable open space credit in accordance with the s94 Plan will be provided by Council to the owner, Mirvac, as part of the reconciliation of the Section 94 Contributions relating to the development. This s94 credit would be for the land only as any works would be subject to a separate credit if applicable.

The acceptance of the transfers would be subject to a final inspection by Council staff prior to transfer documents being issued.

Newpro 10 Pty Limited (Newpro)

Newpro has approached Council seeking that Council accept the transfer of the basin situated on land being Lot 8 DP 1086609 which is identified as open space (environmental corridor/drainage) land to be transferred to Council as required under the s94 Plan.

The developer Newquest Property Pty Ltd (Newpro) also sought additional credits for land currently occupied by a detention basin having an area of approximately 1,805 square metres which was required to facilitate the development of the surrounding land. It is noted that Council was unable to provide any additional credits as the affected land has not been identified in the current s94 Plan and is zoned R2 Low Density Residential under the Campbelltown Local Environmental Plan 2015.

1. Lot 8 DP 1086609 - The subject property is open space land zoned RE1 Public Recreation under the Campbelltown Local Environmental Plan 2015 and has an area of approximately 1,446 square metres and is situated between Glatton Road and the boundary of the adjoining Hurlstone Agricultural site.

It is proposed that in return for the land being transferred to Council as open space (environmental corridor/drainage reserve) that the applicable open space credit in accordance with the s94 Plan will be provided by Council to the owner, Newpro, as part of the reconciliation of the Section 94 Contributions relating to the development. This s94 credit would be for the land only as any works would be subject to a separate credit if applicable.

The acceptance of the transfers would be subject to a final inspection by Council staff prior to transfer documents being issued.

Glenvac Pty Ltd, Calstruct Pty Ltd, Des State Property Pty Ltd, Dasmac Holdings Pty Ltd and Modolo Holdings Pty Ltd

Borvac Developments (Borvac) being the joint developer for the above entities at 35-37 Glenfield Road, Glenfield has requested that Council accepts the part transfer of Lots 2 and 3 DP 1207534 and the entire land parcel of Lot 35 DP 1192946 as open space (drainage/riparian) land to be transferred to Council on the basis of providing land credits as identified in the s94 Plan.

It is understood that part of Lots 2 and 3 DP 1207534 will be subdivided to create a proposed Lot 116 under Development Application 3124/2014/DA-SW for which Borvac would seek credit for the land upon its transfer to Council.

1. Lot 2 DP 1207534 - The subject property is partly zoned open space land zoned RE1 Public Recreation and R2 Low Density Residential under the Campbelltown Local Environmental Plan 2015 and has an area of approximately 4,978 square metres and is situated between Rolla Road and the boundary of the adjoining property 37 Glenfield Road, Glenfield. A land credit under the s94 Plan would only be provided for the land zoned open space identified within the s94 Plan.
2. Lot 3 DP 1207534 - The subject property is partly zoned open space land zoned RE1 Public Recreation and R2 Low Density Residential under the Campbelltown Local Environmental Plan 2015 and has an area of approximately 18,917 square metres and is situated between Glenfield Road and Atlantic Boulevarde, Glenfield. A land credit under the s94 Plan would only be provided for the land zoned open space identified within the s94 Plan.
3. Lot 35 DP 1192946 - The subject property is partly zoned open space land zoned RE1 Public Recreation under the Campbelltown Local Environmental Plan 2015 and has an area of approximately 5,429 square metres and is situated between Lots 4 and 36 Glenfield Road and Lots 33 and 34 Atlantic Boulevarde, Glenfield. A land credit under the s94 Plan would only be provided for the land zoned open space identified within the s94 Plan.

It is proposed that in return for the land being transferred to Council as open space (environmental corridor/drainage reserve) that the applicable open space credit in accordance with the s94 Plan will be provided by Council to the relevant owners as part of the reconciliation of the Section 94 Contributions relating to the development. This s94 credit would be for the land only as any works would be subject to a separate credit if applicable.

The acceptance of the transfers would be subject to a final inspection by Council staff prior to transfer documents being issued.

Budget

The s94 Plan provides that the relevant open space credit is to be applied in accordance with the prevailing rate identified in the plan at the time of transfer.

It is advised that the values of the credits under the s94 Plan for the subject lots are listed as follows.

| No. | Lot/DP | Developer | Area zoned open space (sqm) applicable to credits | Approximate Land rate @ \$172.50 | Approximate credit including Residex index (March 2016) |
|-----|-------------------|-----------|---|----------------------------------|---|
| 1. | Lot 18 DP 1159589 | Mirvac | 4,651 | \$802,297.50 | \$1,134,979.91 |
| 2. | Lot 24 DP 1192946 | Mirvac | 670 | \$115,575.00 | \$163,499.58 |

| | | | | | |
|----|-----------------------|--------------------|-------|----------------|----------------|
| 3. | Lot 301 DP 1216565 | Mirvac | 2,210 | \$381,225.00 | \$539,304.58 |
| 4. | Lot 302 DP 1216565 | Mirvac | 9,656 | \$1,665,660.00 | \$2,356,346.17 |
| 5. | Lot 8 DP 1086609 | Newpro Property | 1,429 | \$246,502.50 | \$348,717.76 |
| 6. | Lot 2 DP 1207534 | Borvac | 914 | \$157,665.00 | \$223,042.71 |
| 7. | Lot 3 DP 1207534 | Borvac | 2,692 | \$464,370.00 | \$656,926.67 |
| 8. | Lot 35 DP 1192946 | Borvac | 5,379 | \$927,877.50 | \$1,312,633.19 |

Adopting the current Residex indexation (March 2016) the applicable credit for the listed lots and part lots currently total \$6,735,450.57 however this is subject to the date that transfer is registered. It is anticipated that the credits for any of the identified land transfers as part of the Contributions Plan will be provided as offsets to developer contributions associated with the adjoining residential development on which basis a cash payment will not be required by Council.

Accordingly it is recommended that Council approve the acceptance of the transfer of the listed 8 allotments (identified in the above Budget table) as per the s94 Plan with open space credits to be applied in accordance with the prevailing rate identified in the plan at the time of transfer.

Section 94 Development Contributions Plan (Land Value Credits)

It is proposed that in return for the land being transferred to Council as open space (drainage/riparian) and (environmental corridor) that the applicable open space credit in accordance with the s94 Plan will be provided by Council to Mirvac, Newpro and Borvac (or the relevant corporate entity holding ownership) as part of the reconciliation of the Section 94 contributions relating to the development. This s94 credit would be for land only as any works would be subject to a separate credit if applicable.

Accordingly it is recommended that Council approve acceptance of the transfer of land as open space as identified in the Section 94 Development Contributions Plan – Glenfield Road Urban Release Area, May 2007 with open space credits to be applied in accordance with the prevailing rate identified in the plan at the time of transfer.

This credit is to only apply to the existing land zoned as open space which has been identified under the s94 Plan (as identified in the above Budget table). No credit is to be provided for land zoned as Residential or which has not been identified in the s94 Plan as subject to a credit.

Officer's Recommendation

1. That Council approve the acceptance of the transfer of open space land (drainage/riparian) being Lot 18 DP 1159589, Lot 24 DP 1192946, Lots 301 and Lot 302 DP 1216565 from Mirvac Homes NSW Pty Ltd on the terms outlined in this report.
2. That Council approve the acceptance of the transfer of open space land (environmental corridor) being Lot 8 DP 1086609 from Newpro 10 Pty Limited on the terms outlined in this report.
3. That Council approve the acceptance of the transfer of open space land (drainage/riparian) being Lots 2 and 3 DP 1207534 from Glenvac Pty Ltd, Calstruct Pty Ltd and Des State Property Pty Ltd on the terms outlined in this report.
4. That Council approve the acceptance of the transfer of open space land (drainage/riparian) being Lot 35 DP 1192946 from Dasmac Holdings Pty Ltd and Modolo Holdings Pty Ltd on the terms outlined in this report.
5. That Council provide approval to enter into any necessary agreement with the developers to reconcile any Section 94 Development Contributions through a Material Public Benefits agreement or Land Dedication/Works In Kind agreement if required on the terms outlined in this report.
6. That all documentation associated with the transfers be executed under the Common Seal of Council if required.

Committee's Recommendation: (Kolkman/Lake)

That the Officer's Recommendation be adopted.

CARRIED

Council Meeting 16 August 2016 (Greiss/Thompson)

That the Officer's Recommendation be adopted.

Council Resolution Minute Number 139

That the Officer's Recommendation be adopted.

Mirvac Land Transfers

DISCLAIMER: This map has been produced from Council records. If you intend to rely on the information shown you should contact Campbelltown City Council for verification. This map should not be reproduced without permission.

campbelltown city council

[illegible]

3. FINANCIAL SERVICES

3.1 Investment Report - June 2016

Reporting Officer

Manager Financial Services

Attachments

Investment portfolio performance for the month of June 2016 (contained within this report)

Purpose

To provide a report outlining Council's investment portfolio performance for June 2016.

Report

Council holds a number of reserves in order to fund significant future liabilities or future objectives. These liabilities include insurance claims, employee leave entitlements and asset replacement. In addition, Council is also required to hold funds that under the *Local Government Act 1993*, are not permitted to be used for any other purposes than those originally collected for. These include developer contributions, specific purpose grants, domestic waste management, contributions and stormwater management funds.

Council invests funds through the financial instrument designated by the Ministerial Order from the Office of Local Government. The *Local Government Act 1993* and the *Local Government (General) Regulation 2005* requires a monthly investment report be presented to Council.

Council's Investment Portfolio as at 30 June 2016 stood at approximately \$116m. 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 have consistently outperformed the AusBond bank bill index benchmark.

| Monthly annualised return | June |
|------------------------------------|-------|
| Council Managed Funds | 3.01% |
| Benchmark: AusBond Bank Bill Index | 1.98% |

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.

Council's investment portfolio has returned a surplus over budget of some \$100k for the 2015-2016 financial year, which is an excellent outcome for Council considering the current economic climate and historically low interest rates.

| Rolling year to date return | June |
|------------------------------------|-------|
| Council Managed Funds | 3.14% |
| Benchmark: AusBond Bank Bill Index | 2.22% |

Council's portfolio as at 30 June 2016 is diversified with 73 per cent in term deposits of varying lengths of maturity which are managed in accordance with market expectations and Council's investment strategy, 26 per cent in floating rate deposits which gives Council a set margin above either 30 or 90 day bank bills, 1 per cent in funds in a short term at call account.

| Maturity profile | 30 June |
|--------------------|--------------|
| Short term at call | \$1,034,865 |
| 0 – 3 months | \$56,940,659 |
| 3 – 6 months | \$22,666,833 |
| 6 – 12 months | \$21,119,822 |
| 12 months + | \$15,000,000 |

All investments are placed with approved deposit taking institutions. No funds are placed with any unrated institutions. Any funds placed with institutions that have a BBB long term rating have maturity lengths in the short term of up to 12 months, effectively A-2 rated, in accordance with Council's investment policy.

| Credit exposure (S&P Long Term / Short Term Rating) | 30 June |
|--|---------|
| Long AAA to AA- / Short A-1 | 57% |
| Long A+ to A- / Short A-1 | 31% |
| Long BBB+ to BBB- / Short A-2 | 12% |

Economic outlook

The Board of the Reserve Bank of Australia (RBA) elected to lower the cash rate by a further 25 basis points to a new low of 1.50 per cent at its 2 August meeting. In the accompanying statement, RBA Governor Glenn Stevens said that "Taking all these considerations into account, the Board judged that prospects for sustainable growth in the economy, with inflation returning to target over time, would be improved by easing monetary policy at this meeting". The Board will now look ahead to the September quarter inflation figures data due out in late October to decide the next move on interest rates and if growth is not sufficient to increase inflation back to within the target band of 2-3 per cent, further reductions may be required to boost the economy.

Summary

Council's investment portfolio continues to outperform the benchmark of the AusBond 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: (Borg/Lake)

That the Officer's Recommendation be adopted.

CARRIED

Council Meeting 16 August 2016 (Greiss/Thompson)

That the Officer's Recommendation be adopted.

Council Resolution Minute Number 139

That the Officer's Recommendation be adopted.

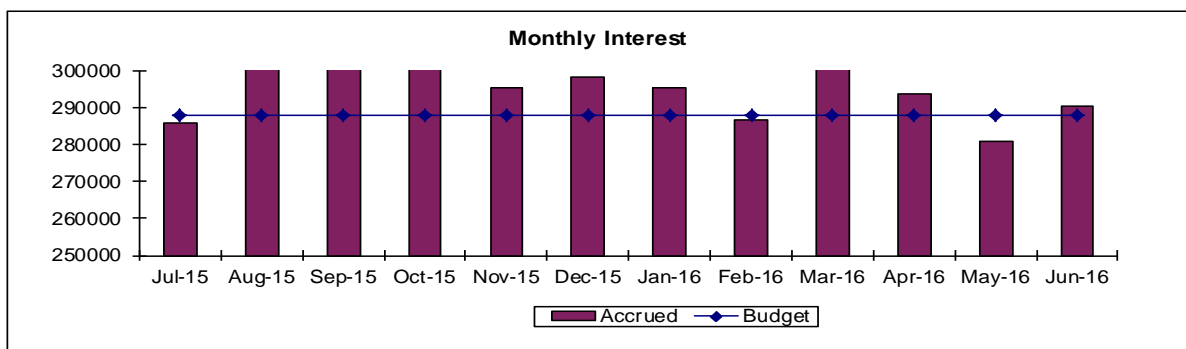
ATTACHMENT 1

CAMPBELLTOWN CITY COUNCIL INVESTMENT PORTFOLIO

June 2016

Benchmark AusBond Bank Bill Index
Portfolio Balance \$116,762,179.33

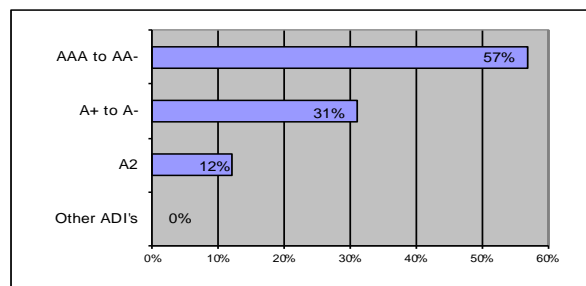
| Monthly Performance | Return (mth) | Return (pa) |
|---------------------------------|--------------|-------------|
| AusBond Bank Bill Index | 0.16% | 1.98% |
| Portfolio - Direct Investments | 0.25% | 3.01% |
| <i>Performance to Benchmark</i> | + 0.08% | + 1.03% |
| Short Term Call Account | 0.18% | 2.15% |



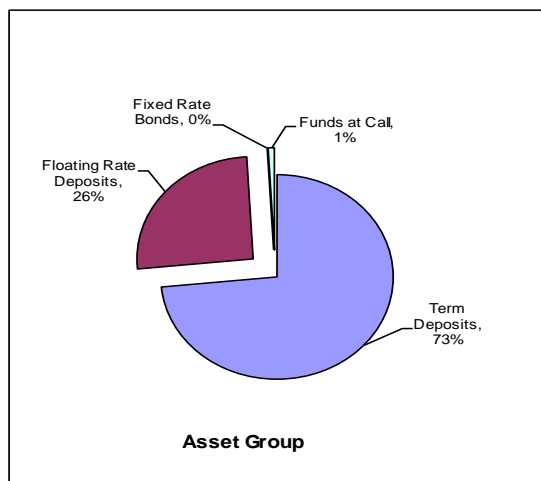
Year to Date Performance Credit Exposure (S&P Long Term Rating)

Rolling 12 Month Period
3.14% Council Managed Funds
2.22% Benchmark

Interest Budget to Actual
Average Budget to Period \$3,453,700
Actual Accrued to Period \$3,561,101



Portfolio Diversity



| | | | % |
|-------------------------|--------------------------|-----|-------------|
| NAB Funds at Call | \$ 1,034,864.67 | AA- | 1% |
| NSW Treasury | \$ 2,810,000.00 | AA+ | 2% |
| National Australia Bank | \$ 46,305,960.02 | AA- | 40% |
| ANZ Bank | | AA- | 0% |
| Westpac Bank | \$ 3,000,000.00 | AA- | 3% |
| Commonwealth Bank | \$ 5,000,000.00 | AA- | 4% |
| Bank Western Australia | \$ 8,266,129.89 | AA- | 7% |
| AMP Bank | \$ 5,000,000.00 | A+ | 4% |
| Suncorp Metway | \$ 20,245,545.61 | A+ | 17% |
| Rural Bank | \$ 4,029,238.36 | A- | 3% |
| Bank of Queensland | \$ 7,032,067.12 | A- | 6% |
| Peoples Choice CU | \$ 1,000,000.00 | A2 | 1% |
| My State CU | \$ 3,000,000.00 | A2 | 3% |
| Credit Union Aust | \$ 4,000,000.00 | A2 | 3% |
| Heritage Bank | \$ 2,000,000.00 | A2 | 2% |
| ME Bank | \$ 4,038,373.66 | A2 | 3% |
| | \$ 116,762,179.33 | | 100% |

3.2 Monthly Rates Summary - June 2016

Reporting Officer

Manager Financial Services

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

To provide details of the 2015-2016 Rates and Charges levy and cash collections for the year ending 30 June 2016.

Report

Rates and charges levied for the year ending 30 June 2016 totalled \$97,638,071 representing 100.6 per cent of the annual budget forecast.

Receipts collected to the end of June totalled \$97,062,015. In percentage terms this amount represents 97.8 per cent of all rates and charges due to be paid. In comparison, the amount collected in the same period last year was 97.04 per cent.

A process to identify and assist ratepayers experiencing difficulties in meeting the instalment deadlines was conducted early in June. This process commenced with the issue of 2,059 letters of demand to ratepayers with a balance exceeding \$500 and two or more instalments outstanding. The letters were issued on 9 June 2016 on Council letterhead requesting payment or suitable payment arrangements in writing by 20 June 2016. During this period 1,478 defaulters paid the amount due, therefore requiring no further action.

Rate payers who purchased property after the fourth instalment notice where a balance remained due have been issued a 'notice to new owner' letter. During the month four letters were sent providing information on the annual rate amount and the balance due.

Over the financial year eRates registrations have increased by 30 per cent to a total number of 1,789 as at 30 June 2016.

Officer's Recommendation

That the information be noted.

Committee's Recommendation: (Kolkman/Borg)

That the Officer's Recommendation be adopted.

CARRIED

Council Meeting 16 August 2016 (Greiss/Thompson)

That the Officer's Recommendation be adopted.

Council Resolution Minute Number 139

That the Officer's Recommendation be adopted.

ATTACHMENT 1

RATES SUMMARY

STATEMENT OF ALL OUTSTANDING RATES AND EXTRA CHARGES

| RATE - CHARGE | NET ARREARS 1/7/2015 | NET LEVY FOR YEAR | PENSION REBATES | EXTRA CHARGES | TOTAL RECEIVABLE | CASH COLLECTED | NET AMOUNT DUE | POSTPONED RATES & INTEREST | GROSS AMOUNT DUE |
|-----------------|-------------------------|----------------------|--------------------|------------------|---------------------|-------------------|-------------------|----------------------------------|---------------------|
| RESIDENTIAL | 2,443,224.65 | 54,458,661.16 | 1,446,840.67 | 828,701.66 | 56,283,746.80 | 54,113,134.60 | 2,170,612.20 | 241,197.24 | 2,411,809.07 |
| BUSINESS | 436,057.49 | 17,751,225.03 | | 77,448.33 | 18,264,730.85 | 18,007,480.30 | 257,250.55 | | 257,250.55 |
| BUSINESS - IND | 100.30 | 0.00 | | 0.00 | 100.30 | 5.17 | 95.13 | | 95.13 |
| FARMLAND | 0.00 | 597,545.27 | 884.79 | 3,536.95 | 600,197.43 | 607,687.19 | -7,489.76 | 116,008.27 | 108,518.51 |
| MINING | 0.00 | 23,937.48 | | 0.00 | 23,937.48 | 23,937.48 | 0.00 | | 0.00 |
| LOAN | 75,640.51 | 3,055.29 | | 2,040.84 | 80,736.64 | 12,778.65 | 67,957.99 | 17,507.86 | 85,465.85 |
| INFRASTRUCTURE | 206,769.81 | 5,681,365.96 | | 11,765.98 | 5,899,901.75 | 5,697,697.16 | 202,204.59 | 17,303.14 | 219,507.73 |
| F5 ACCESS RAMPS | 379.22 | 0.00 | | 0.00 | 379.22 | 0.77 | 378.45 | | 378.45 |
| TOTAL | \$3,142,670.23 | \$78,515,790.19 | \$1,447,725.46 | \$923,493.76 | \$81,153,730.47 | \$78,462,721.32 | \$2,691,009.15 | \$392,016.51 | \$3,083,025.29 |
| GARBAGE | 674,774.34 | 18,338,296.60 | 846,829.03 | 43,440.06 | 18,209,681.97 | 17,551,533.53 | 658,148.44 | | 658,148.44 |
| STORMWATER | 49,776.92 | 1,043,009.99 | | 505.92 | 1,093,292.83 | 1,047,759.75 | 45,533.08 | | 45,533.08 |
| GRAND TOTAL | \$3,867,221.49 | \$97,897,096.78 | \$2,294,554.49 | \$967,439.74 | \$100,456,705.27 | \$97,062,014.60 | \$3,394,690.67 | \$392,016.51 | \$3,786,706.81 |

| | |
|--|---------------|
| Total from Rates Financial Transaction Summary | 2,617,333.13 |
| Overpayments | -1,169,373.68 |
| Difference | 0.00 |

ANALYSIS OF RECOVERY ACTION

| | |
|---|--------------|
| Rate accounts greater than 6 months less than 12 months in arrears | 405,119.01 |
| Rate accounts greater than 12 months less than 18 months in arrears | 63,128.04 |
| Rate accounts greater than 18 months in arrears | 9,896.09 |
| TOTAL rates and charges under instruction with Council's agents | \$478,143.14 |

ATTACHMENT 2

COMPARISON OF BUDGET TO ACTUAL

| DESCRIPTION | ORIGINAL BUDGET | REVISED BUDGET | ACTUAL | BALANCE STILL REQD. | % RAISED |
|--------------------------|---------------------|-------------------|--------------------------|------------------------|----------|
| RESIDENTIAL | 53,878,600 | 54,278,600 | 54,458,661 | (180,061) | 100.33% |
| BUSINESS | 17,935,000 | 17,585,000 | 17,751,225 | (166,225) | 100.95% |
| FARMLAND | 459,900 | 609,900 | 617,047 | (7,147) | 101.17% |
| MINING | 23,900 | 23,900 | 23,937 | (37) | 100.16% |
| INFRASTRUCTURE | 5,631,700 | 5,631,700 | 5,681,366 | (49,666) | 100.88% |
| SUB TOTAL | 77,929,100 | 78,129,100 | 78,532,237 | (403,137) | 100.52% |
| INTEREST CHARGES | 238,000 | 238,000 | 258,558 | (20,558) | 108.64% |
| LEGAL COSTS RECOVERED | 840,000 | 840,000 | 708,882 | 131,118 | 84.39% |
| PENSIONERS - Sec 575 | (1,837,700) | (1,837,700) | (1,912,077) | 74,377 | 104.05% |
| PENSIONERS - Sec 582 | (389,800) | (389,800) | (382,478) | (7,322) | 0.00% |
| PENSIONERS SUBSIDY | 1,010,735 | 1,010,735 | 1,051,642 | (40,907) | 104.05% |
| SUB TOTAL | (138,765) | (138,765) | (275,473) | 136,708 | 198.52% |
| DOMESTIC WASTE CHARGES | 17,621,100 | 17,621,100 | 17,810,431 | (189,331) | 101.07% |
| COMMERCIAL WASTE CHARGES | 444,600 | 444,600 | 527,865 | (83,265) | 118.73% |
| STORMWATER MNGMNT | 1,138,000 | 1,138,000 | 1,043,010 | 94,990 | 91.65% |
| | 19,203,700 | 19,203,700 | 19,381,307 | (177,607) | 100.92% |
| GRAND TOTALS | 96,994,035 | 97,194,035 | 97,638,071 | (444,036) | 100.46% |
| COLLECTIONS AS A % OF: | | | | | |
| RESIDENTIAL | TOTAL RECEIVABLE | TOTAL LEVIED | TOTAL RECEIVABLE | TOTAL LEVIED | |
| BUSINESS | 96.14% | 99.37% | | | |
| FARMLAND | 98.59% | 101.44% | RATES | 96.68% | 99.93% |
| INFRASTRUCTURE | 101.25% | 101.70% | WASTE | 96.39% | 95.71% |
| | 96.57% | 100.29% | STORMWATER | 95.84% | 100.46% |
| ALL RATES | 96.68% | 99.93% | TOTAL RATES & CHARGES | 97.78% | 100.34% |

ATTACHMENT 3

RATES STATISTICS

| No. of documents Issued | July | August | September | October | November | December | January | February | March | April | May | June | Jun-15 |
|--------------------------------|--------|--------|-----------|---------|----------|----------|---------|----------|-------|--------|-------|-------|--------|
| Rate Notices | 50,454 | 56 | | 121 | | | 16 | | | | | | |
| Electronic - DoH | 5,427 | | | | | | | | | | | | |
| Instalment Notices | | | | 43,741 | | | 42,834 | | | 42,422 | | | |
| Electronic - DoH | | | | 5,389 | | | 5,417 | | | 5,484 | | | |
| Missed Instalment Notices | | | 8,315 | | | 7,866 | | | 7,401 | | | 8,393 | 8,514 |
| - Pensioners > \$15.00 | | | 586 | | | 554 | | | 498 | | | 673 | 641 |
| Notice to new owner | 105 | 51 | 41 | 21 | 56 | 49 | 47 | 19 | 26 | 52 | 31 | 13 | 5 |
| 7-day Letters - Council issued | | | 2,073 | | | 2,023 | | | 2,060 | | | 1,855 | 1,887 |
| - Pensioners > \$500.00 | | | 170 | | | 181 | | | 129 | | | 204 | 187 |
| 7-day Letters - Agent issued | | | 581 | | | | 633 | | 621 | | | 581 | 581 |
| Statement of Claim | 209 | 29 | 13 | 220 | 18 | 11 | 262 | 40 | 22 | 219 | 22 | 9 | 11 |
| Judgments | 16 | 40 | 19 | 12 | 64 | 3 | 11 | 64 | 39 | 19 | 65 | 39 | 28 |
| Writs | 11 | 29 | 17 | 9 | 11 | 18 | 14 | 11 | 47 | 30 | 39 | 18 | 41 |
| eRates | 1,543 | 1,601 | 1,611 | 1,640 | 1,654 | 1,660 | 1,685 | 1,699 | 1,701 | 1,732 | 1,759 | 1,789 | 1,374 |
| Arrangements | 351 | 298 | 373 | 396 | 471 | 355 | 402 | 309 | 401 | 449 | 306 | 443 | 416 |

3.3 Sundry Debtors Report - June 2016

Reporting Officer

Manager Financial Services

Attachments

1. Debtors summary to 30 June 2016 (contained within this report)
2. Ageing of sundry debts to 30 June 2016 (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 30 June 2016.

Report

Debts outstanding to Council as at 30 June 2016 are \$1,235,899 reflecting a decrease of \$879,338 since May 2016. The ratio of outstanding debts to current invoices has increased from 7.5 per cent in May to the current level of 12.8 per cent. 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 – June 2016

During the month, 2054 invoices were raised totalling \$2,613,110. The majority of these are paid within a 30 day period. The most significant invoices raised during the month have been in the following areas:

Government and other Grants – \$1,573,520 – The main invoices relate to:

| | |
|---|--------------------|
| Roads and Maritime Services – claim's for various works in the local government area \$880,000 paid on 23 June 2016 | \$1,415,820 |
| Office of Environment and Heritage – Floodplain risk management for Milestone claim 1 | \$49,816 (paid) |
| Office of Local Government – rates and waste services pensioner subsidy September 2015 to June 2016 | \$36,583 |
| Australian Council for the Arts – contemporary performance programs | \$25,300 |

Various Sundry Items – \$311,695 – The main invoices relate to:

| | |
|---|---------------------|
| Sydney Water – costs associated with the acquisition of land and easements – Oswald Reserve | \$251,947 (paid) |
| Red Eight Roofing – road occupancy fees Kellicar road | \$12,624 (paid) |
| Camden Council – WSN regional processing contract, Rural Fire Service shared cost operating expenses and road signage | \$12,656 (paid) |
| Liverpool Council – Rural Fire Service shared cost operating expenses | \$8,100 (paid) |

Land and Building Rentals – \$163,476 – the main invoices relate to:

| | |
|--|----------|
| Telstra Corporation Limited – land lease Eschol Park | \$38,695 |
| Aldi Foods Pty Ltd – monthly rental Macquarie Fields | \$25,711 |
| Nuvezo Pty Ltd – rental Dumaresq Street Cinema | \$24,243 |
| Glenquarie Hotel – monthly rental Glenquarie Shopping Centre | \$20,438 |
| Caltex Oil Australia Pty Ltd – monthly rental Macquarie Fields | \$15,974 |
| Mycorp Group Pty Ltd – monthly rental Macquarie Fields | \$13,878 |

Corporate Administration - \$151,306 – the main invoices relate to:

| | |
|---|----------|
| Jemena Gas Network – gas mains assessment for 2015-2016 | \$80,106 |
| Campbelltown Camden District Cricket Club – ground maintenance for 2015-2016 season | \$30,800 |

Public Hall Hire - \$ 112,761- the main invoices relate to:

| | |
|--|-----------|
| Various Accounts – May and June invoices raised for permanent hirers of council facilities | \$112,761 |
|--|-----------|

Sportsground and Field Hire – \$112,695 – the main invoices relate to:

| | |
|--|----------|
| Hire of Campbelltown Sports Stadium | \$39,244 |
| Hire of Campbelltown Athletics Centre | \$27,282 |
| Cloudmaster floodlighting – various sites October 2015 to March 2016 | \$10,319 |

Receipts to the value of \$3,492,448 have been received during the period, the most notable in the following areas:

| | |
|--------------------------------|-------------|
| Government and other Grants | \$1,759,918 |
| Corporate Administration | \$730,418 |
| Various Sundry Items | \$296,978 |
| Land and Building Rentals | \$179,464 |
| Road and Footpath Restorations | \$175,602 |
| Sportsground and Field Hire | \$103,000 |
| Public Hall Hire | \$79,953 |
| Healthy Lifestyles | \$62,160 |
| Shop and Office Rentals | \$56,238 |
| Waste Collection Services | \$26,630 |
| Licence Fees | \$19,829 |

Sundry debts outstanding – 30 June 2016

Debts exceeding 90 days of age totalled \$134,726 as at June 2016. The major invoices relating to this balance include:

| Description | Date Invoiced | Balance at 30 June 2016 |
|--|---------------|-------------------------|
| Eschol Park Soccer Club - community building partnership program – new storage room facility, club is awaiting work to be completed which is expected by end of June and payment of account will be made | 09/03/16 | \$28,600 |

| | | |
|---|-------------------------|----------|
| Debtor 10076852.2 – recovery of costs associated with the repair of damage to “Blairmount” wall from motor vehicle accident 15 November 2015. Seven day letter issued and contact was made with debtor who has lodged a claim with their insurance company. Insurance company has acknowledged the debt and have requested copies of documentation of the invoice which has been sent. Insurance company is now disputing account , council has met all requirements for proof of debt and it has been requested that they finalise by early August to avoid the account being sent to council's agent for formal recovery | 09/02/16 | \$12,570 |
| Debtor 10068316.8 – 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 | \$2,500 |
| Casper's Baseball Club – electricity charges. Club is experiencing financial difficulty, however have been making irregular payments to reduce the debt. New electricity charges added to debt. Contact has been made from new committee member's, negotiations are continuing | 17/12/12 to 17/03/16 | \$8,991 |
| Insight Mercantile Pty Ltd – abandoned motor vehicle. Vehicles have now been taken over and sold by the auction house on behalf of the finance company. Council is in discussions with the auction house and insurance company | 18/07/14 | \$2,799 |
| GE Automotive – abandoned motor vehicle. Vehicles have now been taken over and sold by the auction house on behalf of the finance company. Council is in discussions with the auction house and insurance company | 05/07/12 | \$5,709 |
| Alphamaga Investments – health licence inspection fees and legal costs. Debtor filed for bankruptcy, can no longer pursue | 17/02/14 to 30/11/15 | \$1,369 |
| Debtor 10073212.2 – shop licence inspection fees and legal recovery costs. All legal avenues have been exhausted and to pursue would be uneconomical | 24/09/13 | \$3,042 |
| Decadance Dance Studio – permanent hall hirer of Ron Moore Community Centre, hire has been cancelled due to defaulting agreement, seven day letter issued February 2016, no response from debtor, matter has been referred to Council's debt recovery agents and a letter of demand has been sent March 2016. Debtor failed to respond to demand letter and as a result a Statement of Liquidated Claim has been lodged with the local court. Summons was served May 2016, no contact or payment has been received and judgment to secure debt has been obtained , application for Writ has been lodged, legal recovery continues | 03/11/15 | \$2,971 |

Debt recovery action is undertaken in accordance with Council's Sundry Debtors 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 90 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 14 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, 22 accounts 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 agent.

Council's agents were instructed to issue one statement of claim for unpaid licence fees, obtain judgement and escalate to writ on another debtor for unpaid hall hire 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.

Officer's Recommendation

That the information be noted.

Committee's Recommendation: (Lake/Kolkman)

That the Officer's Recommendation be adopted.

CARRIED

Council Meeting 16 August 2016 (Greiss/Thompson)

That the Officer's Recommendation be adopted.

Council Resolution Minute Number 139

That the Officer's Recommendation be adopted.

ATTACHMENT 1

DEBTORS SUMMARY 1 June 2016 to 30 June 2016

| DEBTOR TYPE/DESCRIPTION | ARREARS AT 31/05/2016 | RAISED THIS PERIOD | RECEIVED THIS PERIOD | BALANCE AT 30/06/2016 | % DEBT RATIO |
|-------------------------------|--------------------------|-----------------------|-------------------------|--------------------------|-----------------|
| Corporate Administration | 750,831 | 151,306 | 730,418 | 171,719 | 29.49% |
| Abandoned Items | 6,662 | 0 | 0 | 6,662 | 0.35% |
| Education and Care Services | 18,710 | 0 | 0 | 18,710 | 0.98% |
| Community Bus | 299 | 230 | 440 | 89 | 0.01% |
| Sportsground and Field Hire | 72,580 | 112,696 | 103,000 | 82,275 | 5.46% |
| Government and other Grants | 843,498 | 1,573,521 | 1,759,918 | 657,100 | 12.87% |
| Public Hall Hire | 27,018 | 112,761 | 79,953 | 59,826 | 1.39% |
| Health Services | 350 | 0 | 0 | 350 | 0.02% |
| Land and Building Rentals | 60,080 | 163,476 | 179,464 | 44,091 | 5.63% |
| Healthy Lifestyles | 3,904 | 64,166 | 62,160 | 5,910 | 0.15% |
| Library Fines and Costs | 0 | 0 | 0 | 0 | 0.00% |
| Licence Fees | 58,152 | 14,508 | 19,829 | 52,831 | 1.85% |
| Pool Hire | 2,910 | 5,911 | 1,368 | 7,453 | 0.39% |
| Private Works | 6,734 | 0 | 450 | 6,284 | 0.52% |
| Road and Footpath Restoration | 176,533 | 27,662 | 175,602 | 28,593 | 28.17% |
| Shop and Office Rentals | 24,186 | 47,322 | 56,238 | 15,269 | 2.17% |
| Various Sundry Items | 85,108 | 311,695 | 296,978 | 99,826 | 6.42% |
| Waste Collection Services | 16,362 | 27,858 | 26,630 | 17,589 | 6.17% |
| | 2,115,237 | 2,613,110 | 3,492,448 | 1,235,899 | 100% |

ATTACHMENT 2

AGEING OF SUNDRY DEBTOR ACCOUNTS - 30 June 2016

| Description | Current Charges | Total 30 Days | Total 60 Days | Total 90+ Days | Balance Due |
|-------------------------------|------------------|---------------|---------------|----------------|------------------|
| Corporate Administration | 137,527 | 15,940 | 2,132 | 16,120 | 171,719 |
| Abandoned Items | 0 | 0 | 0 | 6,662 | 6,662 |
| Education and Care Services | 18,710 | 0 | 0 | 0 | 18,710 |
| Community Bus | 89 | 0 | 0 | 0 | 89 |
| Sportsground and Field Hire | 63,253 | 16,254 | 1,710 | 1,058 | 82,275 |
| Government and other Grants | 618,404 | 10,096 | 0 | 28,600 | 657,100 |
| Public Hall Hire | 44,028 | 7,374 | 1,593 | 6,831 | 59,826 |
| Health Services | 0 | 0 | 0 | 350 | 350 |
| Land and Building Rentals | 43,016 | 0 | 1,060 | 15 | 44,091 |
| Healthy Lifestyles | 4,906 | 105 | 300 | 600 | 5,910 |
| Licence Fees | 11,498 | 9,666 | 1,031 | 30,636 | 52,831 |
| Pool Hire | 6,214 | 0 | 0 | 1,239 | 7,453 |
| Private Works | 1,189 | 0 | 0 | 5,095 | 6,284 |
| Road and Footpath Restoration | 22,683 | 938 | 3,769 | 1,204 | 28,593 |
| Shop and Office Rentals | 15,269 | 0 | 0 | 0 | 15,269 |
| Various Sundry Items | 46,528 | 7,107 | 9,874 | 36,316 | 99,826 |
| Waste Collection Services | 15,439 | 0 | 2,150 | 0 | 17,589 |
| | 1,010,074 | 67,480 | 23,619 | 134,726 | 1,235,899 |
| Previous Month 90+ days | | | | | 18,295 |
| | | | | | 6,662 |
| | | | | | 0 |
| | | | | | 0 |
| | | | | | 818 |
| | | | | | 0 |
| | | | | | 5,217 |
| | | | | | 350 |
| | | | | | 209 |
| | | | | | 357 |
| | | | | | 31,172 |
| | | | | | 732 |
| | | | | | 5,545 |
| | | | | | 1,204 |
| | | | | | 0 |
| | | | | | 39,278 |
| | | | | | 0 |
| | | | | | 109,839 |

3.4 Revised Policy Accounting Practices

Reporting Officer

Manager Financial Services

Attachments

Revised Accounting Practices Policy (contained within this report)

Purpose

To seek Council's endorsement of the revised Accounting Practices Policy.

History

The abovementioned policy was adopted by Council on 15 July 2003 and was reviewed on 22 March 2016.

Report

The abovementioned policy has been developed in accordance with Council's Record Management Policy and the adopted procedure for Policy Development and Review.

Council was recently advised of a new accounting standard coming into effect from 1 July 2016 regarding Related Party Disclosures and Key Management Personnel. A key element of this new disclosure is for Council to document how the information will be collected and disclosed. After consultation with Council's external auditor, it is appropriate to incorporate this requirement in Council's Accounting Practices Policy as highlighted in the attachment.

The opportunity has also been taken to review the Accounting Practices Policy and to also include a statement regarding Council's method of accounting for disposed road assets as highlighted in the attachment.

Officer's Recommendation

1. That the revised Accounting Practices Policy as attached to this report be adopted.
 2. That the Policy review date be set at 30 September 2019.
-

Committee's Recommendation: (Lake/Kolkman)

That the Officer's Recommendation be adopted.

CARRIED


Council Meeting 16 August 2016 (Greiss/Thompson)

That the Officer's Recommendation be adopted.

Council Resolution Minute Number 139

That the Officer's Recommendation be adopted.

ATTACHMENT 1

| | | |
|---|--|---------------|
|  campbelltown city council | | POLICY |
| Policy Title | Accounting Practices | |
| Related Documentation | Significant Accounting Policy | |
| Relevant Legislation | <i>Local Government Act 1993</i> The Australian Accounting Standards Board Local Government Code of Accounting Practices and Financial Reporting <i>Local Government (General) Regulations 2005</i> | |
| Responsible Officer | Manager Financial Services | |

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

Objectives

The purpose of this policy is to document the accounting practices by Campbelltown City Council. These accounting practices are in addition to the 'significant accounting policies' listed in the annual financial statements and refer to matters which are of less significance or considered immaterial.

Policy Statement

This policy has been developed in conjunction with Council's external Auditor to develop a process for the dealing of various transactions affecting Council's end of year financial position. The policy has been developed taking into account all relevant legislation.

Scope

The scope of this policy is to formalise the accounting treatment for transactions affecting Council's end of year financial position.

Definitions

Contingent Asset - is recognised in the Notes to the end of year financial reports. This is reliant on a set of events and does not affect the Income Statement or the Statement of Financial Position as presented in Council's end of year financial reports.

Immaterial - relates to the quantum of the amount of a transaction and where this amount is of a minor nature, it is considered to be immaterial.

Legislative Context

This policy is in accordance with the *Local Government Act 1993*, the *Local Government (General) Regulations 2005*, the Local Government Code of Accounting Practice and Financial Reporting and the Accounting Standards as released by the Australian Accounting Standards Board.

Principles

Childcare Income, Childcare Fees in advance and Childcare Debtors

Council's policy is to only recognise childcare income on a cash basis. The extent of any childcare fees in advance or childcare debtors is considered immaterial and the cost of gathering the information on a monthly basis is prohibitive.

The recoverability of childcare debtors is also considered doubtful so any debtors would need to be provided for by way of a doubtful debts provision liability.

Library Fines

Library fines are brought to account as income on a cash received basis. Outstanding fines are accrued as a debtor with an offsetting provision to enable Council to monitor the balance. The Library system is used as the subsidiary ledger. Due to the minor nature and likelihood recoverability, no contingent asset is recognised.

Prepayments

Although Council prepares its accounts on an accrual basis, prepayments will only be recognised if the prepayment exceeds \$1,000 per month.

Issues such as prepaid motor vehicle registration or telephone services in advance are considered immaterial and not recorded as prepayments.

Income In Advance

Although Council prepares its accounts on an accruals basis, income in advance will only be recognised if the advance exceeds \$1,000 per month.

Specific issues such as prepaid childcare fees or leisure centre membership fees are considered immaterial and not recorded as income in advance.

Stock on Hand

Stock on hand at Council's Central Store is accounted for by the Council's Inventory Module within the Financial Management Information System and an annual stocktake is performed to reconcile the physical stock to the expected stock levels.

Other stock owned by Council such as stationery, kiosk supplies and clothing and equipment at leisure centres is expensed when purchased and not recorded as an asset of the Council.

Parking Fines

Fines are referred to the Infringement Processing Bureau for monitoring and recovery. The Infringement Processing Bureau maintains the controls and checks to monitor outstanding fines. Fines are subject to appeal and negotiation. Therefore it is Council's policy only to recognise the income on a cash received basis.

Additionally, Council also chooses not to recognise these debtors as a contingent asset as Council has no control over the recovery process.

Section 94

Section 94 Contributions are brought to account on a cash received basis. This accounting approach is consistent with the funding of Section 94 works, ie: the funds are received before the works can commence.

Although a contingent asset exists, this asset is matched with an obligation of Council to perform tasks documented in the Section 94 plan. Therefore, no contingent asset or liability is recognised in the accounts in relation to Section 94.

Developer Contributions

Developer contributions are brought to account as soon as Council has a legal claim to the contribution. The allocation of the subsequent receivable between current and non-current will be determined by the conditions of the approval where an agreement is executed.

Related Party Disclosures

For the purposes of AASB 124 Related Party Disclosures, Council will review and identify Key Management Personnel (KMP) and related transactions annually. This will include the review of Pecuniary Interest Disclosure Statements, minutes of Council meetings, Annual Reports, development applications lodged and financial accounts such as rates and sundry debtors. A determination will then be made to assess the materiality, whether quantitative or qualitative, of any transactions to be disclosed in Council's Financial Statements.

Fixed Assets Derecognition

For the purposes of AASB 116 (68) Property Plant and Equipment, Council will disclose gains and losses arising from the derecognition of each item within any asset class of property, plant and equipment through the profit and loss account, with the exception of partial disposals of road assets. Road assets are subject to a fair valuation process each financial year and due to the complex nature of accounting for partial disposals, will be absorbed in fair valuations.

Responsibility

The Manager Financial Services shall ensure that all transactions are treated in accordance with this policy at the end of each financial year and reflected consistently in Council's end of year financial reports.

Effectiveness of this Policy

This policy will be reviewed on a three year basis or where alterations in legislation will require a review of the treatment of transaction associated within this policy.

END OF POLICY STATEMENT

3.5 2015-2016 General Purpose Financial Report and 2015-2016 Special Purpose Financial Report

Reporting Officer

Manager Financial Services

Attachments

Nil

Purpose

To inform Council of its requirement to form an opinion relating to its General Purpose Financial Report and resolve to refer the accounts for audit as per Section 413(2c) of the *Local Government Act 1993*.

Report

In accordance with Section 413(1) of the *Local Government Act 1993*, Council must prepare financial reports for each year and must refer them for audit as soon as practicable after the end of that year. The 2015-2016 General Purpose Financial Reports and Special Purpose Financial Reports have been completed and Council's independent auditor, Intentus Chartered Accountants contacted to commence the end of year audit.

Section 416 of the *Local Government Act 1993* stipulates that council's financial reports for the year must be prepared and audited within a four month period after the end of each financial year. Council is then required to conduct an Annual General Meeting to present the audited financial reports, together with the auditor's reports to the public. This must be done not more than five weeks after receipt of the auditor's reports. The Annual General Meeting will be scheduled during October at a date to be advised.

The actual operational result on an accruals basis (excludes capital expenditure) is a surplus exceeding \$41m after capital grants and contributions and a surplus of around \$14m before capital grants and contributions. This is a preliminary result pending some minor valuation changes to fixed assets and any accrual adjustments, however is not expected to materially change. The major factors contributing to the operational result include the following:

- growth in rates income continues to be attributed to the special rate variation, with \$5.6m dedicated to the annual spend on infrastructure renewal
 - increase from growth in ordinary rates of \$2.3m (3 per cent)
 - increase in income from user charges and fees of \$1.5m, particularly in the areas of facility hire and road and footpath restoration
 - decrease of \$3.6m in depreciation as a result of fair valuation adjustments and changes to accounting methodology.
-

3.5 2015-2016 General Purpose Financial Report And 2015-2016 Special Purpose Financial Report

Depreciation of Council's fixed assets has reduced and will now stabilise to its present level of approximately \$22m as all asset classes are now valued in accordance with Australian Accounting Standard (AASB) 116 which has been implemented over the last several years. The change to Australian Accounting Standards requires assets to be re-valued at fair value using market based evidence where available and is undertaken by professionally qualified valuers. Assets with insignificant changes in fair value need only be re-valued every three to five years. The details of the original budget variations are reported in Note 16 to the General Purpose Financial Reports.

Note 13 to the General Purpose Financial Reports provides several financial performance measures of Council for the year. An indicator of significance is the unrestricted current ratio which assesses the adequacy of Council's working capital to satisfy obligations in the short term. The ratio has increased to 4.28:1 which continues to be above the benchmark of 2.0:1 reflecting Council's commitment to responsible budget management.

Council maintained a balanced budget throughout the 2015-2016 financial year with minor adjustments reported as part of the quarterly financial reviews. The actual funded result shows a surplus of approximately \$40,000 which is an excellent outcome in light of the current economic and financial environment. This result includes carry over works of some \$18m to be revoted in 2016-2017 representing a decrease of \$12m on the previous year. Of the revoted amount, material items are for waste performance improvement at the Arts Centre (\$1m), sport and recreation programs (\$1.5m) and major infrastructure works (\$8.5m). A report detailing the carry over works will be submitted in September 2016.

A significant effort from all staff has been made to ensure the end of year accounts were prepared particularly when considering the increased resources required to comply with the ongoing fair value accounting requirements.

The 2015-2016 Financial Reports have been prepared in accordance with the *Local Government Act 1993*, the regulations made thereunder, Australian Equivalents of the International Financial Reporting Standards and professional pronouncements, the Local Government Code of Accounting Practice and Financial Reporting and the Local Government Asset Accounting Manual. These statements are considered to fairly represent Council's financial position and operating result for the period.

Council is now required to refer the Financial Reports to the external auditor, Intentus Chartered Accountants for audit. Council is also required to convene an Annual General Meeting within five weeks of receipt of the Auditor's Reports and as reported above, the Annual General Meeting will be at a date to be advised in October 2016.

Officer's Recommendation

1. That the 2015-2016 General Purpose Financial Reports and the 2015-2016 Special Purpose Financial Reports be referred to audit.
2. That the Mayor, Deputy Mayor, General Manager and Responsible Accounting Officer sign the statements as required by Section 413(2) of the *Local Government Act 1993*.
3. That the audited results of the financial year be presented to Council at an Annual General Meeting in October 2016.

Committee's Recommendation: (Mead/Lake)

That the Officer's Recommendation be adopted.

CARRIED

Council Meeting 16 August 2016 (Greiss/Thompson)

That the Officer's Recommendation be adopted.

Council Resolution Minute Number 139

That the Officer's Recommendation be adopted.

3.6 Expenditure Allocation Revote

Reporting Officer

Manager Financial Services

Attachments

Listing of Recommended Revote of Works from 2015-2016 financial year (contained within this report)

Purpose

To advise Council of the revote of funds for works incomplete by 30 June 2016.

Report

All expenditure authorisations lapse at the end of each financial year. There were a number of works where contracts had been let, or where Council staff had commenced the work prior to the end of June 2016. These works were within Council's budget for 2015-2016 and require a revote of funds to enable completion in 2016-2017.

Attached to this report is the list of works where a funding revote has been requested following discussions with senior staff from each Division and is now submitted for Council's consideration.

The total funds required from 2015-2016 are \$17,640,388. This compares to the previous two years where \$30,636,946 was revoted from 2014-2015 and \$8,894,246 was revoted from 2013-2014. While being less than the previous year, this year's revote request is higher than the average, mainly due to several significant grant funded projects which have commenced, but were incomplete at year end.

The circumstances of the revoted funds this year are detailed below.

Major projects, which were unfinished at the end of the financial year:

- economic development, CBD studies
 - Animal Care Facility refurbishment
 - Leisure Centre projects
 - Asset Services road and bridge works
 - building refurbishment works
 - Emergency Services security upgrade
 - playground refurbishments projects
 - stormwater management projects
 - major/minor works program
-

Large grants/contributions being received late in the year or unexpended at year end:

- environmental/planning studies/plans of management
- waste performance improvement program
- sport and recreation projects
- Community Options programs
- Campbelltown Arts Centre, grant funded projects
- MACROC Regional Waste Strategy.

Projects which have yet to commence or fully take up available funds:

- land acquisition
- flood mitigation works

The sources of funding for the revoted funds are as follows:

| | |
|-------------------------------------|-------------|
| • revenue (committed works reserve) | \$4,542,137 |
| • other reserve funds | \$1,873,980 |
| • loans | \$2,503,856 |
| • grants | \$7,353,966 |
| • contributions | \$1,366,449 |

All funds must be expended on the project that they were originally allocated to, according to the terms and conditions of the source of funding. A number of minor projects were not completed at the end of the financial year, however have now been finalised or are nearing completion.

Details of the major projects are outlined below.

Economic Development Program - \$150k

As Council would be aware there is a renewed focus on the economic development of the Campbelltown area with significant opportunities arising in the near future. The newly appointed Director of City Growth and Economy has been charged with developing these opportunities. This amount will enable the progression of plans and strategies that were incomplete in the previous year.

MACROC-Regional Waste Strategy - \$361k

MACROC received grant funds during the year under the Waste Less Recycle More program. The project will run over several years. The project has commenced and an employee has been hired to oversee the project.

Animal Care Facility refurbishment - \$115k

During the 2015-2016 financial year funds were allocated to the refurbishment of the Animal Care Facility for various works. Some works were not able to be completed during last financial year and further works have been identified. The remaining works include roof insulation and the modification of afterhours holding pens. The funds have been allocated from unspent funds from the previous year and a favourable result in the Compliance Section budget.

Compliance equipment/site assessment - \$105k

The current devices utilised by Rangers have been made obsolete and are either not being replaced or not able to be effectively repaired. Surplus funds from a favourable result are requested to enable the purchase of new hand held devices for the Rangers. These devices are more efficient to use and generate a cost saving to Council of \$1 per penalty notice issued in the form of reduced SDR processing fees. Also funds are requested to enable a site assessment and remediation action plan to be developed for a site in Campbelltown. The owner of the property has failed to comply with prior directions and as the site poses a risk to the environment there is a need to progress this assessment work. It is intended that the site assessment and plan development costs be recovered from the owner.

Environmental studies \$205k

A number of environmental studies are continuing or yet to commence due to funding being allocated over a number of years or the funds being received late in the financial year. Some of these studies include; Cumberland Plain-Golf Course, Mitigating Threats to Koala Population and Public Reserve Management-Fencing.

Plans of Management \$117k

Several Plans of Management have recently commenced or are about to commence. They include a flying fox PoM where there was a Council resolution (21 July 2015) to prepare a plan; the plan is due for completion early 2017. Also a bushwalking track audit and associated works has commenced, a consultant has been engaged to undertake audit, and the report is due October 2016.

Waste Performance Improvement Program - \$1.09m

Council has received funding from the NSW Government's Waste and Sustainability Improvement Payments (WaSIP) Scheme in previous years. The funding is conditional on the approval of an action plan of works by the Office of Environment and Heritage which has been approved. These funds are for the Campbelltown Arts Centre Heating and Ventilation Air Conditioning upgrades due for completion early 2017. Projects are facilitated by Council's Sustainability Committee. This project also has a supplementary Council contribution.

Better Waste and Recycling Program - \$988k

Grant funds were received during the year under the Better Waste Recycling fund (Waste Less Recycle More), which will be expended on projects which aim to reduce the amount of waste going to landfill. This is an ongoing program with works to continue over several years. Funds have also been received to fund the construction of a Community Recycling Facility. This project is currently underway.

Education and Care Projects - \$193k

There are two ongoing grant funded programs within the Education and Care Services Section which had unexpended funds at the end of the financial year. They are the Airds Family Centre and the Mobile Toy and Book Library. Revoted funds will be expended on the operations of the programs.

Education and Care Services also received grant funding for a long day care professional development programme. This is year two of a three year program and funds will be expended over this period.

Campbelltown Arts Centre Programs - \$705k

The Campbelltown Arts Centre receives much of its grant funding on a calendar year basis, and depending on the timing of their expenditure there will be unspent funds that will need to be expended in the first half of the next financial year. These grant funded programs include the music, education, exhibition, theatre and dance programs.

Leisure Services Projects - \$702k

The Leisure Services section has several projects either underway or yet to commence. These include refurbishment works at the Gordon Fetterplace Swimming Centre and the Macquarie Fields Swimming Centre, minor equipment purchases at the pools, capital purchases for the Minto basketball stadium and the Campbelltown Sports Ground as well as funds revoted for various strategic master plans.

Department of Sport & Recreation Projects - \$1.321m

In the last financial year Council was successful in applying for (or partnering with other sporting organisations) Participation and Facility grants. Several are committed or underway and are due for completion in the 2016-2017 financial year. There are also projects committed to as, per the Sport & Recreation grants program, in accordance with previous reports to Council.

Healthy Lifestyles has also received a number of requests from sporting groups regarding improvements required to amenities buildings. Healthy Lifestyles and Assets are currently assessing and prioritising Council's amenities buildings for upgrades. The funds allocated for these projects would be retained for use in these improvements.

Building Assets Maintenance Projects - \$1.37m

There were a number of works that were delayed, deferred or incomplete for various reasons during the 2015-2016 financial year. These works include:

- Woodlands Baseball Complex refurbishment
- Menangle Reserve amenities refurbishment
- Worrell Park amenities refurbishment
- Civic Centre office refurbishments

The majority of these works have either been completed or will be completed by September 2016.

Assets Services Projects - \$403k

There were a number of works that were delayed or deferred for various reasons during the 2015-2016 financial year. These works include:

- bridge maintenance program
- culvert maintenance program
- parks maintenance program
- footpath reconstruction program
- urban road reconstruction program

The majority of these works have either been completed or will be completed by November 2016.

Playground Equipment - \$330k

Funds were allocated as part of the Renew Connect Revitalise program for the rejuvenation of the playground facilities in the Campbelltown area. The rollout of the program includes extensive consultation with the community and design works. A number of sites were put on hold to ensure compliance with the incoming Play Space Strategy. The sites have now been approved and are on track to be completed mid 2016-2017.

Emergency Services Project - \$340k

Council's security system is being upgraded to enable a single system across all of Council's buildings and sites. Works had commenced in the last financial year, however additional funds are required to upgrade the older technology to be NBN ready this is estimated to cost approximately \$60k. Council's CCTV equipment also requires updating and \$240k is to be utilised for this purpose. Also a revote is requested to enable the engagement of a consultant to assist in the development of plans and process mapping required as a result of the new structure and associated tasking. The section has taken advantage of a favourable result in the Property Management function to allocate these funds for revote.

Flood mitigation study and works/drainage - \$687k

Council is in the process of implementing the outcomes from the flood mitigation study. An amount of \$371k has been revoted to continue the works. Also a surplus has been achieved from prior flood mitigation projects that have come in under budget. These funds will be incorporated and expended with the flood mitigation works.

Stormwater management projects - \$1.096m

Funds are for the completion of various stormwater re-use and recycling schemes. A works program is in place for the balance of funds which were received in 2015-2016 and will be spent in accordance with Council's Management Plan. Some of the funds will also be spent on outcomes from the flood study.

Major works program - \$5.047m

The majority of surplus funds from within the major works program are for the completion of the following projects:

- Eaglevale Drive upgrade (grant funded)
- Raby Precinct Traffic Study (grant funded)
- Wedderburn Road Bridge

Minor works program - \$232k

Funds are for a variety of safety and amenity projects, including footpath baulks, solar lighting upgrades, bus shelter program, city signage programs and traffic facilities.

Community Safety projects - \$57k

The bulk of this revote is grant funds that have been received for the Young Driver Assistance Program. This program is to be run over a number of years.

Land acquisition - \$1.688m

These funds have been included in previous budgets for various land purchases. The funds will be expended as opportunities arise. Council is continually negotiating with land owners regarding various acquisition opportunities.

Summary

It should be noted that the major contributing projects to the revote total are subject to funding through grants and loans. The combination of these projects amounts in total to \$9.9m of the proposed \$17.6m carry over. The balance of \$7.7m represents approximately 5.1 per cent of total annual expenditure which is considered satisfactory.

Officer's Recommendation

That the works listed in the attachment, which were originally funded in the 2015-2016 budget and subsequent financial reviews, be reallocated for expenditure during 2016-2017.

Committee's Recommendation: (Kolkman/Lake)

That the Officer's Recommendation be adopted.

CARRIED


Council Meeting 16 August 2016 (Greiss/Thompson)

That the Officer's Recommendation be adopted.

Council Resolution Minute Number 139

That the Officer's Recommendation be adopted.

ATTACHMENT 1

| <div>  <div> Listing of Recommended Revote of Funds from 2015-2016 Financial Year </div> </div> | | | | | | | |
|---|--|----------------|-----------|-----------|-----------|-----------|------------|
| Cost Centre | Description | Funding Source | | | | | TOTAL |
| | | Loans | Grants | Contribs | Reserves | Revenue | |
| 1112 | Economic Development | 0 | 0 | 31,140 | 0 | 118,900 | 150,040 |
| 1125 | Animal Care Facility | 0 | 0 | 0 | 0 | 115,000 | 115,000 |
| 1215 | Compliance-Equipment | 0 | 0 | 0 | 0 | 105,000 | 105,000 |
| 1243 | Environmental Projects | 0 | 191,630 | 0 | 0 | 130,666 | 322,296 |
| 1361 | Waste Performance Improvement Prog | 0 | 988,079 | 887,639 | 0 | 200,000 | 2,075,718 |
| 1530 | Children's Services Projects | 0 | 190,522 | 0 | 0 | 2,417 | 192,939 |
| 1666 | Community Options Programs | 0 | 89,143 | 0 | 0 | 0 | 89,143 |
| 1730 | Community Services Projects | 0 | 57,694 | 0 | 0 | 0 | 57,694 |
| 1735 | Youth Services Projects | 0 | 15,500 | 0 | 0 | 0 | 15,500 |
| 1801 | Arts Centre Programs | 0 | 705,349 | 0 | 0 | 0 | 705,349 |
| 1920 | Leisure Services Projects | 0 | 35,000 | 0 | 0 | 667,250 | 702,250 |
| 1935 | Department Sport & Recreation Projects | 347,640 | 694,973 | 40,670 | 0 | 237,642 | 1,320,925 |
| 2240 | Building Maintenance Projects | 0 | 0 | 0 | 118,800 | 1,251,400 | 1,370,200 |
| 2235 | Assets Services Projects | 0 | 0 | 0 | 0 | 402,900 | 402,900 |
| 2405 | Emergency Services Project | 0 | 0 | 0 | 0 | 340,000 | 340,000 |
| 2915 | Playground Equipment | 0 | 0 | 0 | 0 | 330,000 | 330,000 |
| 2989 | Land Acquisition | 1,390,120 | 0 | 0 | 0 | 298,256 | 1,688,376 |
| 3010 | Flood Mitigation Study | 0 | 247,645 | 0 | 0 | 123,823 | 371,468 |
| 3025 | Flood Mitigation & Drainage | 239,008 | 76,249 | 0 | 0 | 0 | 315,257 |
| 3027 | Stormwater Management | 0 | 0 | 350,000 | 745,606 | 0 | 1,095,606 |
| 3050 | Major Works Program | 438,997 | 3,600,600 | 0 | 966,174 | 41,634 | 5,047,405 |
| 3055 | Minor Works Program | 88,091 | 100,405 | 0 | 43,400 | 0 | 231,896 |
| 3063 | Road Safety Officer Projects | 0 | 0 | 57,000 | 0 | 0 | 57,000 |
| 3180 | Community Events | 0 | 0 | 0 | 0 | 45,000 | 45,000 |
| 3335 | Corporate Support | 0 | 0 | 0 | 0 | 40,000 | 40,000 |
| 3720 | HR Project | 0 | 0 | 0 | 0 | 20,000 | 20,000 |
| 3917 | IM&T Software and Projects | 0 | 0 | 0 | 0 | 38,800 | 38,800 |
| 4020 | Customer Services-Equipment | 0 | 0 | 0 | 0 | 33,450 | 33,450 |
| 4150 | Macro-Regional Waste Strategy | 0 | 361,177 | 0 | 0 | 0 | 361,177 |
| | | 2,503,856 | 7,353,966 | 1,366,449 | 1,873,980 | 4,542,137 | 17,640,388 |

4.1 Rescinded Policy - References/Letters Of Recommendation And Certificates Of Service

4. HUMAN RESOURCES

4.1 Rescinded Policy - References/Letters of Recommendation and Certificates of Service

Reporting Officer

Director Business Services

Attachments

References/Letters of Recommendation and Certificates of Service Policy (contained within this report)

Purpose

To rescind a policy that has been identified as being no longer relevant to Council.

History

The abovementioned policy was adopted by Council on 25 May 1993 and is due to be reviewed in accordance with Council's Record Management Policy.

Report

The abovementioned policy has been rescinded in accordance with Council's Record Management Policy and the adopted procedure for Policy Development and Review.

This policy is no longer needed as the provision contained within it are largely redundant.

The only exception is point four, "An employee may also request a certificate of service from the Human Resources Section. The certificate will provide details of the employee's period of employment, range of duties and current rate of pay" and this occurs as a matter of course without the need for a policy.

Officer's Recommendation

That Policy References/Letters of Recommendation and Certificates of Service be rescinded.

Committee's Recommendation: (Borg/Lake)

That the Officer's Recommendation be adopted.

CARRIED

Council Meeting 16 August 2016 (Greiss/Thompson)

That the Officer's Recommendation be adopted.

Council Resolution Minute Number 139

That the Officer's Recommendation be adopted.

4.1 Rescinded Policy - References/Letters Of Recommendation And Certificates Of Service

ATTACHMENT 1

| | | | |
|---|--|--|--|
|  | | POLICY | |
| Policy Title | | References/Letters of Recommendation and Certificates of Service | |
| 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 provide guidelines on the issue of references, letters of recommendation and certificates of service.

Policy Statement

1. That the General Manager be authorised to sign a reference upon the request of an employee who has submitted their resignation and have served at least 2 years satisfactory service with Council.
2. An employee may also be issued with a reference under any time where it is required for the issue of a certificate of academic achievement or similar.
3. At the request of an employee the Director may issue a letter of recommendation direct to an organisation to which a job application is being made by the employee.
4. An employee may also request a certificate of service from the Human Resources Section. The certificate will provide details of the employee's period of employment, range of duties and current rate of pay.

END OF POLICY STATEMENT

5. INFORMATION MANAGEMENT AND TECHNOLOGY

5.1 Online Report

Reporting Officer

Manager Information Management and Technology

Attachments

Online Report – 1 January to 30 June 2016 (contained within this report)

Purpose

To update Council on Council's overall online presence during the period January to June 2016.

History

Council at its meeting held 17 May 2016 adopted:

That an undertaking of Council's new website and Customer feedback be given to Councillors by the Manager Information Management and Technology.

Report

Online statistics

Council's website provides a range of information on programs, initiatives, services and events. Using Google Analytics, statistics on the usage patterns of our websites are obtained for reporting purposes.

Due to the launch of Council's new website during the reporting period, statistics presented are for the post-launch period only (28 April 2016 to 30 June 2016).

This report also provides insights into Council's overall online presence, with information and statistics on:

- other council websites
 - eServices
 - facebook
 - eNewsletters.
-

Council website update

As part of Council's Online Strategy initiatives and following consultation with residents and key users, Council launched its new mobile, touch friendly and accessible website on the 27 April 2016. The new website has many additional features providing a user friendly environment for our community to find information, services and facilities. New features include:

- discover your area – highlighting 'what is happening around me', as well as showcasing Council services and facilities
- collection days – bin and kerbside clean up collection days based on the residents address
- comprehensive site search – including suggested search results, search category filters and full content searching capabilities including documents
- accessible content – plus a text to speech tool
- language translation
- new structured content – with search filter capabilities for key services, parks, animals for sale, news, events, child care, city improvements, and facilities for hire
- quick website tour
- on page content feedback.

Council has engaged with the community via a short online survey to understand their thoughts on the new website design and key features. The survey opened on the 28 April 2016 and will close on 26 August 2016. Survey submissions and comments indicate that new website has been well received by the community – refer to attachment for additional insights.

Other Council websites

Council also has two additional websites:

- the Campbelltown Arts Centre website statistics are presently not included in this report, however will be included in future reports.
- the Visit Macarthur website attracted 87,953 sessions, with 69 per cent of these being new visitors to the site.

Council has taken a consolidated approach to its online presence and has incorporated the Your City Your Future and Fisher's Ghost websites into Council's new website. This includes a number of benefits:

- reducing the ongoing cost of software licences
- reducing hosting, upgrades and training costs
- reducing our security and support risks
- improving the user experience and increasing search capability
- increasing our return on investment for enhancements through upgrades and/or custom built solutions which can be leveraged across all websites.

eServices

Council continues to improve and expand its range of online services. During the reporting period, over 11,000 online requests were lodged by our community, which equates to 11,000 less calls to Customer Service. It is estimated that this will rise to 20,000 by the end of 2016.

There has also been enhancements to Council's Kerbside Clean Up eService, which enables Customer Service to email the customer rather than print and post their confirmation letter. This has resulted in a reduction in postage costs by \$3,287 between January and June 2016 with savings projected to reach more than \$9,000 over a 12 month period.

Facebook

Utilising Facebook to engage with the community continues to be an effective tool for Council. Popular community posts such as daylight saving ending, double demerit points, Queen Street improvement works as well as competitions and awards prompt much commentary, shares and participation from the community.

Council's corporate Facebook page received 866 new 'likes' and the Visit Macarthur Facebook page received 1,508 new 'likes' over the six month reporting period.

eNewsletters

Council's eNewsletters complement the existing quarterly Council residential newsletter 'Compass' which is delivered to residents as well as Council's Facebook pages.

Council's corporate eNewsletter is distributed via email and informs subscribers on events, Council initiatives, things to do and places to visit, as well as directing traffic to Council's website through links to further information.

There are currently 861 subscribers to Council's eNewsletter, an increase of 9.4 per cent from the previous reporting period. Council's eNewsletter open and click through rates are significantly higher than the average Government email marketing campaigns. This indicates that Council's eNewsletter continues to have a broad and consistent appeal.

Council's Visitor Information Centre's monthly eNewsletter (What's On in Macarthur) provides information about 'What's On' across the Macarthur region. This eNewsletter currently has a subscription base of 1,553, including residents, local tourism operators and visitor information centres across NSW.

The Campbelltown Arts Centre electronic direct mail flyers provide up-to-date information about the Centre's programs and has a current subscription base of 4,719.

Officer's Recommendation

That the information be noted.

Committee's Recommendation: (Kolkman/Borg)

That the Officer's Recommendation be adopted.

CARRIED

Council Meeting 16 August 2016 (Greiss/Thompson)

That the Officer's Recommendation be adopted.

Council Resolution Minute Number 139

That the Officer's Recommendation be adopted.

ATTACHMENT



Online Reporting Jan – Jun 2016 Focus: New website feedback

Website survey¹: 28 Apr 16 – 30 Jun 16

82 entries over 64 days

As part of our Online Strategy initiatives and after consultation with residents and key users, we launched our new mobile and touch friendly website on 27 April 2016. The new website has many new features to make it easier for our community to find information, services and facilities.

To help us learn more about our community's thoughts on the new website design and key features, we invited website visitors to take our short survey to provide their feedback. The survey opened on 28 April 2016 and will close on 26 August 2016. Below are insights from the survey results received up until 30 June 2016.

Feedback from the community on the new website experience²:



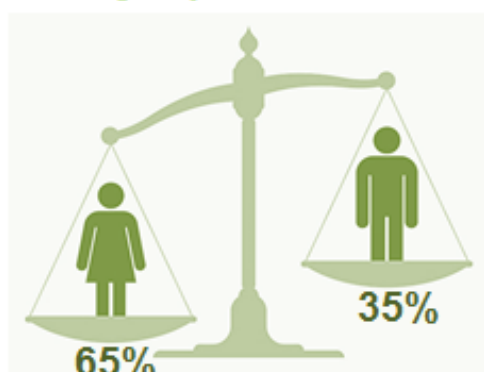
²Note: The percentage is calculated on an average basis of homepage layout, general site look & feel, ease of getting around the site and mobile & touch friendly design.

Feedback from the community on the new website features³:



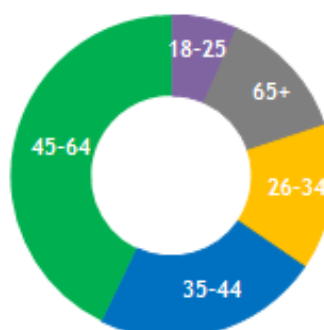
³Note: The percentage is calculated on an average basis of discover your area, quick tour, bin/kerbside collection days, search filters for what's on, lost/for sale dogs & cats, city improvements, facilities for hire, child care and parks & recreation.

The majority of survey submissions were lodged by women



¹All Council website stats include internal traffic.

43% of the survey respondents were aged between 45 and 64



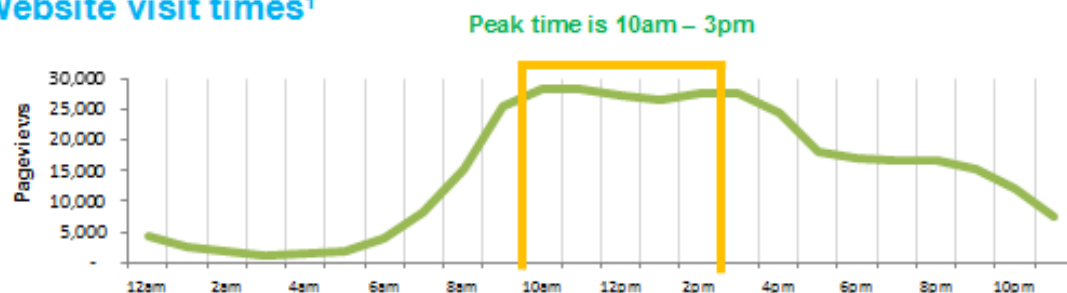
Website feedback: 28 Apr 16 – 30 Jun 16



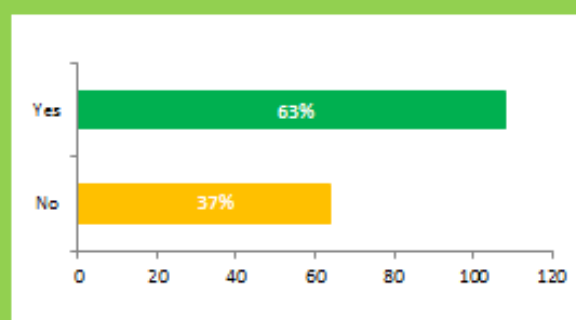
Website update & insights¹: 28 Apr 16 – 30 Jun 16

As part of the website development project, the Your City Your Future and Fisher's Ghost websites were incorporated into Council's new website. This website software and provider consolidation has a number of benefits: Reducing the ongoing cost of software licenses; Reducing hosting, upgrades and training costs; Reducing our security and support risks; and increases our return on investment for enhancements through upgrades and/or custom built solutions which can be leveraged across all websites.

Website visit times¹

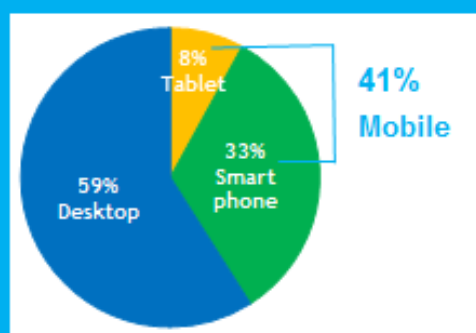


Was this web page helpful?¹ 172 entries over 64 days



This indicates that the majority of website visitors are satisfied with the content on the website.

Device usage breakdown¹



Mobile usage has increased slightly since the new site launched. However, we predict this will increase as the community find out about our new mobile friendly site and the new features.

Top 10 Search Results¹

1. dcp
2. rates
3. jobs
4. lep
5. forms
6. events
7. library
8. councillors
9. 149
10. ground closures

Top 10 pages¹

1. Home
2. Dogs/Cats For Sale
3. Libraries
4. Lost Dogs/Cats
5. Search results
6. Waste & Recycling
7. Facilities for Hire
8. Positions vacant
9. Build & Develop
10. Discover your area

¹All Council website stats include internal traffic.

eServices update & insights: Jan 16 – Jun 16

11,000+ eService requests were lodged by our community



This means **11,000 LESS CALLS** to Customer Service during this period.

We forecast this will **rise to 20,000** online requests by the year's end.



eServices delivering cost savings



Since introducing enhancements to the Kerbside Clean Up eService, enabling the Customer Service team to email the customer rather than print and post their confirmation letter, resulted in Council **reducing postage costs by \$3,287 between Jan to Jun 16.**

At this rate, we are on track to **save a total of \$9,000 on postage costs** over the 12 month period.

Visit Macarthur insights: Jan 16 – Jun 16

Overview

- New visitors – 69%
- Returning visitors – 31%
- Page views – 193,741
- Sessions – 87,953
- Facebook likes for Visit Macarthur page – 12,245 (which is 1508 new likes over the six month period)

Top 5 pages

1. What's On
2. Dining
3. Attractions
4. Functions
5. The Georges River

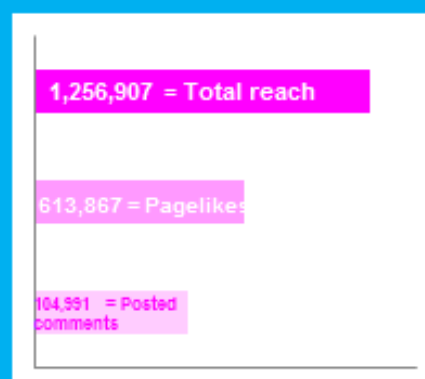
Facebook insights: Jan 16 – Jun 16

Council's Corporate Facebook page - Post highlights

| Top posts | Views | Posted comments | Shares |
|---|--------|-----------------|--------|
| Daylight saving ending | 13,743 | 438 | 308 |
| Double demerits for Easter long weekend | 10,079 | 80 | 94 |
| Australia Day Award winner announcement | 4,664 | 165 | 30 |
| Queen street improvement works | 3,948 | 54 | 14 |
| Catch a carp competition pre-event post | 3,250 | 37 | 22 |

The page has received 866 new likes over the six month period.

11 Facebook pages*: Reach & Engagement



*excludes 'Visit Macarthur' & 'Bushcare'

The new Bushcare Facebook page will be launched on 7 July 2016 to help build the profile of Council's Bushcare volunteer program.

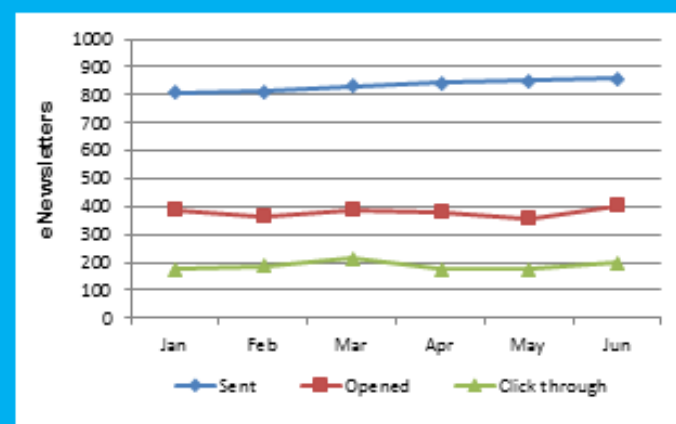
eNewsletter insights: Jan 16 – Jun 16

Total number of subscribers

- Council's corporate eNewsletter = 861
- Visit Macarthur eNewsletter = 1,553
- Arts Centre electronic direct mail flyers = 4,719

Subscriptions continue to grow steadily.

Council's Corporate eNewsletter



The average open rate for Government email marketing is 26%, with a 3% click through rate. The Council open and click through rates are significantly higher than the average Government email marketing, indicating that Council's eNewsletter has a broad and consistent appeal.

Source: MailChimp.com_email_marketing_benchmarks

5.2 Feasibility of public wireless service at Council Skate Parks

Reporting Officer

Manager Information Management and Technology

Attachments

Wireless coverage map (contained within this report)

Purpose

Council at its meeting held 17 May 2016 adopted:

That a report be presented investigating the feasibility of providing public wireless (Wi-fi) services at all Skate Parks located within the Local Government Area.

This report aims to advise Council on technology, governance, operational and financial considerations to provide public wireless connectivity at Council operated Skate Parks.

Report

Council currently operates four Skate Parks situated at Bradbury, Campbelltown, Macquarie Fields and St Helens Park.

The Skate Parks, being outdoor recreational venues, currently do not have Council IT infrastructure on site.

The cost estimates provided in this feasibility report are based on provisioning wireless systems to the St Helen's Park Skate Park only. The varied locations, sizes and layouts of each site will impact the implemented solution and associated cost.

Considerations for implementing a wireless system include:

- the alignment with Council and IT strategic planning
 - the return on investment
 - the availability of usable electrical power outlets
 - the provision of high speed internet connection and associated cabling to these sites
 - the area of wireless coverage and bandwidth requirements for each site
 - the secure location for the storage of IT hardware and the associated risks arising from vandalism
 - appropriate elevated locations for mounting wireless access points
 - the monitoring of the system to ensure a reliable service
 - ongoing support for the system
-

- the long term maintenance and operational expenditure
- internet filtering to safeguard patrons from accessing inappropriate content via the internet
- system security to avoid potential misuse of internet bandwidth

Financial Analysis

- The initial estimate of capital and operational expenses for St Helens Park Skate Park is based on internet bandwidth to cater for up to thirty users simultaneously accessing the internet.

Capital expenditure:

| IT Hardware/Service | Quantity | Cost (ex GST) |
|--|----------|-----------------|
| Broadband line provisioning | 1 | \$300 |
| Netgear router | 1 | \$200 |
| Sonicwall TZ400 Firewall | 1 | \$150 |
| Ruckus T300 outdoor Wifi access point | 3 | \$4,000 |
| Wifi hotspot controller | 1 | \$350 |
| Point to point radio beacon (150Mbps @ 5GHz) | 2 | \$590 |
| Equipment housing cabinet | 1 | \$500 |
| Onsite installation | 1 | \$2,000 |
| Cost of electrical work to provide power for IT equipment | | \$2,000 |
| Note: Flood light poles selected for mount points of outdoor wireless access points and radio beacon | | |
| TOTAL: | | \$10,090 |

Annual operational expenditure:

| Hardware Maintenance/Subscription | Quantity | Cost (ex GST) |
|---|----------|----------------|
| Sonicwall TZ 400 hardware maintenance | 1 | \$300 |
| Monitoring/Reporting | 1 | \$800 |
| Sonicwall Gateway security subscription | 1 | \$400 |
| Ruckus access point warranty | 3 | \$300 |
| Wireless management system subscription | 1 | \$600 |
| Radio beacon maintenance | 2 | \$150 |
| ADSL2+ annual subscription | 1 | \$1,500 |
| TOTAL: | | \$4,050 |

Financial Summary

Based on the cost estimates for the St Helens Park Skate Park, the cost to deliver wireless services to all Council Skate Parks operated by Council:

- the capital outlay will be \$40,360
- the annual ongoing expenses will be \$16,200 per annum.

Officer's Recommendation

That Council develop a city wide public wireless strategy.

Committee's Recommendation: (Kolkman/Borg)

That the Officer's Recommendation be adopted.

CARRIED

Council Meeting 16 August 2016 (Greiss/Thompson)

That the Officer's Recommendation be adopted.

Council Resolution Minute Number 139

That the Officer's Recommendation be adopted.

ATTACHMENT



6. INTERNAL AUDIT

6.1 Internal Audit Annual Report for year ended 30 June 2016

Reporting Officer

Internal Auditor

Attachments

Audit Committee and Internal Audit Annual Report for year ended 30 June 2016 (contained within this report)

Purpose

To report to Council the activities of the Audit Committee and internal audit for the year ended 30 June 2016.

History

The Audit Committee Charter sets out the Committee's composition, roles and responsibilities, and reporting requirements. The revision of the Charter was recommended to be submitted to Council for approval on 14 July 2015 and was approved by Council on 21 July 2015.

Report

The Audit Committee is required to provide a report to Council on its activities each year. The attached report covers both Internal Audit and the Audit Committee's activities for the year ended 30 June 2016.

The report outlines some of Internal Audit and the Audit Committee's key achievements during the year including review and amendment of the Strategic internal Audit Plan on a risk management basis, a regime for providing assurance on key Council changes and local government reform and self-assessment of the internal audit function in accordance with the quality assurance and improvement program.

The Annual Report covers:

- Audit Committee meetings and attendance
 - cost of internal audit activities
 - performance against the approved internal audit plan, and
 - Audit Committee coverage per roles and responsibilities in the Charter.
-

Officer's Recommendation

That the information be noted.

Committee Note: Mr Bruce Hanrahan, Chairman of the Audit Committee presented the report to Council.

Committee's Recommendation: (Kolkman/Lake)

That the Officer's Recommendation be adopted.

CARRIED

Council Meeting 16 August 2016 (Greiss/Thompson)

That the Officer's Recommendation be adopted.

Council Resolution Minute Number 139

That the Officer's Recommendation be adopted.

ATTACHMENT 1



Audit Committee and Internal Audit Annual Performance Report to Council for Year Ended 30 June 2016

July 2016

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| Performance against Internal Audit Plan 2015-2016..... | |
| Other Internal Audit Projects and Activities..... | |
| Strategic Planning | |
| Quality Assurance and Improvement Program | |
| Acknowledgments and Appreciation..... | |

Background

The Division of Local Government issued revised *Internal Audit Guidelines* under Section 23A of the *Local Government Act 1993* in September 2010. These guidelines recommend the establishment of an Audit Committee to play a pivotal role in the governance framework.

Council approved the establishment of an Audit Committee at its October 2010 meeting and its principle function is to provide independent advice and assistance to Council on matters related to risk management, control, governance and statutory compliance.

Since that time the Audit Committee's role has evolved with responsibilities to monitor activities including:

- the development and implementation of the annual audit program
- completion of external responsibilities (for example completion of the annual statutory financial statements)
- implementation of recommendations made by internal/external audit, and
- Council's progress in relation to risk management.

The Committee's long-term strategy is to assist with improving corporate governance by monitoring the development of a formal Enterprise Risk Management framework. This framework is intended to assist with the development of risk registers that consider all types of risk facing Council and to therefore allow a more strategic approach to the management of risks. The development of this framework has progressed significantly, with the development and implementation of the strategy and authorised statement during the latter part of 2015-2016. This work, together with development of the internal audit framework and quality assurance and improvement program, have further enhanced Council's ability to build the efficiency and effectiveness of the internal audit function.

Audit Committee

Membership

The Audit Committee currently consists of five voting and four non-voting members. The voting members are two independent members (including the Chairperson), the Mayor, the Deputy Mayor and the Chairperson of the Corporate Governance Committee (or a member of that Committee).

Non-voting attendees are the General Manager, Director Business Services and the Internal Auditor.

To enhance its ability to provide good governance and independently review Council activities, best practice guidance recommends that the Audit Committee should comprise a majority of independent members.

The Audit Committee charter was revised during 2014-2015 to reflect this structure and to coincide with the next round of elections and amendment of the Local Government Act and Internal Audit Guidelines. Further revisions to the Charter will be attended to as necessary once legislative changes are finalised.

Attendance

Committee meetings were held on the following dates:

- 20 October 2015
- 15 March 2016
- 14 June 2016

Per the Audit Committee Charter, the Committee is to meet a minimum of three times per year with the need for any additional meetings to be decided by the Chair of the Committee in consultation with the General Manager.

Attendance at the three meetings held during the year was as follows:

| Meeting Participants | No. of Meetings attended |
|-------------------------------------|--------------------------|
| Independent Chairperson | 3 |
| Independent member | 3 |
| Mayor | 3 |
| Deputy Mayor | 0 |
| Chairperson of Governance Committee | 3 |
| General Manager | 3 |
| Director Business Services | 3 |
| Internal Auditor | 3 |

Performance against Audit Committee Charter

Audit Committee achievements over the 2015-2016 year are assessed against the roles and responsibilities established by the Audit Committee Charter in the following areas.

| Per Audit Committee Charter | Coverage |
|--|---|
| Risk Management | |
| Review whether management has in place a current and comprehensive risk management framework, and associated procedures for effective identification and management of business and financial risks, including fraud | A formal framework for enterprise risk management is currently being developed by Council's Risk Management Coordinator. An authorised statement, strategy and implementation plan have been developed and endorsed by Council. |
| Review whether a sound and effective approach has been followed in developing strategic risk management plans for major projects or undertakings | Internal Audit has assessed the application of risk management planning to areas such as Contract management, policy management and grant application governance throughout the 2015-2016 scheduled and special audit projects. Further, Internal Audit strategic planning meetings, probity advice and investigations reinforce the need for a risk management |

| Per Audit Committee Charter | Coverage |
|---|--|
| | approach in planning for all council projects and undertakings. |
| Review the impact of the risk management framework on its control environment and insurance arrangements | Considered in strategic planning process and Internal Audit liaison with the Risk Coordinator during development of the risk management framework, policies and systems. |
| Review whether a sound and effective approach has been followed in establishing business continuity planning arrangements, including whether plans have been tested periodically. | Reviewed in the strategic planning process via discussions with Council's Manager Emergency Management and Facility Services and participation in desktop testing exercise in May 2016. Statewide has engaged a consultant to conduct a gap analysis review of Council's Business Continuity Plan with a report to be provided to Council within this last quarter. |
| Control Framework | |
| Review if Management has adequate internal controls in place, including over external parties such as contractors. | Considered during risk-based strategic planning and with each audit. |
| Review if Management has in place relevant authorised statements, policies and procedures and these are periodically reviewed and updated. | Considered with each audit, and specifically with the scheduled audit of Policy Management reported in the March 2016 Audit Committee paper. |
| Review if appropriate processes are in place to assess whether policies and procedures are complied with. | Considered with each audit. |
| Review if appropriate policies and procedures are in place for the management and exercise of delegations. | Reviewed during strategic planning process and considered with each audit, included contract management, sign shop processes, beverage and snack management, and grant application governance arrangements. |
| Review if Management has taken steps to embed a culture which is committed to ethical and lawful behaviour through reinforcement of the Code of Conduct. | Ongoing. Examples are; induction, code of conduct, and bullying and harassment training. Direction and advice provided through Mannex, to Directors, Managers and Coordinators. |
| External Accountability | |
| Note the completion of the annual financial statements and that they are supported by appropriate management sign-off on the statements and on the adequacy of internal | Included in external audit report on financial statements. |

| Per Audit Committee Charter | Coverage |
|--|---|
| controls. | |
| Review the external audit opinion, including whether appropriate action has been taken in response to audit recommendations and adjustments. | Any external audit issues covered in external audit update. |
| To consider contentious financial reporting matters raised at the Committee meetings in conjunction with Council's management and external auditors. | None noted at Audit Committee meetings. |
| Satisfy itself there are appropriate mechanisms in place to review and implement where appropriate relevant State Government reports and recommendations. | Any relevant matters are considered and referred/advised by Council's Governance and Risk Section, other relevant operational sections and external networking bodies such as the Local Government Internal Audit Network, Corruption Prevention Network Council, and Institute of Internal Auditors. |
| Satisfy itself there is a performance management framework linked to organisational objectives and outcomes. | Considered in internal audit strategic planning; with respect to the human resources section, observed links between performance management and appraisal systems and organisational objectives per the delivery program. |
| Legislative Compliance | |
| Determine whether management has appropriately considered legal compliance matters as part of its operations. | Considered in strategic planning process and with each audit, but especially the Policy management review reported in March 2016. |
| Review the effectiveness of the system for monitoring compliance with relevant laws, regulations and associated government policies. | Considered in strategic planning process and with each audit, but especially the Policy management review reported in March 2016. |
| Internal Audit | |
| Act as a forum for communication between the Council, General Manager, senior management, internal audit and external audit. | Ongoing via regular discussions with key stakeholders and reports to Audit Committee. |
| Review the internal audit coverage and Internal Audit Plan, including ensuring the Plan has considered Council's risk framework, and approval of the Plan. | Report on Status of Internal Audit Plan and annual approval of the Strategic Internal Audit Plan. |
| Consider the adequacy of internal audit resources to carry out its responsibilities, including completion of the approved Internal Audit Plan. | Status of Internal Audit Plan, Strategic Audit Plan and Annual Report on Audit Committee and Internal Audit. |
| Review all audit reports and consider issues identified in audit reports and action taken on issues raised, including identification and | IT Security and Access review, Sign Shop review, Beverage and snack management, Policy management, |

| Per Audit Committee Charter | Coverage |
|---|---|
| dissemination of better practices. | grant application governance and contract management. |
| Monitor the implementation of internal audit recommendations by management. | Reports on Implementation of Internal Audit recommendations. Development of program of follow up activities including provision of evidence of implementation by management and Internal Audit review of contentious issues. |
| Periodically review the Internal Audit Charter to ensure appropriate authority, access and reporting arrangements are in place. | Report on revision of Internal Audit charter submitted to June 2015 meeting. Further revision during 2016-2017 year against amended LG Act and Internal Audit Guidelines. |
| Periodically review the performance of Internal Audit. | Annual report on Audit Committee and Internal Audit submitted to June 2015 meeting, and periodic self-assessment component of Quality Assurance and Improvement Program commenced. Progress meetings held with Director Business service fortnightly and General Manager monthly. |
| External Audit | |
| Act as a forum between the Council, General Manager, senior management, internal audit and external audit. | Ongoing |
| Review all external audit plans and reports in respect of planned or completed financial statements external audits, monitor the implementation of audit recommendations by management. | External audit update |
| Consider significant issues raised in relevant external audit reports and better practice guides, and ensure appropriate action is taken. | External audit update |
| Responsibilities of Members | |
| <p>Members of the Committee are expected to:</p> <ul style="list-style-type: none"> Understand the relevant legislative and regulatory requirements appropriate to Campbelltown City Council. Contribute the time needed to study and understand the papers provided. Apply good analytical skills, objectivity and good judgement. Express opinions frankly and ask questions as deemed necessary. | Ongoing – Audit Committee members attended training on their roles and responsibilities as members of Councils Audit Committee on 15 March 2016. |

Internal Audit Activities

Performance to financial budget

The following provides a comparison of the cost of internal audit related activities for the current and prior financial year.

| Description | Current Year | Prior Year |
|---|--------------|------------|
| Cost of Internal Audit function (excludes training) | \$136,236 | \$87,329 |
| Audit Committee costs | \$5,000 | \$3,500 |

The increase in internal audit costs is predominantly related to internal audit staff and consultant coverage for the full year as opposed the previous year where there was no incumbent internal auditor between October 2014 and February 2015.

Performance against Internal Audit Plan 2015-2016

At the time of reporting, the fieldwork on the scheduled reviews has been completed for the Child Protection review and is in progress for Accounts Receivables & Debt Recovery. Reports will be submitted to the next Audit Committee meeting.

The internal audits scheduled during the year and their status as at 30 June 2016 are as follows:

| Audit Name | Status | Budget days | Actual days |
|---|-----------------------|-------------|-------------|
| Policy Management & Gap Analysis | Completed | 15 | 19 |
| IT Security & Access | Completed | 10 | 4 |
| Contract Management | Completed | 20 | 18 |
| Child Protection | Reporting | 20 | 18 |
| Accounts Receivable & Debt Recovery - CSA | Fieldwork in progress | 20 | 8 |
| | | 85 | 67 |

Other Internal Audit Projects and Activities

The following special requests /adhoc projects have also been completed by Internal Audit during the year:

| Description of Special request Project | Qtr | Audit days. |
|---|-----|-------------|
| Review of Sign Shop processes & Management | | 5 |
| Review of Beverage & Snack management | | 4 |
| Grant application Governance Arrangements | | 13 |
| Customer Feedback and complaint management Project group advisory | | 3 |
| Risk Management recruitment – panel member | | 1 |
| Menangle Park Probity plan advice | | 1 |
| Tender Evaluation (City Works) – acted as probity adviser and attendance at all tender evaluation meetings | | 1 |
| Compliance audit & Certification of the 2014-2015 Planning Reform Fund annual return and review of monthly Planning Reform Fund lodgements from July 2014 to June 2015. | | 13 |
| Compliance audit of the 2014-2015 RMS Drives access system | | 5 |
| Investigation of allegations of misconduct with respect to breach of policy and procedure. | | 25 |
| | | 71 |

The following **Other Activities** have also been performed or undertaken by Internal Audit:

| Other Internal Audit Activities | Audit Days |
|---|------------|
| Strategic Planning | 4 |
| Follow up of Implementation of recommendations | 6 |
| Adhoc advice & review | 2.5 |
| Performance reporting & Audit Committee | 24 |
| Training, Professional Development & networking | 14 |

| | |
|---|-------------|
| Quality Assurance & Improvement Program | 5 |
| Administration & internal meetings | 14 |
| | 69.5 |

Strategic Planning

The 2015-2018 Strategic Internal Audit Plan was completely re-developed using a risk based consultation process with the Council Executive team, managers and other key personnel. Consideration was also given to industry risks, Council delivery program objectives, restructure issues and Fit For the Future strategies.

The Plan was approved at the Audit Committee meeting in June 2015.

Given that Council is currently undergoing substantial restructure and significant amendments to both the Local Government Act and associated Internal Audit guidelines are proposed, the 2015-2018 Strategic Audit Plan reflects coverage of areas of potential high risk during the coming years. The main changes to the rolling plan are to reschedule several reviews, and to amend the approach to other reviews given other assurance and compliance work being undertaken by other Council officers or external consultants. The plan was approved at the June Audit Committee meeting.

Quality Assurance and Improvement Program

In order to ensure compliance with *Internal Audit Guidelines* (DLG) September 2010, and the requirements of the *International standards for the Professional Practice of Internal Audit*, a Quality Assurance and Improvement Program has been established.

To facilitate development of a best practice internal audit function within Council the program commenced rollout over the coming 2015-16 year including:

- **Ongoing monitoring** to provide assurance that the processes in place are working effectively to deliver quality on an audit-by-audit basis.
- **Periodic self - assessment** of internal audit activities every 1-2 years for conformance with standards and guidelines and improvement opportunities using criteria for each element being; governance, professional practice and reporting.
- **External assessment** of the internal audit function potentially using an independent certified quality assurance assessor to validate the periodic self-assessment.

The annual self-assessment has been completed for the 2015-2016 year and is attached within this report as **appendix 1**.

The external assessment is proposed be undertaken by a suitably accredited peer council internal auditor, on completion of two years full audit plan undertaken by the current internal auditor.

Acknowledgments and Appreciation

The Committee looks forward to the opportunity to continue to provide input to Council's governance and audit processes over the coming 12 months.

Lindy Deitz
General Manager

Bruce Hanrahan
Independent Chair Audit Committee

Appendix 1 Bi-Annual self-assessment of Internal Audit function.

As part of Internal Audit's Quality Assurance and Improvement Program, a self-assessment of the function is conducted on a Bi-annual basis against the IIA Standards for the Professional Practice of Internal Auditing.
The following documents the findings of the self-assessment.

| Legend | |
|---|--|
| <ul style="list-style-type: none"> Generally effective OR Internal Audit good practice OR Generally conforms with The International Standards for the Professional Practice of Internal Auditing | |
| <ul style="list-style-type: none"> Opportunity for improvement OR Partially conforms with The International Standards for the Professional Practice of Internal Auditing | |
| <ul style="list-style-type: none"> Not effective OR Does not conform with The International Standards for the Professional Practice of Internal Auditing | |

| No. | Standard | Quality Standard and Elements | Frequency | Date | Result | Assessed by | Signed-off by | Comment/s |
|-----|---|--|---------------|-----------------------------|--------|------------------|---------------|---|
| 1 | 1300, 1310 | Quality Assurance and Improvement Program (QAIP) | | | | | | |
| 1.1 | QAIP maintained for Internal Audit | | Annual review | 30 June | | Internal Auditor | | |
| 1.2 | QAIP aligns with IIA Standards | | Annual review | 30 June | | Internal Auditor | | |
| 1.3 | QAIP comprises: <ul style="list-style-type: none"> Internal Assessments – Ongoing Internal Assessments – Periodic External Assessments | | Annual review | 30 June | | Internal Auditor | | |
| 2 | 1311 | Internal Assessments – Ongoing | | | | | | |
| 2.1 | Work paper reviews and supervisor sign-off occurs for each in-house internal audit project | | Ongoing | During and after each audit | | Internal Auditor | | Checklist utilised by Internal Auditor in place of independent work paper review. Proposed periodic Council peer review of sample of workpapers. No |

| No. | Standard | Quality Standard and Elements | Frequency | Date | Result | Assessed by | Signed-off by | Comment/s |
|-----|---|-------------------------------|-----------|------------------|--------|------------------|---------------|--|
| | | | | | | | | arrangements agreed to at time of self-assessment. |
| 2.2 | Performance evaluations performed after each in-house internal audit project | | Ongoing | After each audit | | Internal Auditor | | Weekly and monthly performance/progress meetings held with DBS & GM including monitoring & evaluation of audit projects. Audit evaluation surveys circulated after each audit project. |
| 2.3 | Performance evaluations performed after each outsourced internal audit project | | Ongoing | After each audit | | Internal Auditor | | Weekly and monthly performance/progress meetings held with DBS & GM including monitoring & evaluation of audit projects. Audit evaluation surveys circulated after each audit project. Internal auditor completes evaluation of external provider performance at the end of each project. |
| 2.4 | Actual versus budgeted analysis (monitoring metrics) conducted after each internal audit engagement for: <ul style="list-style-type: none"> Budget versus actual time Estimate versus actual elapsed time | | Ongoing | After each audit | | Internal Auditor | | Ongoing timekeeping records maintained against all audit activities, including type of activity. Audit Committee Reports on internal audit progress include comparison of budgeted days to actual and status with respect to planned quarter for |

| No. | Standard | Quality Standard and Elements | Frequency | Date | Result | Assessed by | Signed-off by | Comment/s |
|-----|----------|---|--------------------------------|------------------|--------|------------------|---------------|---|
| 2.5 | | Customer feedback surveys | Ongoing | After each audit | | Internal Auditor | | conduct of audit. Feedback surveys issued to responsible officers on completion of report on audit project. |
| 3 | 1311 | | | | | | | |
| 3.1 | | Review of Internal Audit Charter | Bi-Annual | 30 June | | Internal Auditor | | Completed June 2015 |
| 3.2 | | Annual self-assessment to assess conformance with the Standards | Bi-Annual | 30 June | | Internal Auditor | | Progressively completed from June 2015 to June 2016 |
| 3.3 | | Staff performance reviews (HR process) | Annual | 30 June | | Internal Auditor | | Annual performance review, regular progress reports provided to both DBS & GM |
| 3.4 | | Performance measures (KPIs) | Annual | 30 June | | Internal Auditor | | Part of annual performance appraisal for Internal Auditor and Annual report to Council on Internal Audit and Audit Committee activities. |
| 3.5 | | File reviews for inhouse internal audit engagements | Annual | 30 June | | Internal Auditor | | Primarily completed & signed-off by Internal Auditor against checklists for each audit. Potential to establish an arrangement internally to have an independent review of a sample of workpapers. Or with another councils internal audit function. |
| 3.7 | | File reviews for outsourced internal audit engagements | Ongoing, after each engagement | 30 June | | Internal Auditor | | Conducted on completion of IT Security & Access Review. |

| No. | Standard | Quality Standard and Elements | Frequency | Date | Result | Assessed by | Signed-off by | Comment/s |
|-----|----------|--|-----------|--|--------|------------------|---------------|--|
| 3.8 | | Staff sign declaration concerning: <ul style="list-style-type: none"> • Policies and procedures • Professional development • Code of Ethics • Conflict of interest | Annual | 30 June | | Internal Auditor | | Yet to be considered. Sole auditor, completed induction and training on each area and participated in extensive PD program. |
| 3.9 | | Assertion on Internal Auditing Standards by CAE | Annual | 30 June | N/A | Internal Auditor | | To be completed after completion of self-assessment post 2015/16 audit year. |
| 4 | 1312 | | | | | | | |
| 4.1 | | An independent External Quality Assessment of Internal Audit performed at least once every 5 years by an independent assessment team from outside the organisation | 5-yearly | Function established 2011, and further developed 2015 First Review to be undertaken after 2016/17 financial year. | | Internal Auditor | | Propose peer validation of self-assessment after 3 years of current internal audit plan. |
| 5 | 1320 | | | | | | | |
| 5.1 | | Results of QAIP reported to Audit Committee and senior management | Annual | 30 June | | Internal Auditor | | This assessment using QAIP to be reported to Council through the Internal Audit and Audit Committee Annual Report 2015/2016. |
| 6 | 1321 | Use of "Conforms with the International Standards for the Professional Practice of Internal Auditing" | | | | | | |
| 6.1 | | Statement may be used but only when QAIP supports this statement | | | N/A | Internal Auditor | | Not currently using the statement in reports. To be considered after |

| No. | Standard | Quality Standard and Elements | Frequency | Date | Result | Assessed by | Signed-off by | Comment/s |
|-----|--|--------------------------------|-------------|---------|--------|------------------|---------------|------------------|
| 7 | 1322 | Disclosure of Non-conformance | | | | | | |
| 7.1 | Instances of non-conformance with IIA Standards and associated impact are disclosed to the Audit Committee and senior management | As required (high impact) | Immediately | 30 June | | Internal Auditor | | None identified. |
| | | Annual (attestation statement) | | | | | | |

7. GENERAL BUSINESS

Nil.

Confidentiality Motion: (Lake/Borg)

That the Committee in accordance with Section 10A 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

24. CONFIDENTIAL ITEMS

24.1 Assignment of Lease - Suite 4 and 4a Milgate Arcade, 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.

24.2 Directors of Companies - Corporate Governance

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
-

Motion: (Borg/Kolkman)

That the Committee in accordance with Section 10 of the *Local Government Act 1993*, move to re-open the meeting to the public.

CARRIED

There being no further business the meeting closed at 5.47pm.

G Greiss
CHAIRPERSON
