

From the mountains to the sea

WOLLONGONG CITY COUNCIL

WOLLONGONG 2022

Draft Quarterly Review Statement

June 2017



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MESSAGE FROM THE GENERAL MANAGER

WOLLONGONG CITY COUNCIL

This draft Quarterly Review Statement reports the period from April – June 2017 and reports on progress towards achieving the five Councillor Strategic Programs from the Delivery Program 2012-17 and the Annual Deliverables from the Annual Plan 2016-17. Highlights and significant progress with key projects from the Annual Plan 2016-17 are reported by the six Community Goals from the Wollongong 2022 Community Strategic Plan.

Highlights from this quarter include:

- 1 Successful Comic Gong 2017.
- 2 Fowlers Road to Fairwater Drive project commenced construction.
- 3 Inaugural Spiegeltent Wollongong program was launched.
- 4 Grand Pacific Walk construction continues.

The organisational performance is also reported by the inclusion on the performance indicators which monitor the status and progress our Council programs, activities, projects, finances, people and process.

This report also includes an overview of how Council is tracking against its budgets and expenditure. It is a concise visual summary of Council's financial situation for the quarter including budget, capital budget and expenditure. The Budget Review Statement is also included in this report.

I would like to thank all staff and the community for their contributions to the achievements identified in this draft Quarterly Review and Budget Review Statement. This review will inform the Annual Report due in November 2017.

David Farmer
General Manager

Disclaimer: This report was endorsed by Council's Executive Management Committee for publication. The report was not adopted by Council as the last Council meeting of the term was 31 July 2017. Legislatively, Council is only required to adopt six monthly progress reports.

STRATEGIC PROGRAMS PROGRESS REPORT

WOLLONGONG CITY COUNCIL

Our Councillors have made a commitment to support our organisation and the community in making Wollongong a better place to live, work, visit and play. To focus Council's attention to achieve this, Councillors have agreed to five Strategic Programs. These are outlined in the Delivery Program 2012-17. Progress Made in the June 2017 quarter is outlined below:

1 Financial Sustainability

Our Council is committed to improving the standards of community assets over the five-year Council term. This will be achieved by directing 85% of all capital investment into asset renewal, and a strong emphasis of cost effectiveness in service provision.

Project Sponsor: General Manager

Project Manager: Manager Community, Cultural + Economic Development

Strategic Program Progress



On Track

Program Achievements

The Securing our Future financial sustainability program was formally closed out at the December 2016 Quarterly Review, having achieved overall targets ahead of schedule, and without the need to pursue high impact service adjustments.

2 West Dapto Urban Release

Council will work in collaboration with key agencies to provide the infrastructure needed to support growth within the West Dapto Urban Release Area. This will include improving access, infrastructure and local services which are needed to support the additional 17,000 future housing lots within the release area.

Project Sponsor: Director Planning + Environment | *Future City and Neighbourhoods*

Project Manager: Manager Project Delivery

Strategic Program Progress



On Track

Program Achievements

The Draft West Dapto Section 94 Development Contributions Plan has been updated to address recommendations made by IPART in October 2016. The Draft Plan is a key document for the West Dapto Urban Release Area as it provides the mechanism to collect development contributions to fund essential local infrastructure. The Draft Plan was forwarded to the NSW Minister for Planning for approval.

Work on the Concept Road Designs for the following key Section 94 funded local roads within West Dapto, continued:

- West Dapto Road/Darkes/Sheaffe Road
- Wongawilli Road
- Jersey Farm Road
- Cleveland Road.

Works commenced on Stage 1A (bulk earthworks) of the Fowlers Road to Fairwater Drive 1.3km road link. This important road connection will form one of the key access roads for the West Dapto Urban Release Area and will provide the future community with a new flood reliable access road.

Program Risks

Both access projects (Fowlers to Fairwater and Wongawilli Roads/West Dapto Road) have risk registers which identify a number of significant risks. Reviews of the project risk assessments are being undertaken at regular milestones to manage these risks.

3 Waste Management

During Council's term we will work to reduce the environmental impact of waste by improving waste management across the city. We will finalise and deploy Council's Waste Strategy, assess the impacts of the carbon tax, and work toward the development of a new landfill cell at Whyte's Gully to increase landfill capacity for the region.

Project Sponsor: Director Infrastructure + Works | *Connectivity Assets + Liveable City*

Project Manager: Manager City Works + Services

Strategic Program Progress



On Track

Program Achievements

The Waste Management strategic program is rapidly progressing. Multiple concurrent projects derived out of the Wollongong Waste and Resource Recovery Strategy, are currently being implemented. When complete, these strategic projects will improve waste management related services offered to our community and benefit the environment. The progress made on some key projects are highlighted below:

Helensburgh Landfill Rehabilitation Project

Extensive technical investigation into the interaction between the proposed construction materials has been completed over the previous quarter. These investigations will ensure that the best environmental outcome can be achieved in the site rehabilitation.

Whytes Gully New Landfill Cell

- Stage 1A waste filling concluded.
- Stage 1B has commenced waste filling.
- New haul road complete and in use.
- Construction of a Leachate Drainage System in Western Gully has been finalised.
- Design for new cell Stage 2 complete.
- Stage 2 Cell Construction tender complete.
- Stage 2 Cell Construction commenced.
- Design for new leachate pond complete.
- Construction of new leachate pond underway.

Community Recycling Centre

Construction progressed rapidly over the June quarter with the Community Recycling Centre beginning to take shape. It is expected that the Community Recycling Centre will open its doors to accept problem household waste such as paint, batteries, fluorescent lights and more in October 2017.

Program Risks

Critical Project delivery program is highly dependent on various components to enable waste to be placed in the yet to be constructed new cell 2 before cell 1 reaches capacity.

4 City Centre Revitalisation

Council's fourth aspiration in the Delivery Program is to improve the attractiveness of the Wollongong City Centre to work and visit, reinforcing its role as the region's major hub for investment and jobs growth.

Project Sponsor: Director Infrastructure + Works | *Connectivity Assets + Liveable City*

Project Manager: Manager Project Delivery

Strategic Program Progress

✓ On Track

Program Achievements

Council has continued to deliver a coordinated approach to the City Centre Revitalisation Strategy across this year.

The Gehl study - 'A City for People' is the next instalment in the strategic direction to deliver a high quality liveable city, building on the 2007 Revitalisation Vision which sets a 25 year strategic framework for the City Centre.

Projects have included:

- Initial scoping commencing for the City Centre Planning review,
- Access and Movement Strategy and Wollongong Bike Plan;
- Completion of footpath upgrades within the Western Crown precinct;
- Implementation of Crown Street Mall activity policy;
- Implementation of the evening economy and live music action plans, including progression of expansion to the City Centre Free Wi-Fi to include Corrimal Street between Market and Burelli Streets and Keira Street between Smith and Crown Street;
- Engaging with other local councils on a Night Time Economy (NTE) forum for local government to share ideas and promote benefits of a thriving night time economy;
- A new Wollongong City Centre Excellence Award has been created within the Illawarra Business Awards; Commenced a 'renew initiative' for eastern end mall businesses';
- Rail Arrival Quick Win in partnership with State Rail has delivered directional and welcoming signage, which is garnering positive feedback from end users and taxi drivers;
- Delivered colourful seating to improve amenity within the arts precinct alongside a multi-use 'arts container' cultural venue;
- Completed City Centre Markets review and continue to manage contract deliverables and support operations of Thursday Night Eat Street and Friday Forage markets within Crown Street Mall;
- Ongoing work with Police and local business to deliver anti-social strategy for Crown Street Mall which has seen reduction in anti-social behaviour;
- Continue to deliver a programme of activation and events within the City Centre in partnership with a variety of stakeholders to improve amenity and perceptions of the City Centre - science workshops, children's participatory activities, Chinese and Lunar New Year celebrations, 'Nights on Crown - lights and bites on a winters eve' pilot, extended Christmas program including carols event, illuminated decorations, tree lighting street party and schools performance day. Continued to develop new content for City Centre website and develop social media profile for City Centre Facebook.

5 Connectivity / Walkability

Council's fifth aspiration is to improve the connectivity of the Local Government Area (LGA) through the upgrade of our network of footpaths and cycleways. This focus on our path and cycle network will ensure that necessary works are carried out to achieve an accessible and connected city.

Project Sponsor: Director Infrastructure + Works | *Connectivity Assets + Liveable City*

Project Manager: Manager Infrastructure Strategy + Planning

Strategic Program Progress



On Track

Program Achievements

The Wollongong Bike Plan was adopted in May 2014. Actions identified within the bike plan are incorporated into the capital works and operational programs for progressive implementation. Preparation of the Wollongong Pedestrian Plan is nearing completion and will be presented to Council in July 2017.

The design of the Smith and Kembla Street on road cycleway which will provide dedicated access for cyclists into the city centre is continuing.

Option selection and design work is also progressing on the Smith Street shared path rail underpass. Funding submissions have been made to Transport for NSW for the rail underpass.

Construction for the Tramway Seawall and sharepath has commenced.

A significant proportion of the rolling footpath and sharepath design program has commenced or completed, with the following designs commenced during the quarter:

- Chenhalls Street; Stanhope Street to Gray Street west side, Woonona
- Lawrence Hargrave Drive (Local Road) footpath intersection upgrade, Stanwell Park
- Burelli Street; Keira Street intersection footpath, Wollongong
- Rawson Street, Regent Street and Crown Lane, Wollongong
- Warrawang CBD upgrade.

Program Risks

There are a number of sites on the network expansion program with significant geographical, technical, agency approval and community concerns that may impact on the design phase and hence construction time frames. To minimise the impact from this risk, designs for projects further down the delivery program are also being progressed such that construction programs can be re-phased to ensure continued delivery of the improvement program.

ANNUAL PLAN 2016-17

PROGRESS SUMMARY

WOLLONGONG CITY COUNCIL

The following section provides an overview of Council's progress with delivering Wollongong 2022. It provides a summary of progress for 2016/17 annual deliverables [Council's programs, projects and activities] and highlights significant progress with annual projects as outlined in the Wollongong 2022 community goals. This exception based reporting provides an overview of achievements for the June 2017 quarter. The organisations performance is also reported by the key performance indicators, budget summary information and Budget Review Statement.

The Annual Plan 2016/17 contains 311 annual deliverables across the 6 community goals. Table 1 below outlines how Council is tracking in the June quarter to achieve the annual deliverables for each community goal.

Table 1: Annual Deliverable Progress by Community Goal

Goal	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
1 We value and protect our natural environment	92.19%	0%	6.25%	0%	1.56%
2 We have an innovative and sustainable economy	97.92%	0%	2.08%	0%	0%
3 Wollongong is a creative, vibrant city	94.44%	0%	0%	0%	5.56%
4 We are a connected and engaged community	81.25%	0%	7.81%	3.13%	7.81%
5 We are a healthy community in a liveable city	81.01%	1.27%	10.13%	1.27%	6.33%
6 We have sustainable, affordable and accessible transport	89.47%	0%	10.53%	0%	0%
Total Annual Deliverable Progress	88.06%	0.32%	6.45%	0.97%	4.19%

*Note: Each goal does not have equal number of annual deliverables; therefore the annual deliverable progress totals do not necessarily add together.

ANNUAL PLAN 2016-17 PROGRESS SUMMARY

Overall 6.45% of annual deliverables were reported to be delayed, while 0.97% were deferred. Table 2 below outlines all annual deliverables that were reported as delayed or deferred at the end of June 2017.

Community Goal	Annual Deliverable	Delayed	Deferred	Comment
1 We value and protect our natural environment	Continue to pursue biodiversity certification of the West Dapto Urban Release Area including offsetting provisions	Y		Council officers continue to make representations to NSW Department of Planning and Environment to seek support for the per lot levy and estimated levy cost forwarded to the Department in December 2015.
	In partnership with the EPA, provide advice on the exit and closure strategy for the former Port Kembla Copper site at Korrungulla	Y		Council is awaiting documentation from PKC regarding the results of ongoing environmental monitoring. A meeting with Council, PKC and EPA is planned for late July 2017 to discuss the status of the project.
	Coordinate the Urban Greening Strategy	Y		The draft Urban Greening Strategy is scheduled to go to Council on 31 July to be endorsed for public exhibition.
	Prepare a coastal Zone Management Plan for Lake Illawarra	Y		The delivery of the draft CMP by the consultant has been delayed and a revised timeframe is currently being negotiated. OEH is supportive of this process and approval for the change will be sought once details are finalised. OEH guidelines for the preparation of a Coastal Management Program are yet to be finalised which is creating some uncertainty in processes.
2 We have an innovative and sustainable economy	Resolve options for key services including power and water supply to the Mt Keira summit	Y		The reinstatement of the Mt Keira access track has commenced. Weed management is included as part of the works and has been underway. Council is still awaiting for the execution of the Construction Licence and Deed of Agreement for NPWS in relation to the construction of the power line.

ANNUAL PLAN 2016-17 PROGRESS SUMMARY

Community Goal	Annual Deliverable	Delayed	Deferred	Comment
3 We are a connected and engaged community	Prepare the end of term State of the Environment Report		Y	Based on advice to Council from the Office of Local Government, the SOE report will be submitted when the Annual Report is submitted in November 2017.
	Investigate opportunities to enhance library multi-media and online presence via the National Broadband Network (NBN)	Y		Progress is still very slow due to the slow roll-out of the NBN - with only Dapto Library currently operating on the NBN. Wollongong City Libraries looks forward to investigating opportunities once the NBN is operational across all libraries.
	Work in collaboration with the Aboriginal community to develop the Aboriginal specific space and its operations at the Kembla Grange Cemetery	Y		This project has been delayed due to the necessity for a road to be constructed to gain access to the proposed site. No further action can be progressed until the road is completed.
	Develop brief and initial design for the Southern Suburbs Community Centre and Library	Y		Ongoing efforts to identify a suitable site for the new Southern Suburbs Community Centre and Library, continue. Two prospective sites have been identified. Flood modelling and analysis of the preferred site are in progress, to identify flood impacts on the site and implications for neighbouring properties of building the CC&L on that site. Preliminary discussions with property owners of both prospective sites are in train. A Councillor Information Note was prepared / provided to Councillors in late June, 2017.
	Deliver Council's ICT (Information & Communications Technology) Strategy	Y		A peer review of the 2015 ICT Strategy was undertaken by EY. A series of recommendations to enhance the strategic direction of technology at WCC are currently under consideration, including a refresh of the ICT strategy to reflect contemporary business needs.

ANNUAL PLAN 2016-17 PROGRESS SUMMARY

Community Goal	Annual Deliverable	Delayed	Deferred	Comment
	Facilitate an integrated business improvement approach to work practices and spread of hours		Y	During the Proposed Merger period clause 23A of the LG Act precluded Council's from progressing organisational structural change. Since the announcement that the merger was not progressing the HR Division has commenced the review of Local Area Agreements.
5. We are a healthy community in a liveable city	Reinstate Waterfall (Garrawarra) Cemetery	Y		Easements over the Crown Land surrounding the Garrawarra site have progressed this quarter with an outcome pending. These easements are required to allow Council to submit a development application for the site, as well as gain lawful access through a right of carriageway so works can commence to reinstate the site as a bush cemetery.
	Review West Dapto Recreation needs in line with the adopted Section 94 Plan including current concepts on Cleveland Road and West Dapto Road and ascertain recreation needs for Reed Park South.	Y		The needs assessment and site suitability study project brief has been finalised, feedback from internal staff has seen the scope broaden and now sees the study assessment to now be undertaking works during the coming year to aid to inform level of facilities to be provided and preferred site.
	Pursue funding opportunities to install additional outdoor exercise opportunities in public space	Y		Delays in pre planning approvals such as Section 60 permits from OEH at the Hill 60 precinct for the proposed fitness stations along the beach reserve adjacent to Gloucester Boulevard Port Kembla have been encountered. A proposal for an outdoor fitness equipment installation at Helensburgh was adopted as part of Council's 2017-18 capital delivery program.

ANNUAL PLAN 2016-17 PROGRESS SUMMARY

Community Goal	Annual Deliverable	Delayed	Deferred	Comment
	Manage the West Dapto Home Deposit Assistance Program	Y		<p>Since the launch on 24 October 2014, there have been twelve applications under the Program with eleven of these approved. A single property purchase was completed in 2015. While many people have been interested in the program, there remains a mismatch between income limits, purchase limits and the entry level of new housing stock in the area.</p> <p>The Department of Social Services has been updated regularly on issues relating to the implementation of the Program. A letter written to the Department emphasised Council's view that the success of the Program had been adversely impacted by a particularly strong property market which has created such a strong demand in the area and that there was no need for developers to tailor product to meet niche demand such as smaller dwellings for lower income earners. The letter to the Department of Social Services served as an opportunity to outline some options to be considered as interim measures that may provide some success in the short term. Although these were rejected the Department provided a program extension of 9 months until March 31 2017.</p> <p>The existing agreement between Council and the Commonwealth Government that supports the West Dapto Home Deposit Assistance Program has now terminated. To date, the Federal Government has not indicated what will happen to the funding. It is clear, however, that due to the prevailing housing market, the Program will not succeed in its current form. We are working closely with the Federal Government to determine whether Council will retain the funding for the purpose of developing an alternative mechanism that might more successfully deliver affordable housing in our region.</p>

ANNUAL PLAN 2016-17 PROGRESS SUMMARY

Community Goal	Annual Deliverable	Delayed	Deferred	Comment
	Implement Landscape Masterplan recommendations for Hill 60 Reserve at Port Kembla	Y		Council officers have continued to liaise with OEH officers in attempting to progress approvals onsite. During the quarter officers have progressed requirements for a section 60 application relating to car park, fitness equipment and way finding signage. This advice is being reviewed to determine likely impacts on projects being delivered in 2017/18.
	Design and construct a visitor information booth and kiosk at the Botanic Gardens		Y	Project re-scoped to include feasibility and design of a permanent facility as part of the 2017-18 Botanic Garden masterplan project.
	Undertake programmed renewal works at Council's rock pools in accordance with the capital works programme	Y		Austinmer Rock Pools Tide, swell and sea conditions have prevented much work being able to be achieved on the rock pools. Some core hole drilling has occurred on the eastern wall of the northern pool for the erection of the handrail. The central concourse pavement surface has been repaired which now has good slip resistance. Unfortunately, conditions have not been satisfactory for the installation of the precast wall panels on the eastern end of the southern pool.
	Construct synthetic football pitch at Ian McLennan Park, Kembla Grange	Y		The project has progressed through the Master planning and preliminary pre tender budget stage. Consultation with the key stakeholder Football South Coast has been undertaken noting a significant budget shortfall. This has led the scope of the project to be reduced and tendering has been put on hold until budget funding can be confirmed.

ANNUAL PLAN 2016-17 PROGRESS SUMMARY

Community Goal	Annual Deliverable	Delayed	Deferred	Comment
6 We have sustainable, affordable and accessible transport	Continue to construct Stage 1 of the Grand Pacific Walk	Y		The tender assessment process has been completed and a contractor has been selected. The contractor has recently established on site and preliminary works such as site clearing has commenced. Works will be occurring along sections 1, 2 and 4 of Stage 1 of the Grand Pacific Walk.
	Finalise design and approvals and commence construction of the road link	Y		Council has selected the contractor to undertake the construction works for Stage 1A of the Fowlers Road to Fairwater Drive project. The contractor has established on site and earthworks have commenced. Detailed design of the overflow bridge has been accelerated to try and improve efficiencies in the construction program. The detailed design for Stage 2 is continuing and is expected to be completed towards the end of the calendar year. Outstanding issues associated with the design of the Princes Highway intersection have been resolved.

GOAL 1: WE HAVE AND PROTECT OUR NATURAL ENVIRONMENT

WOLLONGONG CITY COUNCIL

Implement key actions from the Illawarra Escarpment Strategic Management Plan 2015

Council is assisting South East Local Land Services in creating a new draft management plan for the Northern Illawarra Wild Deer Management Program. A Council officer attended the Sustainable Trails Conference. Council is working with the National Parks and Wildlife Service Illawarra in establishing an Illawarra Escarpment Walking Track Working Group.

Continue implementation of priority actions from the Dune Management Strategy.

Work has progressed on the following actions from the Dune Management Strategy:

- Ongoing weed maintenance of the sites at Stanwell Park, Bulli, Woonona, Bellambi, Corrimal, Towradgi, Fairy Meadow and Wollongong City beaches has continued in accordance with the Dune Vegetation Site Management Plans. These Site Management Plans were updated to inform on-ground works for 2017-18.
- A consultant has commenced a study to investigate the options for dune management at Wollongong City and Port Kembla beaches.
- The Beach and Dune monitoring program continued, with transects surveyed and photo monitoring at dune project sites.

Deliver Waste Minimisation Programs in accordance with the Waste Strategy

The Chemical Cleanout on 28 May resulted in 863 attending and a total of 30,608 kg collected. The Giant Car Boot sale had 59 sellers, 2,716 items sold equal to 8458Lt or 35 x 240Lt sulo bins of items diverted from landfill and a cumulative reach of buyers being 2,468. A food processing machine trial worked well at the Botanic Gardens and in 2.5 months has diverted 338 kg of food waste from potential landfill.

Continue with the removal of Chinese Tallowoods throughout the City

The program to remove Chinese tallow trees (and replace with appropriate species) from Council controlled lands is now complete. An ongoing maintenance period is now in place to ensure the replacement trees survive. If further Chinese trees are identified in Council lands Council will continue the program in accordance with the Council resolution.

Accelerate the planting of street trees program

A project team has been formed and scoping is underway for a street tree program to align with the draft Urban Greening Strategy. Pilot sites are currently being investigated and are being informed by the Strategy. An initial pilot site has been identified for Farmborough Road, Unanderra with design to be initiated.

Funding has been accelerated to incorporate existing street tree data collection as part of Council's rolling road condition assessments planned to commence later in 2017. A brief is currently being finalised for the capture of street tree data for high priority suburbs.

Develop and deliver diverse local studies projects that contribute to the preservation and continued relevance of local history and community stories

A particular highlight during the 2016-2017 period has been a new Oral Histories project, in which the stories of local community members from Thirroul, Dapto, Warrawong, Wollongong and the "shack" settlement in the Royal National Park are being recorded via interviews with staff, catalogued and digitised and linked to photographic materials wherever possible. These stories are available on the Library website.

The Friends of Wollongong City Libraries Local History Prize closed in May 2017, with entries from adults, as well as entries for the new senior high school prize.

Deliver new carbon abatement projects funded as a result of the carbon tax repeal

During the June quarter the projects funded out of carbon abatement funds have significantly progressed. Solar panel construction (photovoltaic cells) commenced at Dapto Ribbonwood Community Centre, Beaton Park Leisure Centre and at various other Council sites including tourist parks. Additionally, energy efficient lighting upgrades were completed at large facilities including Council's administration building and the Art Gallery.



IMAGE: Photovoltaic cells installed at Beaton Park Leisure Centre

Implement Council's Floodplain Risk Management Plans

Implementation of the Floodplain Risk Management Plans continues through the capital works and maintenance programs. The preparation and review of various Flood Studies/Floodplain Risk Management Plans is also ongoing and reported separately.

Designs for flood mitigation and stormwater projects are underway to enable progressive implementation.

These include:

Design commenced

- McMahons Street, detention basin study, Fairy Meadow
- West Street, detention basin, Russell Vale
- Debris control structures, Fairy / Cabbage Tree Creek, various Suburbs
- Kells Crescent, drainage upgrade, Bellambi
- Dawson Street, culvert upgrade, Fairy Meadow
- 2 Dumbrell Road, channel stabilisation, Bulli
- Cabbage / Fairy Creek, floodway improvements (Keiraville PS), Keiraville
- Buttenshaw Drive, pipe reconstruction, Coledale
- Springhill Road, culvert reconstruction, Wollongong
- Botanic Gardens, culvert replacement, Gwynneville
- Gonyah Park Dam, prescribed dam rehabilitation, West Wollongong
- Byarong Creek, Arrow Avenue, bank support, Figtree.

Design completed

- 2 Toorak Avenue, pipe reconstruction, Mangerton
- 30 Lakelands Drive, culvert, Dapto
- 1 Young Street South, Coledale
- Cnr Lawrence & Carrington Streets, outlet structure reconstruction, Woonona
- Nyrang Park, GPT access track, Keiraville
- Chalmers Street, debris control structure, Balgownie
- Gonyah Park, low flow channel, West Wollongong.

Construction commenced

- Foothills Dam channel lining, Mount Ousley
- Gwyther Ave, pit reconstruction, Bulli
- Wellington drive, Debris control structure. Balgownie.

Construction completed

- 88 Popes Road, pit construction, Woonona
- 38 Westmacott Parade, pipe reconstruction, Bulli
- Nicholson Street, bank support
- Cosgrove Avenue, debris control structure.

Continue to deploy Council's Waste and Resource Recovery Strategy

The current priority actions in progress over the June quarter and contained in our Waste and Resource Recovery Strategy include:

- New community recycling centre development - design complete, development consent received, construction contract in place, facility construction currently underway. The facility is expected to be open late in the calendar year.
- New leachate management system at Whytes Gully - laboratory bench scale analysis was undertaken during the June quarter. This analysis will help Council develop a concept design as a basis for a future construction.
- Environmental rehabilitation of Helensburgh landfill - Council consulted the EPA during the June quarter to verify the technical design solution proposed by Council. It is anticipated that final environmental design approval will be received in the 2017-18 financial year.
- New and ongoing arrangement for landfill gas extraction and power generation at Whytes Gully - gas flaring and quality and quantity investigation continued during the June quarter. Additionally, the design of a landfill gas management system was commenced in view to implementing a long term gas collection and power generation facility at Whytes Gully.
- Construction of new landfill cell stages at Whytes Gully - Stage 2 design has been completed and a construction contract is in place. Construction has commenced on site at Whytes Gully.



GOAL 2: WE HAVE AN INNOVATIVE AND SUSTAINABLE ECONOMY

WOLLONGONG CITY COUNCIL

Implement Your Library Everywhere to provide free access to reading materials located in high traffic areas across the city

This project is nearing finalisation and will be completed by 30 June 2017. Ten 'outdoor libraries' have been installed across a range of locations across the LGA, with a particular focus on those areas where community members may have less access to a library: Warrawong Community Centre, Bulli Seniors/Childcare Centre, Stanwell Park Children's Centre, Koonawarra Community Centre, Port Kembla Community Centre, Cringila Multipurpose Centre and Bellambi Neighbourhood Centre. Customised artwork that reflects the characteristics of the area in which each 'outdoor library' is located has been applied to each box, along with Council branding. The boxes will be stocked in the next couple of weeks and there is an intention to do an official 'launch' of the outdoor libraries in the coming months.



IMAGE: Outdoor library boxes

Continue to implement the infrastructure delivery program to support the West Dapto Urban Release Area

Concept Road Designs have been prepared for key Section 94 funded local roads within West Dapto, including:

- West Dapto Road including Darkes and Sheaffes Road
- Wongawilli Road
- Jersey Farm Road
- Cleveland Road.

Detailed designs were completed for the deviation of Darkes Road which will allow the current bridge to open to two way traffic flow. Works are expected to commence in the first quarter 2017/18 program.

Detailed designs were completed and construction commenced on the Baan Baan Street extension to improve traffic circulation in the Dapto CBD area.

Works commenced on Stage 1A (bulk earthworks) of the Fowlers Road to Fairwater Drive 1.3km road link. This important road connection will form one of the key access roads for the West Dapto Urban Release Area and will provide the future community with a new flood reliable access road.

In partnership with NSW Department of Industry and the University of Wollongong, deliver the Advantage Wollongong program

The Advantage Wollongong partnership continues to promote Wollongong as a place to invest and do business.

This quarter, Advantage Wollongong joined local businesses Me3D, Screen Dopamine and Safety Compass at CeBIT, Australia's largest IT industry event in Sydney at the International Convention Centre, Darling Harbour. The event, held on 23-25 May attracted over 15,000 attendees and helped spread the message about Wollongong's competitiveness in this sector.

Advantage Wollongong sponsored the World Business Forum, held at The Star Sydney on 31 May – 1 June. The World Business Forum attracted over 2,000 executives, featuring highly influential speakers including Arianna Huffington and Daniel Goleman. Parliamentary Secretary for the Illawarra and South Coast Gareth Ward MP addressed the audience on behalf of Advantage Wollongong and spoke of Wollongong's transformation, providing a unique opportunity to sell the benefits of relocating to Wollongong in front of a captive audience. Advantage Wollongong also launched the new 30 second video 'We live and work in Wollongong' featuring Wollongong's great lifestyle and achievements of local business people. Following the launch, the video achieved a reach of around 27,000 people through social media.

Implement a range of 'Quicker, Lighter, Cheaper' activation initiatives across the city centre precincts that achieve quick wins

A range of projects from A City for People plan were delivered by Council including colourful seating to improve amenity within the arts precinct alongside a multi-use 'arts container'.

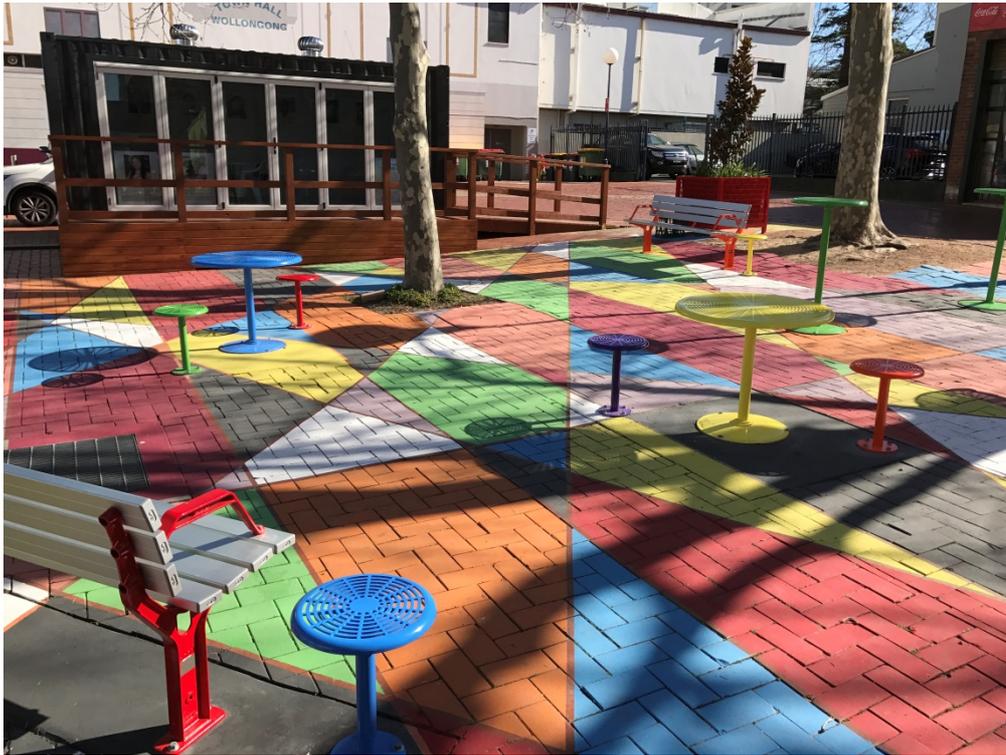


IMAGE: Improved amenity within the arts precinct

Contribute to the promotion of tourism in Wollongong through the management of Council's three Tourist Parks at Bulli, Corrimal and Windang

Each tourist park continued to perform well this quarter, being able to maintain the gains made earlier in the year. Capital investment in the parks also continued with the completion of ensuite installation at Bulli and a Camp Kitchen at Windang. This investment will ensure the parks are able to continue to meet the needs of their clientele whilst assisting in income growth.

Deliver a series of site specific events in the City Centre

Council partnered with University of Wollongong Science and Discovery Centre to bring engaging, participatory activation to Crown Street Mall during the April School holidays. Utilising the GPT shipping Container as the 'hub', activities ranged from construction to science experiments.

To tie in with Easter, City Centre featured a visit from the Easter Bunny, circus activities and a small animal petting zoo in Crown Street Mall. In May Crown Street Mall hosted 'Open Mic' night in partnership with GPT, giving voice to 15 budding songsters, with nationally recognised Illawarra musician Bec Sandridge sitting on the panel of judges.

In June Crown Street Mall hosted 'Nights On Crown' - lights and bites on a winter's eve. Visitors were invited to come out on a winter's evening, take a stroll, see the lights and enjoy the food on offer in Wollongong City Centre.



IMAGE: Entertainment at 'Nights on Crown' in the Crown Street Mall

Deliver increased marketing collateral and product placement via the Marketing the Wollongong Advantage Program

The Marketing the Wollongong Advantage Program focuses on changing perceptions of Wollongong and promoting Wollongong as open for business.

During this quarter, the Advantage Wollongong Facebook page doubled its number of Facebook likes, with the engagement rate remaining healthy at an average of 4.9% per post. The Advantage Wollongong quarterly e-newsletter autumn edition was distributed to around 1,600 recipients. Advantage Wollongong was the first e-newsletter to be trialled from the new Council email platform - Campaign Monitor.

This quarter saw the implementation of the Marketing the Wollongong Advantage PR strategy, which contained a broad range of PR and marketing material to communicate with the Advantage Wollongong target markets. These included a product journey video, featuring local 3D printing company Me3D; a 'Women in business tribute' video, showcasing successful female business owners in Wollongong. These videos were shared on social media and gained traction with a range of relevant websites to spread the Advantage Wollongong message.

Advantage Wollongong hosted a media event with journalists in the IT and business segments, including the AFR, Fairfax publications and Kochie's Business Builders. The event showcased Wollongong's transformation and featured local case studies of NEC, Easy Agile and Accelo.

Advantage Wollongong is currently working with research firm Hall & Partners to develop some high level research highlighting the benefits of living in Wollongong compared to Sydney. Over the next quarter, this will be used to pitch a range of media stories selling the benefits of living and doing business in Wollongong.

Deliver a program of activities and provide services that facilitate learning by community members: Born to Read; History Week workshops; Book Clubs

Wollongong City Libraries provide a regular suite of programs designed to facilitate learning by community members. For example, Book Clubs; Born to Read; Children's Storytime programs; History Week programs; author talks and online school/homework help tutoring. The Libraries' "Tech Savvy" classes for people who are seeking to learn PC, tablet and smart phone skills continue to be in high demand.



GOAL 3:

WOLLONGONG IS A CREATIVE, VIBRANT CITY

WOLLONGONG CITY COUNCIL

Deliver the Comic Gong Festival

Comic Gong 2017 was the most successful Comic Gong festival since its inception in 2013. Over 10,000 people attended on Saturday 13 May, moving between various exhibitions, events and demonstrations in the Central Library, the Arts Precinct and the Art Gallery. There was a noticeable increase in family attendance and anecdotal evidence that the festival offers particular interest / engagement for fathers to participate in a family-oriented event with their children that may not be offered by other local events.



IMAGE: Comic Gong Enthusiasts

Support newly arrived and refugee communities through the delivery of the Illawarra Refugee Challenge with community partners

The 2017 Illawarra Refugee Challenge is underway. This is a partnership project with Multicultural Communities Council of Illawarra and Council's Community Development and Youth Services teams. As part of the Challenge a session was held in May 2017 with nineteen Warrarong High students from refugee backgrounds to update them on the Refugee Challenge. The session also provided an opportunity for project staff to learn from the students lived experience and to incorporate these learning's into the Challenge. The first facilitator training session was also held with thirty-two year 10 Warrarong High students. On 29 June 2017 the Refugee Conversations (a part of the Challenge) were held with eight speakers from refugee backgrounds who were employed to deliver their stories. Sixty-five students from Warrarong Year 10 attended.

Coordinate activation and accessibility of the Arts Precinct in collaboration with the Arts Precinct Management Committee

The creative container and creative seating project were delivered and installed in the Arts Precinct during June 2017. In collaboration with the City Centre team the seating and creative container site was designed to encourage community engagement and place making opportunities.

Programming in the creative container will continue from July to November 2018.

Live music performances were programmed in The Arts Precinct throughout the month of June with an average of a hundred people engaged each day. There were twenty-five acts consisting of a total of forty-one local musicians. A partnership was developed with Wollongong Conservatorium to provide performances where more established musicians were partnered with emerging acts.

Manage the Merrigong funding agreement for IPAC and the Town Hall

During this quarter, the renewal of the IPAC Ltd Funding and Service Level Agreement for both the Illawarra Performing Arts Centre and the Town Hall for the period January 2018 - December 2021 was renegotiated and executed.

One of Merrigong Theatre Company's bigger undertakings this quarter was launching the inaugural Spiegelteent Wollongong program from 7 to 30 April. This season was hosted in the Arts Precinct, inside the iconic Aurora Spiegelteent, and commenced with a free public event. More than 15,000 patrons enjoyed a program of world-class comedy, cabaret, music, theatre and family fun, headlined by the internationally acclaimed, VELVET. The program also featured a number of local performers.

Merrigong's 2017 Season continued in May with Queensland Theatre and Grin and Tonic's production of The Seven Stages of Grieving tackling the issues that separate and unite indigenous and non-indigenous Australians. In June, Dirty Pretty Theatre and Critical Stages brought Therese Raquin to life. Monkey Baa Theatre Company's production of Diary of a Wombat brought this award winning book to life with puppetry and music. This presentation was coupled with Merrigong's ever-popular Creativity Camp and school holiday workshops.

Merrigong also produced two wonderful community events at Wollongong Town Hall - Sharing Stories - Reconciliation Week 2017 and a special Refugee Week event. Both wonderfully inclusive events, were well attended and received by the community. This quarter saw the first Ruff (New Works in Progress) showing for 2017 with a rehearsed reading of 'Round Thelonious', a new play with music, written and performed by Anita Pollard. The second presentation of Merrigong's new multi-arts performance night Made from Scratch was held in the Music Lounge, where local independent and emerging artists challenged themselves and the audience with new creations.



IMAGE: Entertainment at the Spiegelteent Wollongong

Deliver key funded strategies from the Cultural Plan including community cultural development projects

The Sew Good Program was held in Lower Town Hall Space in June 2017. There were 168 people who attended the workshops that provided skills development in stencilling, loom flower ropes, painting, decorating and how to develop animations using a mobile phone. Groups involved with the workshops include: Mission Australia, University of Wollongong students (including international students) and local artists.

Based on feedback from Viva la Gong consultations a Cultural Community Development project has been developed to share women's stories using comedy. This program will start in July 2017.

Deliver the Public Art Strategy

This quarter Cultural Services has delivered the following as an outcome of the Public Art Strategy:

- An artist in conjunction with Warrawong residents have developed designs and painted seven art panels for the exterior of the Warrawong Community Centre. The panels have been installed in Laneway 127 on the east facing walls of the Warrawong Community Centre and the Illawarra Legal Centre.
- Cultural Services, in partnership with Corrimal Chamber of Commerce, installed five large art panels created by local artists on commercial buildings in the Corrimal Town Centre.
- Themes developed from community consultations with local residents were used by an artist to create a large wall mural on the western wall of the Telstra building in Unanderra.
- In Wollongong CBD an artist has researched Wollongong's local history and selected 3 heritage images and added text to tell a story about the image/site.
- An artist has created three artworks for the area between iHub and the side of the Town Hall to transform it into an inviting space to be.

PERFORMANCE MEASURES

- Library visitations | 241,707 (Q4 2015-2016 – 265,868)
- Library – total number of loans | 355,052 (Q4 2015-2016 – 371,918)
- Library programs: number of programs | 478 (Q4 2015-2016 - 462)
- Library programs: number of participants | 10,987 (Q4 2015-2016 – 15,610)

GOAL 4: WE ARE A CONNECTED AND ENGAGED COMMUNITY

WOLLONGONG CITY COUNCIL

Monitor and review achievement of Financial Strategy

The Financial Strategy has been monitored and reviewed through various reporting processes including monthly reporting, Quarterly Review process and development and review of the long term financial projections that support the Annual Plan and Delivery Program. A rigorous review of the 2016-17 budget in the context of the 2015-16 actual result and ongoing review of current year trends has supported the achievement of the Efficiency Target for 2016-17 and early realisation of all remaining future years target identified in the Securing Our Future program. Council has also generated additional surplus funds from non-recurrent improvements that have been transferred to the Strategic Projects restricted cash for future use.

Undertake a comprehensive community engagement process through the Wollongong Art Gallery to inform future programming

In conjunction with Council's Community Engagement team the Gallery undertook the Framing the Future – Connecting through Creativity community consultations during April-June 2017. The consultations were seeking the community's views in relation to Wollongong Art Gallery and its future programming.

The community engagement plan outlined a three part consultation process which is:

- Conducting a survey
- Holding a community consultation workshop
- Running a Question and Answer (Q&A) panel discussion.

A draft consultation report with recommendations has been developed from parts 1 & 2 of the engagement process. A final report including findings from part three will be completed by end of September 2017. The report will provide the Gallery with a deeper understanding of community expectations and needs which will act to guide it in identifying opportunities for its future programming.

Communicate and implement changes required under Work Health Safety Act

The WHS & E Behavioural Program commenced this quarter. The objective(s) of the program is to enable the achievement in building a high performance, safety, health and environmental culture. It involves a fundamental shift in from primarily compliance focussed to behaviour driven outcomes through a leadership capability that is developed to all levels of the organisation. First stage of the program is in progress that has included survey of all staff, site visits, staff interviews and the desktop review, which is being collated to provide a clear picture Councils current state. This will inform the development of roadmap improvements for stage 2 of the program.

Implement the Community Engagement Framework

Engagement during the quarter was again dominated by smaller scale infrastructure projects across the Local Government area, including footpath, streetscape and carpark upgrades.

During this quarter we trialled engaging with the Stanwell Park community simultaneously on a variety of capital works projects planned for completion in the next four years. More than sixty residents attended the Stanwell Park drop in information session to find out more about and comment on eight different projects. Infrastructure engagement during this quarter included talking to over one hundred residents at two kiosks about the Corrimal Heated Pool Masterplan and Framing the Future of the Art Gallery engagement workshops. These workshops attracting representatives from twenty-five different community groups including hard to reach groups.

Resource and support a range of engagement options to provide advice across identified target groups

In recognition of the large Macedonian population in Cringila, Council arranged for a Macedonian interpreter to attend the community information sessions to ensure members of the Culturally and Linguistically Diverse community could understand the project. The Lake Avenue Cringila Streetscape engagement provided a Macedonian interpreter at the information sessions.

Following extensive communication with community from a variety of target groups attended the Framing the Future of the Art Gallery workshop held in Dapto. Representatives from twenty-five community organisations, including residents from ATSI backgrounds, community members with mental health conditions, economic disadvantage and social exclusion attended the workshop with participants ranging from 18 – 80 years of age.

Council also continued to engage with the community through a range of Reference and Advisory Groups and the Neighbourhood Forums.

The Mt Keira Visioning and draft plan of management engagements included targeted engagement with the Aboriginal community offering onsite meetings, direct contact with various groups and invitations to combined community workshops.

Expand Council's on-line profile including increased use of digital media and delivery of an organisational e-newsletter strategy

During the quarter, City of Wollongong Facebook likes increased 8.5% to 20,413 up from 18,811 at the start of the quarter; videos posted to the page were viewed 43,500 times. Twitter followers increased by 3.4% to 4965, up from 4802 at the start of the quarter; Instagram has also shown an increase of 10.9% bringing followers to 3422, up from 3083 the previous quarter. First e-newsletter sent using Campaign Monitor (Advantage Wollongong) - reported increased click through rate. Between 1 April and 30 June 2017, there were 671,635 page views on Council's website. The five most frequently visited pages were (in descending order) homepage, sportsgrounds, library, jobs and View a Development Application.

Progressively implement the Asset Management Improvement Program

The key action underway under Council's Asset Management Improvement Program is the Asset Management Plan (AMP) review. Through this review, Council's AMPs and information are being reviewed and improved category by category. This will result in increased confidence in planning for infrastructure maintenance, renewal and upgrade, as well as improved external asset reporting, asset accounting and capital budget allocations.

Importantly this process is providing the core requirements of a revised AMIP specifically identifying necessary infrastructure information, system and process improvements.

In addition, technical asset accounting processes of capitalisation and valuation are being reviewed and processes improved.



GOAL 5: WE ARE A HEALTHY COMMUNITY IN A LIVEABLE CITY

WOLLONGONG CITY COUNCIL

Progress design work for the Unanderra CBD upgrade and continue to seek additional funding to implement priority actions from the Unanderra Town Centre Studies

Implementation of priority actions identified in the Unanderra Access and Movement Strategy continue:

- Traffic lights at the corner of Nudjia and Central Roads have been completed.
- Design is progressing on Central Road to incorporate pedestrian facilities and traffic calming.
- Streetscape improvements at both the corner of Central Road and Princes Highway, and the Tannery Works at the western Corner of Tallegalla Street are nearing completion.

Pursue Playground renewals in accordance with the Play Wollongong Strategy 2014 -2024 and adopted Capital Works program

During the quarter construction works were completed at the following playgrounds: Lakeside Drive Kanahooka, Nicolson Park Woonona, James Pearson Reserve Balgownie, Lakeland's Oval Dapto, Charles Stimson Farmborough Heights, Bellambi Point, Bellambi and Windang Foreshore Reserve.



IMAGE: Opening of the new Kanahooka Playground, Lakeside Drive Kanahooka

Accelerate delivery of building renewal and maintenance programs through allocation of additional funds

The 2016-17 Capital Works program included almost \$27 million spent on projects supporting the renewal and upgrade of Council's buildings and facilities. In addition, the maintenance budgets for buildings and facilities have been maintained at the increased value of over \$6.5 million, \$1 million higher than previously allocated. This included a planned maintenance program of \$2.4 million.

The Austinmer Surf Club commences upgrade in the quarter with the replacement of its roof and amenities block.



IMAGE: Austinmer Surf Club building renewal works

Review Council's Asset Management Plans: Buildings, Recreation, Stormwater, Plant and Vehicles, Transport

A draft review of the Strategic Asset Management Plan (AMP) was completed in the quarter and is currently under review by the Asset Management Steering Committee. This updated plan provides a consideration of Council's current asset maintenance, operations, renewal, new/upgrade costs against the overall required costs from the asset register of over 100,000 assets.

During the quarter, work continued in the review of information and projections within each of the detailed AMPs used to inform the Strategic AMP.

Coordinate the sports facilities planning priorities program with the Sports and Facilities Reference Group

Funding from the Sports Reserve has been introduced into the program to facilitate the development of a Masterplan for Lindsay Mayne Hockey Fields. Consultation with key users is likely to be continued during the coming year, prior to a plan being brought back to the Sports and Facilities Reference Group.

Enhance Botanic Garden visitor experience via programs, interpretation, education and events

A community partnership between Wollongong Botanic Garden and Wollongong Rotary Club saw a city wide easter day at the garden on Easter Saturday. This event drew more than 5,500 people to the garden with 50,000 easter eggs distributed, and a range of traditional outdoor games proving popular with families. Garden yoga continues to offer a smaller yet diverse offering to Garden visitors, The Friends volunteer buggy tours are being run weekly now with strong participation and 2 x mobility scooters were introduced for free hire. The 2nd Botanic Gardens Australia New Zealand open day was held May 28 with approximately 2,000 people learning behind the scenes plant conservation work being undertaken at the garden.



IMAGE: Botanic Gardens Australia New Zealand open day

Contribute to the Collective 2518 Bellambi Placemaking Project

Council's Community Safety Officer continues to meet with the Bellambi Safety Group on a monthly basis.

A new fence between Elizabeth Park and Brewongle Aged Care estate has been scoped and Land and Housing Corporation (the asset owners) have agreed to engage with the Housing tenants to remove the old wood fence and replace it with a security fence or a new wood fence as appropriate.

Council officers have facilitated that Land and Housing Corporation remove any graffiti on the new wooden structure for the first six months. Council's Graffiti Prevention Officer will engage Council's existing Community Partnerships to remove graffiti on the fence in the future or paint a mural or use another treatment to prevent graffiti reoccurring.

Council's Children's Development Officer met with students from Bellambi Public School in April and June to look at solutions to their concerns around vandalism for when the new playground at Bellambi Point would be installed. Children wanted to be able to check on the playground once a week, and were equipped with correct information to safely report any problems to Council. A sign will be installed at the playground which is written from the perspective of the children and their requests for people's behaviour to respect the park when using it.

A playground of \$100,000 value was installed at Bellambi Point in late June. A celebration was held on 28 June with children from Bellambi Public School and playgroups from Big Fat Smile and Barnardos at the playground. This recognised the contribution of children and families in the design of the park.

Review engagement practices for children to ensure continuous improvement and actively involve children in town and village planning, play space design and policy and planning

Children have been actively engaged in the Urban Greening Strategy. More than 72 children were provided with the opportunity to voice their opinions on the importance of trees and plants as well as offer suggestions on the green infrastructure of Wollongong and their community.

Children who contributed to the engagement phase of the play space design at Bellambi Point and Nicholson Park participated in the celebrations to officially open the play spaces in late June 2017.

Implement, monitor and report on the Disability Inclusion Action Plan

During the quarter the following initiatives were undertaken:

- An initial study of access to ground level shops on Crown Street.
- Preparation of "Quick Links" report identifying quick Council infrastructure wins to improve access for people with disability.
- The provision of Auslan interpreters for a decluttering workshop held at Central Library on 14 June that 12 people from the Deaf community attended and a Bee workshop held at Greenhouse Park on the 28 June that 11 people from the Deaf community attended.

Applications for Stuart Park upgrades and for New Year's Eve have been submitted in the Disability Access and Inclusion Category for the Local Government NSW Awards 2016-2017.

Undertake initial engagement to inform the Positive Ageing Plan 2017-2020

During the quarter the consultation for the Positive Ageing Plan 2018 -2022 was finalised. The consultation targeted residents aged 65 and over and Aboriginal residents aged 50 and over. The community was consulted from late February to late May 2017 with a total of 561 people participating.

Consultation included:

- A survey with 389 completed.
- 45 people participated in 5 targeted focus groups which included Aboriginal women, Aboriginal men, older men, older lesbians and women who identify with the Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI) community and older men who identify with the LGBTI community.
- 93 people participated in a community conversation which focussed on the issue of ageism.
- 24 Council officers participated in a workshop to raise awareness about 'Dementia Friendly Communities' and investigate how the principles could be included in our work.
- 11 service providers and Council staff participated in a workshop as part of the Home and Community Care Support Network to discuss how their services could better support older people.

Consultation has now ended and a consultation snapshot is being drafted.

Manage Council's commercial businesses to maximise return at Corrimal, Bulli and Windang Tourist Parks, Beaton Park Leisure Centre and Wollongong Memorial Gardens

All three business units have continued to perform well this quarter with income generation meeting targets. All three continue to implement strategies to build on previous efforts and maintain market share in each of their spaces. Continued capital investment through the renewal of facilities such as the Athletics Track at Beaton Park and the installation of new product such as ensuites at Bulli Tourist Park will ensure these performances are able to be maintained into the New Year.



IMAGE: Upgrade of Beaton Park athletics track completed



GOAL 6: WE HAVE SUSTAINABLE, AFFORDABLE AND ACCESSIBLE TRANSPORT

WOLLONGONG CITY COUNCIL

Promote access to community transport

Community Transport: Wollongong- Shellharbour provides a range of services to support frail older people, people with disability and people who are transport disadvantaged to continue living independently in the community and to access essential services, such as social activities, medical appointments, shopping, etc. The service requires very minimal promotion, as the demand for service continues to grow beyond our expectations; this quarter community transport received 297 new referrals, compared to 326 new referrals the previous quarter. In addition, the staff had the opportunity to promote the service at sector meetings within the region, at the Volunteer Expo and at the Carer's Education Program and the service provided two Information Sessions about the National Disability Insurance Scheme (NDIS) in April and May to inform our clients about the roll out of the scheme in the region and to stress the importance of including transport in Individual Plans.

Deliver the road resurfacing and reconstruction program

Delivery of Council's annual road resurfacing and reconstruction program continued throughout the quarter with the following occurring:

Seventeen (17) roads were reconstructed with a further eight (8) having construction commenced. In addition, a further eight (8) road upgrade or reconstruction projects are at various stages of design.

Fourteen (14) roads were resurfaced with a further four (4) having construction commenced. In addition, a further nine (9) road resurfacing projects are at various stages of design.

Council to work with key agencies and partners to progress the provision of an effective and integrated regional transport network

Council's traffic section liaises with key State Government Agencies on an ongoing basis in relation to significant transport projects. These include City Centre projects, Albion Park Rail Bypass, the upgrade of the Mount Ousley Road/Old Mount Ousley Road intersection, Princes Highway Corridor Strategy and Keiraville / Gwynneville Access and Movement Strategy.

Council is also scoping prioritisation of actions for bus stops / bus zones to ensure compliance with the Disability Discrimination Act requirements for accessibility to public transport.

Accelerate capital program for footpath renewal

During the quarter the following projects were at various stages of delivery:

Design commenced:

- Burelli Street; Keira Street intersection footpath, Wollongong
- Rawson Street, Regent Street and Crown Lane, Wollongong
- Warrawong CBD Upgrade.

Design completed:

- Grand Pacific Walk - Section 1, 2 and 4, Coalcliff
- Cringila CBD; Stage 1
- Princes Highway; Central Road to Tannery Street, Unanderra.

Construction completed:

- Bourke Street - Corrimal Street to Flinders Street (south side), North Wollongong
- Pendlebury Rest Park, Woonona
- Murray Road; Pioneer Road to Tourist Park, East Corrimal
- Lakeview Parade - Overhill Road to Bundah Place, retaining wall reconstruction, Primbee
- Market Street; Young Street - Richardson Lane, south side, Wollongong
- Tannery Street; Tallegalla Street to opposite #19.

Finalise design and approvals and commence construction of the road link

Council has selected the contractor to undertake the construction works for Stage 1A of the Fowlers Road to Fairwater Drive project. The contractor has established on site and earthworks have commenced. Detailed design of the overflow bridge has been accelerated to try and improve efficiencies in the construction program. The detailed design for Stage 2 is continuing and is expected to be completed towards the end of the calendar year. Outstanding issues associated with the design of the Princes Highway intersection have been resolved.



Image: West Dapto Access: Fowlers Road to Fairwater Drive project commenced construction

Continue to construct Stage 1 of the Grand Pacific Walk

GOAL 6: WE HAVE SUSTAINABLE, AFFORDABLE AND ACCESSIBLE TRANSPORT

The detailed designs and specifications for the construction of a pathway to improve accessibility for pedestrians and cyclists, extending from Stoney Creek Bridge to Stanwell Park have been completed.

The subsequent tender process to select a contractor took longer than anticipated, however the successful contractor has now been engaged and has established on site. Works, mainly site clearing, have recently started on Section 1 between Stoney Creek Bridge and Coalcliff railway station. Once fully established, works are scheduled to be occurring concurrently along Stages 1, 2 & 4 of the Grand Pacific Walk.

PERFORMANCE MEASURES

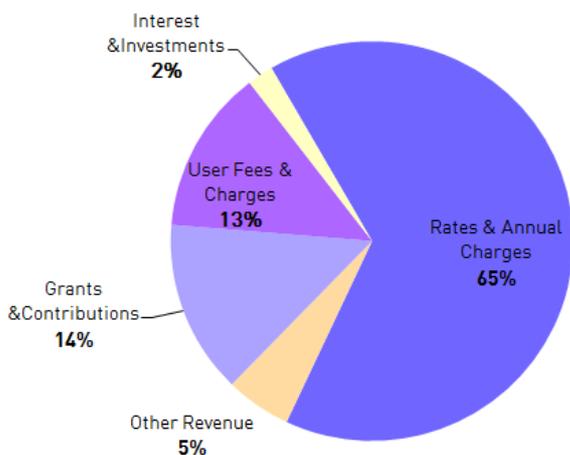
- Delivery of Council's Capital Program | 103 % (Q4 2015/2016 – 102%)

HOW WE PERFORMED AGAINST OUR BUDGETS

WOLLONGONG CITY COUNCIL

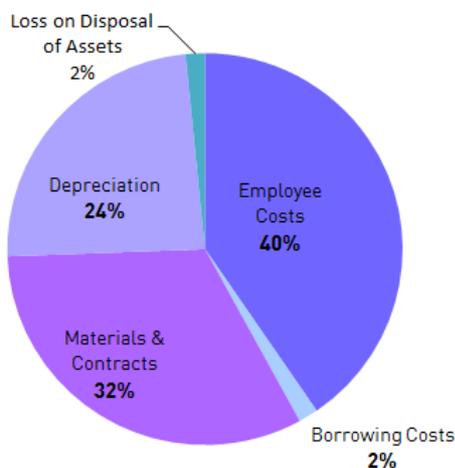
Budget 2016-17

The graph below shows Council's revenue from ordinary activities by revenue type for the quarter



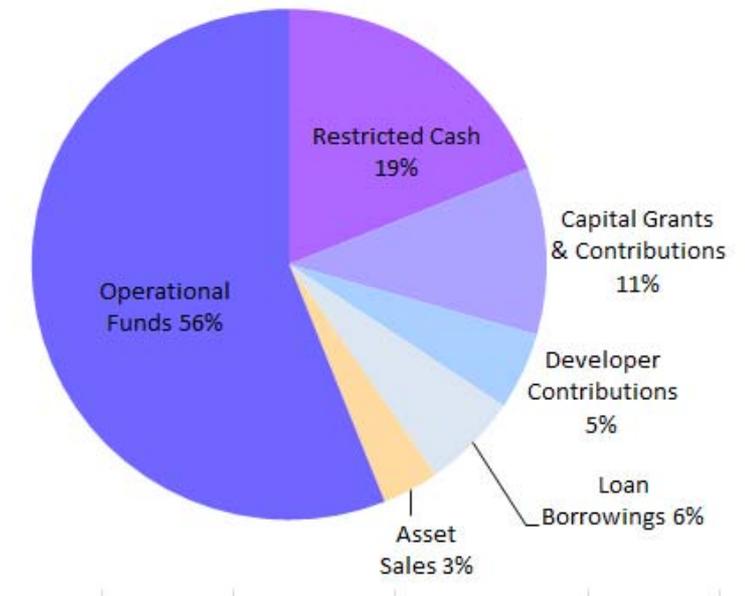
Income Type (\$M)	YTD Actual	Annual budget
Rates & Annual Charges	184.5	184.5
Other Revenue	14.9	12.2
Profit on disposal of Assets		
Grants & Contributions	39.6	30.5
User Fees & Charges	37.5	36.9
Interest & Investments	5.9	5.4
Total	282.5	269.5

The graph below shows Council's expenses from ordinary activities by expense type for the quarter



Expense Type (\$'M)	YTD Actual	Annual budget
Employee Costs less Internal Charges	103.1	106.8
Borrowing Costs	4.1	4.1
Materials & Contracts	82.6	85.6
Depreciation	61.3	61.8
Loss on Disposal of Assets	4.0	-0.1
Total	255.1	258.3

The graph below shows Council's Capital Budget



Income Type (\$M)	YTD Actual	Annual budget
Restricted Cash	17.1	11.8
Capital Grants & Contributions	9.6	13.5
Developer Contributions	4.4	4.5
Loan Borrowings	5.5	5.5
Asset Sales	3.2	3.3
Operational Funds	50.9	50.3
Total	90.8	89.0

PRELIMINARY END OF YEAR REPORT OF MANAGER FINANCE

WOLLONGONG CITY COUNCIL

The results presented in this Annual Review are unaudited and as yet do not include final transactions for the joint venture operations of Westpool and United Independent Pools that are completed externally. The June 2017 financial results are positive compared to budget across the key indicators and are consistent with the longer term direction set in the Securing our Future program.

The reported Operating Surplus [pre capital] of \$27.4 million represents an improvement against budget of \$16.1 million that did not include the early payment of two quarters of the 2017-18 Financial Assistance Grant of \$9.0 million, or a range of both favourable and unfavourable non-cash variances and changes in the timing of the delivery of externally funded projects of \$1.5 million.

The Operating Result shows an improvement of \$46 million compared to budget that includes the above variations as well as the recognition of the value of contributed assets of \$29.5 million (non-cash) that were not in budget.

The total value of Capital Works delivered was \$90.8 million compared to a budget of \$89.0 million. The increased capital delivery was in part due to additional externally funded projects of \$1.2 million.

The Total Funds Result (annual movement in Available Funds) is \$12.0 million representing an improvement against budget of \$13.9 million. The Funds result includes the impact of the early payment of the Financial Assistance Grant offset by the general revenue component of additional capital works completed, but excludes non cash variances and timing differences for externally funded projects.

The underlying improvement in the Funds Result of \$4.4 million provides additional cash that may be used to support additional or unfunded projects in future periods. The improved result provides an opportunity for these funds to be transferred to internally restricted cash for Strategic Projects. This is consistent with the approach that has been used over the last three financial years where windfalls or improvements in financial results beyond those planned in the Securing Our Future Program are held centrally to be allocated through Council's planning process.

The following table provides a summary view of the overall financial results for the year.

TABLE 1

FORECAST POSITION	Original Budget	Revised Budget	YTD Actual	Variation
KEY MOVEMENTS	1-Jul	30-Jun	30-Jun	
Operating Revenue \$M	262.0	269.5	282.5	13.0
Operating Costs \$M	(262.1)	(258.3)	(255.1)	3.2
Operating Result [Pre Capital] \$M	(0.0)	11.3	27.4	16.1
Capital Grants & Contributions \$M	32.9	12.0	42.0	29.9
Operating Result \$M	32.9	23.3	69.4	46.0
Funds Available from Operations \$M	61.8	65.4	79.8	14.4
Capital Works	101.6	89.0	90.8	(1.8)
Contributed Assets	-	-	29.5	(29.5)
Transfer to Restricted Cash	-	9.7	9.7	-
Borrowings Repaid \$M	7.3	7.3	7.2	0.1
Funded from:				
- Operational Funds \$M	61.8	58.1	79.8	14.4
- Other Funding \$M	47.1	38.7	69.4	30.7
Total Funds Surplus/(Deficit) \$M	(0.1)	(1.9)	12.0	13.9

1 Income & Expense

The primary variations and issues are discussed below with favourable changes identified as (F) and unfavourable (U). A more comprehensive list is provided in Table 7.

- User Charges and Fees \$617K (F). This variation is due to greater commercial tipping fees (\$279K), development assessment income (\$241K), Kembla Grange Lawn Cemetery (\$226K), reclassification of the Fire and Emergency Services levy project funding (\$136K) partly offset by lower income from leisure centres (\$94K), Russell Vale Golf Course (\$93K) and numerous smaller variations.
- Interest and Investment Revenues \$461K (F). This positive variance is mainly due to increased cash holdings and positive fair value movements.
- Other Revenue \$2,254K (F). This favourable variance includes a variation to the status of the Carbon Tax provision (\$1,898K). When this money was received it was not included as Council income as it was expected to be payable in the form of tax. On the cessation of Carbon Tax legislation and the subsequent agreement with the Federal Government over use of the funds it was determined Council could apply the money to internal projects that reduce carbon emissions. At this point the money needs to be recognised as income. Additional income has also been recognised from the receipt of an insurance settlement relating to the liquidated insurer Independent for claims from prior years (\$397K), parking infringements (\$261K) offset by the disputed payment relating to a storm event claim (\$469K).
- Grants and Contributions – Operating \$9,117K (F). The early payment of the first two instalments of the 2017-18 Financial Assistance Grant (\$9.0M) and timing of Community Transport grant payments have contributed to the favourable variance.
- Grants and Contributions – Capital \$30.0 million (F). This variation is largely due to the recognition of contributed assets (\$29.5 million) and the timing of developer contributions in City Centre (\$862K) offset by other more minor variations.
- Share of Interest in Joint Venture \$0.5 million (F). This variation is due to the positive result in Councils share of the joint venture relating to self-insurance pools.
- Employee Costs \$2,458 (F). This favourable variance is due to a decreased leave liability provision (\$917K) predominately caused by indexation in the NPV valuation, lower expenditure in employee costs partially impacted by merger proposal recruitment restrictions, parental leave (\$184K), conferences & training (\$112K) that were partially offset by additional employee costs for Project Delivery (\$570K) for capital works.
- Contracts, Materials and Other Expenses \$3,222K (F). The favourable variance is attributable to a range of factors including lower expenditure on funded projects (\$2,157K), plant repairs/insurance (\$455K), and increased use of internal labour to deliver projects (\$1,099K) partially offset by EPA Levy on landfill (\$497K).
- Depreciation \$569K (F). This variation is the result of the timing in construction and capitalisations of some works still held in Works in Progress.
- Internal Charges \$941K (F). This favourable variance is the result of an increased application of internal labour for the design, project management and construction of capital projects (\$1,334K) that was partially offset by reduction in marketing & printing (\$327K) and plant hire (\$84K) resources used for capital works.
- Loss on Disposal of Assets \$4,012K (U). This negative variance is mainly due to the disposal (renewal) of assets that have a residual book value partially offset by profit on sale of land (\$108K). The disposals of assets are a non-cash adjustment and do not impact on the annual Funds result.

2 Capital Budget

As at 30 June 2017, Council had expended \$90.8 million or 102.0% of the approved annual capital budget of \$89.0 million. This additional expenditure has been partially offset by increased funding (\$1.2 million) leaving an impact of \$0.6 million to the funds result.

3 Cash & Investments

Council's actual cash and investments show an increase of \$23.9 million compared to the March Quarter projections that have been impacted by the receipt of the preliminary payment of the 2017-18 Financial Assistance Grant (\$9.0 million), timing of supplier payments and debtor receipts (\$9.7 million) and favourable operational income and expenditure compared to budget.

Table 2

CASH, INVESTMENTS & AVAILABLE FUNDS					
	Actual 2015/16	Original Budget 2016/17	December QR 2016/17	March QR 2016/17	Actual Ytd June 2017
	\$M	\$M	\$M	\$M	\$M
Total Cash and Investments	154.0	133.7	137.8	143.6	167.5
Attributed to:					
External Restrictions					
Developer Contributions	15.4	24.9	17.9	14.9	16.4
Specific Purpose Unexpended Grants	4.9	9.6	2.4	4.6	3.3
Special Rates Levy City Centre	0.1	0.1	0.1	0.1	0.3
Unexpended Loans	25.4	27.6	27.9	27.9	27.4
Domestic Waste Management	10.0	10.8	10.4	11.1	11.1
Private Subsidies	3.9	3.6	3.9	4.0	4.9
West Dapto Home Assistance	9.9	9.9	10.2	10.2	10.2
Stormwater Management Charge	1.4	1.2	0.5	1.1	1.4
Carbon Pricing	4.4	1.1	1.1	1.1	0.9
Total External Restrictions	75.3	88.8	74.5	75.0	75.8
Internal Restrictions					
Property Investment Fund	8.1	8.3	8.2	8.2	8.3
Future Projects	5.6	3.5	3.7	4.0	5.2
Property Development	4.1	2.5	3.8	3.8	3.9
Strategic Projects	23.9	17.9	25.4	30.9	30.2
Sports Priority program	0.5	0.5	0.4	0.4	0.4
Car Parking strategy	0.9	0.7	1.1	1.1	1.1
MacCabe Park Development	0.8	1.0	1.0	1.0	1.0
Darcy Wentworth Park	0.2	0.2	0.2	0.2	0.2
Garbage Disposal Facility	10.0	2.2	7.3	7.0	5.9
Telecommunications Revenue	0.2	0.2	0.2	0.2	0.2
West Dapto additional rates	0.5	0.1	0.7	0.7	0.5
Natural Areas	0.5	0.4	0.4	0.4	0.4
Lake Illawarra Management Fund	0.1	0.1	0.0	0.2	0.2
Total Internal Restrictions	55.3	37.6	52.2	57.9	57.4
Available Cash	23.5	7.3	11.1	10.7	34.3
Net Payable & Receivables	(8.8)	4.0	1.8	2.0	(7.6)
Current payables	(33.3)	(23.6)	(23.5)	(23.0)	(41.7)
Receivables	21.3	23.0	22.0	21.8	23.5
Other	3.2	4.6	3.3	3.3	10.6
Available Funds	14.7	11.3	12.9	12.8	26.7

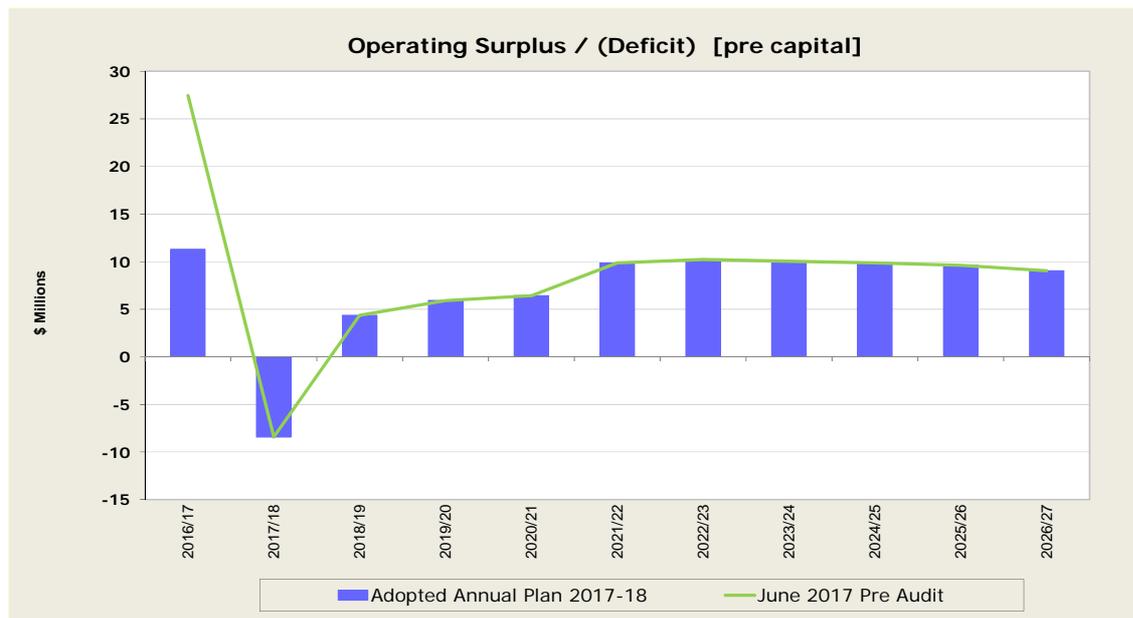
4 Long Term Financial Projections

The Long Term Forecast for Available Funds has been adjusted to reflect the pre audit result as presented in this report. Other financial indicators have not been adjusted at this stage to reflect any timing issues that may impact on the next year’s operating result forecasts such as the introduction of budget for the finalisation of projects that were in progress at the end of the year. It is proposed that any adjustments necessary will be considered as part of the September Quarterly Review for 2017-18.

LONG TERM OPERATING SURPLUS/(DEFICIT) [PRE CAPITAL]

The Operating Result [pre capital] provides an indication of the long term viability of Council. In broad terms, a deficit from operations indicates that Council is not earning sufficient revenue to fund its ongoing operations (services) and continue to renew existing assets. The early payment of the first two instalments of the Financial Assistance Grant has had a positive impact on the 2016-17 result and conversely a negative result on projections for 2017-18. The positive result for 2016-17 also includes a range of improvements in income and expenses across the organisation that are individually relatively minor and are not generally considered to be recurrent, the increased use of internal labour to deliver the capital program and progress of funded project. Funded projects don’t impact on the Funds Result, however, may impact on future operating result projections as these are reintroduced. The following table does not include the potential future impact of these projects and it is proposed that any adjustments necessary will be considered as part of the September Quarterly Review for 2017-18.

Table 3

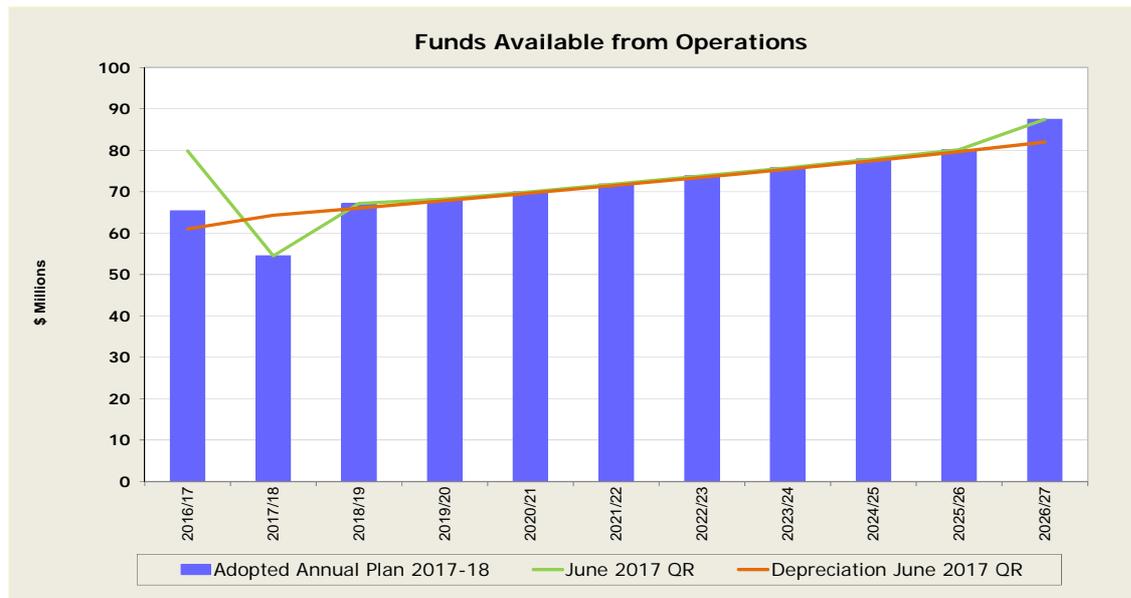


FUNDS AVAILABLE FROM OPERATIONS

The Funds Available from Operations is a primary objective of Council over time to provide for effective renewal of assets and growth in assets.

The following graph also shows forecast depreciation expenses compared to Funds available from Operations. This is an important indicator as it demonstrates the capacity to generate sufficient funds from operations to meet asset renewal requirements. The graphs generally show Council achieving its target of providing funds from operations equal to depreciation.

TABLE 4



AVAILABLE FUNDS

Available Funds are the uncommitted funds of an organisation that assist in meeting the short term cash requirements, provide contingency for unexpected costs or loss of revenue, and provide flexibility to take advantage of opportunities that may arise from time to time. Council’s Financial Strategy has a target to achieve and maintain an Available Funds position between 3.5% and 5.5% of operational revenue [pre capital]. Based on the 2017-18 Adopted Annual Plan the target range for Available Funds is between \$9.4 million and \$11.9 million (lower range) and \$14.8 million and \$18.6 million (upper range) over the life of the Long Term Financial Plan. The result for the year ended 30 June 2017 is indicates an improvement of \$13.9 million in Available Funds that is distorted by the early payment of the Financial Assistance Grant of \$9 million.

The underlying improvement in the Funds Result of \$4.4 million provides additional cash that may be used to support additional or unfunded projects in future periods. The improved result provides an opportunity for these funds to be transferred to internally restricted cash for Strategic Projects. This is consistent with the approach that has been used over the last three financial years where windfalls or improvements in financial results beyond those planned in the Securing Our Future Program are held centrally to be allocated through Council’s planning process. Table 5 below is inclusive of the proposed transfer of the improvement in the result to restricted cash for Strategic Projects.

TABLE 5

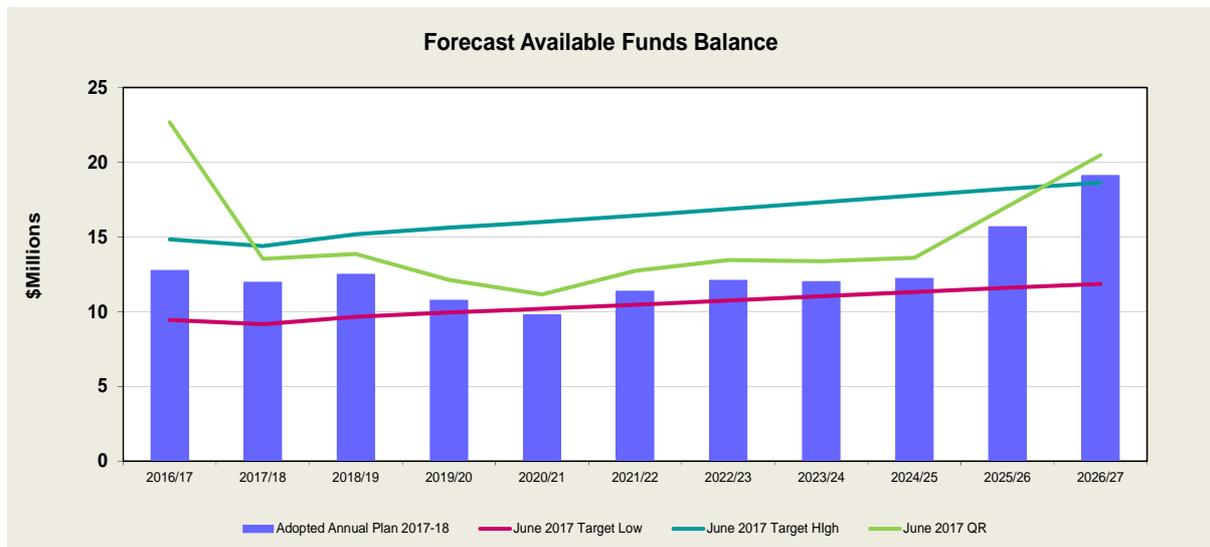


TABLE 6

WOLLONGONG CITY COUNCIL				
1 July 2016 to 30 June 2017				
	2016/17 Original Budget \$'000	2016/17 Current Budget \$'000	2016/17 Actual YTD \$'000	2016/17 Variation \$'000
Income Statement				
Income From Continuing Operations				
Revenue:				
Rates and Annual Charges	184,035	184,540	184,531	(8)
User Charges and Fees	33,594	36,874	37,491	617
Interest and Investment Revenues	4,253	5,448	5,909	461
Other Revenues	10,205	12,164	14,418	2,254
Grants & Contributions provided for Operating Purposes	29,961	30,521	39,638	9,117
Grants & Contributions provided for Capital Purposes	32,947	12,049	42,020	29,972
Other Income:				
Share of Interest in Joint Venture	0	0	523	523
Total Income from Continuing Operations	294,994	281,595	324,531	42,936
Expenses From Continuing Operations				
Employee Costs	117,960	119,762	117,303	2,458
Borrowing Costs	4,131	4,082	4,072	10
Materials, Contracts & Other Expenses	89,066	87,126	83,905	3,222
Depreciation & Amortisation	64,840	61,839	61,270	569
Internal Charges (labour)	(12,352)	(12,935)	(14,165)	1,230
Internal Charges (not labour)	(1,566)	(1,566)	(1,277)	(289)
Profit/Loss on Disposal of Assets	0	(52)	3,959	(4,012)
Total Expenses From Continuing Operations	262,079	258,255	255,067	3,188
Operating Results From Continuing Operations	32,916	23,340	69,464	46,124
Net Operating Result for the Year	32,916	23,340	69,464	46,124
Net Operating Result for the Year before Grants & Contributions provided for Capital Purposes				
	(31)	11,292	27,444	16,152
NET SURPLUS (DEFICIT) [Pre capital] %	11.2%	8.3%	21.4%	107.4%
Funding Statement				
Net Operating Result for the Year	32,916	23,340	69,464	46,124
Add back :				
- Non-cash Operating Transactions	78,451	76,002	76,492	490
- Restricted cash used for operations	15,013	15,050	13,551	(1,499)
- Income transferred to Restricted Cash	(52,636)	(36,906)	(67,048)	(30,141)
- Payment of Accrued Leave Entitlements	(11,943)	(12,082)	(12,103)	(21)
- Net Share Joint Venture using Equity Method	0	0	(523)	(523)
Funds Available from Operations	61,801	65,404	79,833	14,429
Borrowings repaid	(7,285)	(7,285)	(7,160)	125
Operational Funds Available for Capital Budget	54,516	58,119	72,673	14,554
CAPITAL BUDGET				
Assets Acquired	(101,627)	(89,019)	(90,839)	(1,820)
Contributed Assets	0	0	(29,494)	(29,494)
Transfers to Restricted Cash	0	(9,654)	(9,654)	0
Funded From :-				
- Operational Funds	54,516	58,119	72,673	14,554
- Sale of Assets	1,743	3,297	3,239	(58)
- Internally Restricted Cash	21,770	11,808	11,987	178
- Borrowings	0	5,500	5,500	0
- Capital Grants	11,065	7,387	8,209	823
- Developer Contributions (Section 94)	6,008	4,549	4,444	(105)
- Other Externally Restricted Cash	5,620	5,072	5,148	77
- Other Capital Contributions	850	1,090	30,843	29,753
TOTAL FUNDS SURPLUS / (DEFICIT)	(55)	(1,852)	12,056	13,908

TABLE 7

MAJOR VARIATIONS				
Compared to Budget	\$'000s	Offsetting Items for		Net by type
		Fund	Surplus	
REVENUES FROM ORDINARY ACTIVITIES				
Rates & Annual Charges				(8)
User Charges & Fees				(8)
Development Assessment/Planning & Building Certification			241	
Kembla Grange Lawn Cemetery			226	
Commercial Tipping Income	157		122	
Library Room Hire			51	
Tourist Park Income			44	
Leisure Centres	(55)			(39)
Russell Vale Golf Course				(93)
Tree Management orders				(39)
Fire and Emergency Services Levy	136			
Other				(134)
				617
Interest and Investment Income				
Increased cash holdings and positive fair value movements			363	
Outstanding Rates			98	
				461
Other Revenue				
Carbon Tax Income recognition received prior year	1,889			
Insurance Reimbursement (relating to prior year)			397	
Parking infringements			261	
Major Plant (fuel tax credits & sale minor plant)			88	
Animal Control Enforcement			85	
Community Facility hire			57	
Leisure Centre stock sales	55			
Storm Event claim				(469)
Kembla Terraces Fair Value				(171)
Other			62	
				2,254
Grants & contribution - Operating				
Direct Grants			9,019	
Community Transport	118			
Fire and Emergency Services Levy	(136)			
Other	117			
				9,117
Share of Interest in Joint Venture	523			523
EXPENSES FROM ORDINARY ACTIVITIES				
Employee Costs				
ELE Provision Adjustment (largely NPV calculation)	1,136			
City Works including Overtime	(206)			
Salaries & Wages			1,674	
Parental Leave			184	
Conferences & Training			112	
Tourist Parks	(86)			
Project Delivery (Additional Charge)	(570)			
Workers Compensation Provision Adjustment	78			
Other			136	
				2,458

TABLE 7 (CONT)

MAJOR VARIATIONS					
Compared to Budget	\$'000s	Offsetting Items for Fund	Surplus	Deficit	Net by type
Materials, Contracts & Other Expenses					
Plant Repairs/Insurance			455		
Pools & Beaches			206		
Projects/Works completed using internal resources	539		202		
Street Gutter & Toilet Cleaning	206				
Communications & Engagement			157		
Legal Expenses			121		
Information Management Postage			113		
Community Facilities			99		
Tourist Parks	86		11		
Insurance Claims Liability Increase	(150)				
Crematorium & Cemeteries			68		
Leisure Centres			66		
EPA Levy Landfill				(497)	
EPA Levy Commercial	(157)				
Buildings				(735)	
Parks/Open Spaces maintenance				(143)	
Waste Contracts				(105)	
Under expenditure Funded Projects	2,120				
Property Investment Fund Land Sales (costs tfr to capital)			58		
Various other adjustments			502		3,222
Borrowing Costs			10		10
Depreciation	569				569
Internal Charges					
Project Delivery Charge to Capital	570		629		
City Works Internal Labour Charge to Capital			135		
Projects/Works completed using internal resources	(539)		1,099		
Funded Projects budget under Materials & Contracts	(560)				
Marketing and Printing Charges				(327)	
Plant Hire Charges Capital Recovery				(84)	
Other			18		941
Profit & Loss on Disposal of Assets					
Write off book value of assets replaced	(4,120)				
Profit on Sale of Land	108				(4,012)
Operating Variation [pre capital]	1,828		17,169	(2,846)	16,152
Capital Grants & Contributions					
Developer Contributions					
City Centre	862				
Contributed Assets	29,495				
Other	(384)				29,973
Operating Variation [post capital]	31,801		17,169	(2,846)	46,124

TABLE 7 (CONT)

MAJOR VARIATIONS					
Compared to Budget	\$'000s	Offsetting Items for Fund	Surplus	Deficit	Net by type
FUNDING STATEMENT					
Non Cash Expenses					
Carbon Tax Income recognition received prior year		(1,889)			
Depreciation		(569)			
ELE Provision Adjustment (largely NPV calculation)		(1,136)			
Loss on Disposal of Assets		4,012			
Insurance Provision		150			
Workers Compensation Provision		(78)			490
Restricted Cash Used for Operations					
Internally funded project underexpenditure		(479)			
Externally funded project underexpenditure		(1,020)			(1,499)
Income Transferred to Restricted Assets					
Contributed Assets		(29,495)			
Developer Contributions City Centre		(862)			
Other Contributions & Grants		149		(31)	
Additional West Dapto Rates			159		
Fire Emergency Services Levy		(61)			(30,141)
Payment of Accrued Leave Entitlements				(21)	(21)
Advances (made by) / repaid to Council		(523)			(523)
FUNDS AVAILABLE FROM OPERATIONS		-	17,328	(2,898)	14,429
Borrowings Repaid			125		125
OPERATIONAL FUNDS AVAILABLE FOR CAPITAL		-	17,453	(2,898)	14,554
CAPITAL BUDGET					
Capital Program Additional Expenditure		(1,174)		(646)	
Capital Program Additional Funding		1,174			
Contributed Assets		(29,456)			
Contributed Assets Income Recognised		29,456			
TOTAL FUNDS SURPLUS/(DEFICIT)		-	17,453	(3,544)	13,908

CAPITAL PROJECT REPORT

Year Ended 30 June 2017

ASSET CLASS PROGRAMME	\$'000		\$'000		\$'000	
	CURRENT BUDGET		Actual		VARIATION	
	EXPENDITURE	OTHER FUNDING	EXPENDITURE	Funding	EXPENDITURE	OTHER FUNDING
Roads And Related Assets						
Traffic Facilities	1,107	(699)	1,126	(616)	19	83
Public Transport Facilities	242	(20)	336	(19)	94	1
Roadworks	16,870	(3,122)	17,307	(3,855)	437	(733)
Bridges, Boardwalks and Jetties	2,145	(112)	2,072	(111)	(73)	1
TOTAL Roads And Related Assets	20,364	(3,952)	20,840	(4,601)	476	(648)
West Dapto						
West Dapto Infrastructure Expansion	3,834	(3,619)	4,098	(3,900)	264	(281)
TOTAL West Dapto	3,834	(3,619)	4,098	(3,900)	264	(281)
Footpaths And Cycleways						
Footpaths	4,420	(1,591)	4,498	(1,717)	79	(127)
Cycle/Shared Paths	5,912	(2,523)	7,053	(2,675)	1,142	(152)
Commercial Centre Upgrades - Footpaths and Cyclew	3,854	(795)	3,996	(773)	142	22
TOTAL Footpaths And Cycleways	14,185	(4,908)	15,547	(5,165)	1,362	(257)
Carparks						
Carpark Construction/Formalising	170	0	177	0	7	0
Carpark Reconstruction or Upgrading	2,032	0	1,948	0	(84)	0
TOTAL Carparks	2,202	0	2,125	0	(77)	0
Stormwater And Floodplain Management						
Floodplain Management	1,966	(905)	1,616	(898)	(350)	7
Stormwater Management	2,296	(418)	2,274	(388)	(21)	30
Stormwater Treatment Devices	358	(130)	377	(106)	18	24
TOTAL Stormwater And Floodplain M	4,620	(1,453)	4,267	(1,393)	(353)	60
Buildings						
Cultural Centres (IPAC, Gallery, Townhall)	1,117	0	942	0	(175)	0
Administration Buildings	1,565	0	1,646	0	81	0
Community Buildings	11,573	(1,801)	11,367	(1,767)	(206)	34
Public Facilities (Shelters, Toilets etc.)	2,423	(170)	2,437	(170)	14	(0)
Carbon Abatement	1,211	(1,000)	1,166	(992)	(45)	8
TOTAL Buildings	17,889	(2,971)	17,559	(2,929)	(330)	42
Commercial Operations						
Tourist Park - Upgrades and Renewal	1,081	0	1,105	0	24	0
Crematorium/Cemetery - Upgrades and Renewal	212	0	217	0	5	0
Leisure Centres & RVGC	157	0	157	0	0	0
TOTAL Commercial Operations	1,450	0	1,479	0	29	0
Parks Gardens And Sportfields						
Play Facilities	1,314	(10)	1,332	(13)	19	(3)
Recreation Facilities	1,846	(246)	1,773	(201)	(73)	45
Sporting Facilities	1,374	(580)	1,332	(556)	(42)	24
Lake Illawarra Foreshore	(0)	0	0	0	0	0
TOTAL Parks Gardens And Sportfielc	4,534	(836)	4,437	(769)	(97)	66
Beaches And Pools						
Beach Facilities	427	0	428	0	2	0
Rock/Tidal Pools	1,262	0	1,281	0	19	0
Treated Water Pools	979	(9)	1,122	(9)	143	0
TOTAL Beaches And Pools	2,668	(9)	2,831	(9)	164	0

CAPITAL PROJECT REPORT

Year Ended 30 June 2017

ASSET CLASS PROGRAMME	\$'000		\$'000		\$'000	
	CURRENT BUDGET		Actual		VARIATION	
	EXPENDITURE	OTHER FUNDING	EXPENDITURE	Funding	EXPENDITURE	OTHER FUNDING
Natural Areas						
Environmental Management Program	0	0	0	0	(0)	0
Natural Area Management and Rehabilitation	165	0	149	0	(16)	0
TOTAL Natural Areas	165	0	149	0	(16)	0
Waste Facilities						
Whytes Gully New Cells	7,302	(7,302)	7,681	(7,728)	378	(426)
Whytes Gully Renewal Works	395	(395)	325	(325)	(70)	70
Helensburgh Rehabilitation	49	(49)	49	(49)	(0)	0
TOTAL Waste Facilities	7,746	(7,746)	8,054	(8,102)	308	(356)
Fleet						
Motor Vehicles	1,843	(940)	1,869	(1,088)	26	(149)
TOTAL Fleet	1,843	(940)	1,869	(1,088)	26	(149)
Plant And Equipment						
Portable Equipment (Mowers etc.)	442	(53)	189	(92)	(253)	(39)
Mobile Plant (trucks, backhoes etc.)	3,686	(1,436)	4,198	(874)	512	562
Fixed Equipment	320	0	0	0	(320)	0
TOTAL Plant And Equipment	4,448	(1,489)	4,387	(966)	(61)	523
Information Technology						
Information Technology	1,335	(165)	1,565	(155)	230	10
TOTAL Information Technology	1,335	(165)	1,565	(155)	230	10
Library Books						
Library Books	1,193	(66)	1,195	(6)	1	60
TOTAL Library Books	1,193	(66)	1,195	(6)	1	60
Public Art						
Public Art Works	200	0	29	0	(171)	0
Art Gallery Acquisitions	110	0	103	0	(7)	0
TOTAL Public Art	310	0	132	0	(178)	0
Emergency Services						
Emergency Services Plant and Equipment	80	0	100	0	20	0
TOTAL Emergency Services	80	0	100	0	20	0
Land Acquisitions						
Land Acquisitions	84	0	138	(57)	54	(57)
TOTAL Land Acquisitions	84	0	138	(57)	54	(57)
Non-Project Allocations						
Capital Project Contingency	0	0	0	0	(0)	0
Capital Project Plan	69	0	66	0	(3)	0
TOTAL Non-Project Allocations	69	0	66	0	(3)	0
TOTAL Not Applicable	0	0	0	0	0	0
GRAND TOTAL	89,019	(28,154)	90,839	(29,140)	1,820	(986)

Manager Project Delivery Division

Commentary on June 2017 Capital Budget Report

As at 30th June 2017, year to date expenditure was \$90.8M of the approved capital budget of \$89.0M. This value is \$1.8M more than the final approved capital budget.

The following table summarises the reasons for the major variations between final expenditure and the final capital budget program allocations. Also detailed are any significant changes to various types of external or loan funding.

Program	Major Points of change to Capital Budget
Traffic Facilities	Re-phase Sect 94 City Wide funding
Public Transport Facilities	Multiple bus shelter projects actual costs in excess of budgets
Roadworks	Multiple 17/18 projects were accelerated into 16/17 resulting in additional expenditure Introduce additional Roads to Recovery and R.M.S. Regional Roads funding
Bridges Boardwalks & Jetties	All projects final costs were close to final approved budgets so program contingency not required and remained unspent.
West Dapto Infrastructure Expansion	Construction of Baan Baan st extension ahead of schedule resulting in expenditure in excess of 16/17 budget allocation. Re-phase West Dapto Section 94 and Restart Illawarra funding.
Footpaths	1 new footpath project accelerated from 17/18 into 16/17. Introduce additional LIRS 1 and Section 94 funding.
Cycle/Shared Paths	Construction of Lower Tramway Walk (LTW)- Share way and seawall upgrade project progressed ahead of schedule. Construction of pedestrian and cycle crossing facilities on Trinity Row at Bulli over spent due to significant increase in original scope of work. Introduce additional National Stronger Regions (Federal Government) funding for LTW project.
Commercial Centre Upgrades – Footpaths and Cycleways	Delays in completing Crown st Mall public art resulted in under expenditure on this project. Cringila C.B.D. upgrade completed ahead of schedule resulting in expenditure in excess of 16/17 final budget allocation. Introduce additional Car parking revenue for existing project
Carparks Reconstruction or Upgrading	Under expenditure due to delays in commencing construction of Stage 2 of the Coalcliff beach carpark retaining wall project.
Floodplain Management	Multiple projects behind schedule primarily due to delays in completing designs
Stormwater Management	Introduction of additional Stormwater levy funding
Stormwater Treatment Devices	Acceleration of one project (Nyrang Pk - Upgrade access to DCS's) from 17/18 to 16/17. Introduction of additional Stormwater levy funding
Cultural Centres (IPAC, Gallery, Town hall)	Multiple projects underspent
Administration Buildings	Over budget spend on 41 Burelli st admin Bldg Office fit outs plus Botanic Gardens Temp staff amenities.
Community Buildings	Multiple projects underspent Re-phase Community Buildings Partnerships Funding for existing projects
Carbon Abatement	Project at Windang Tourist Pk – amenities block hot water system energy efficiency upgrade
Tourist Pks – Upgrades and renewals	Bulli Tourist Pk – supply and install 4 x campsite ensuite amenities – over budget expenditure
Recreation Facilities	Delays in completing public artwork at Eildon Hill Reserve Upgrade Re-phase Pt Kembla Community Investment Funding for existing projects
Sporting Facilities	Multiple sports field fencing projects behind schedule. Re-phase sports Priority Funding for existing projects

PRELIMINARY END OF YEAR REPORT OF MANAGER FINANCE

Program	Major Points of change to Capital Budget
Treated Water Pools	Unanderra Pool Roof and solar water heating replacement - over budget expenditure
Whytes Gully New Cells	Whytes Gully new landfill cell project progressing ahead of schedule. Introduce additional waste levy funding
Whytes Gully Renewal Works	Whytes Gully Minor works projects – under budget expenditure Introduce additional waste levy funding
Motor Vehicles	One vehicle delivered for additional position in Project Delivery Introduce additional funding for vehicle disposal sales
Portable Equipment (mowers etc)	Less portable equipment purchased in 16/17 to compensate for additional expenditure in Mobile Plant (trucks, backhoes etc) Reduction in funding realised for actual sales of replaced mobile plant.
Mobile Plant (trucks, backhoes etc)	Additional expenditure which was balanced by reduced expenditure in both Portable Equipment (mowers etc) and Fixed Equipment
Fixed Equipment	No fixed equipment replacement purchases in 16/17
Information Technology	Additional replacement I.T. hardware purchases or 17/18 replacement hardware purchases brought forward.
Library Books	Re-phase State Government funding for “Your Library everywhere” project
Public Art works	Transfer of actual costs from capital to operational ledgers in line with Council’s accounting policies.
Land Acquisitions	Purchase of land parcel 340 West Dapto Rd not in original budget.

Where projects have proceeded ahead of the planned schedule, allocations in future budgets may be adjusted as required.

WOLLONGONG CITY COUNCIL		
	Actual 2016/17 \$'000	Actual 2015/16 \$'000
Balance Sheet		
Current Assets		
Cash Assets	23,534	17,746
Investment Securities	119,458	126,193
Receivables	23,532	21,280
Inventories	6,089	6,028
Other	10,680	3,207
Assets classified as held for sale	6,381	0
Total Current Assets	189,672	174,453
Non-Current Assets		
Non Current Cash Assets	24,585	10,085
Property, Plant and Equipment	2,312,461	2,270,992
Investment Properties	4,775	4,775
Westpool Equity Contribution	1,833	1,310
Intangible Assets	653	1,042
Total Non-Current Assets	2,344,307	2,288,204
TOTAL ASSETS	2,533,979	2,462,657
Current Liabilities		
Current Payables	41,617	33,258
Current Provisions payable < 12 months	11,185	16,998
Current Provisions payable > 12 months	37,669	37,858
Current Interest Bearing Liabilities	7,513	6,690
Total Current Liabilities	97,984	94,804
Non-Current Liabilities		
Non Current Interest Bearing Liabilities	32,188	33,940
Non Current Provisions	48,121	44,031
Total Non-Current Liabilities	80,309	77,970
TOTAL LIABILITIES	178,292	172,774
NET ASSETS	2,355,687	2,289,883
Equity		
Accumulated Surplus	1,249,600	1,173,088
Asset Revaluation Reserve	972,920	986,148
Restricted Assets	133,166	130,647
TOTAL EQUITY	2,355,687	2,289,883

The following tables provide details of contracts (other than contractors that are on Council's preferred supplier list that have a value equivalent of 1% of estimated income from continuing operations or \$50K, whichever is the lesser) and amounts expended on consultancies and legal fees for financial year. Consultants are defined as a person or organisation that is engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision making by management. Generally, it is the advisory nature of the work that differentiates a consultant from other.

Contract Listing					
Budget Review for Quarter ended June 2017					
Contractor	Contract Detail & Purpose	Contract Value \$000's	Commencement Date	Duration of Contract	Budgeted Y/N
Dynamic Civil Pty Ltd	Coalcliff Rock Pool Refurbishment	779	1/05/2017	FY 2016/18	YES
Batmac Constructions Pty Ltd	Western Suburbs Pool Roof Replacement	298	5/06/2017	FY 2016/18	YES
Malsave Pty Ltd	Windang Tourist Park Amenities Refurbishment Northern Block	269	27/04/2017	FY 2016/17	YES
Sullivans Constructions	Rex Jackson Oval Grandstand Refurbishment	229	10/04/2017	FY 2016/18	YES
Donnelley Civil Pty Ltd	Stanwell Park Children's Centre Retaining Wall	198	10/04/2017	FY 2016/17	YES
GC Civil	Burke Street Footpath	146	13/06/2017	FY 2016/17	YES
Sullivans Constructions	Helensburgh Pool Staff Amenities Upgrades	71	26/04/2017	FY 2016/17	YES
Royal Haskoning Australia Pty Ltd	Wollongong City and Port Kembla Dune Re-shaping	60	24/04/2017	FY 2016/18	YES
Jacobs Group (Australia) Pty Ltd	Review of Wollongong City Flood Study	52	8/05/2017	FY 2016/19	YES

Consultancy and Legal Expenses		
Budget Review for Quarter ended June 2017		
Expense	Expenditure YTD \$000's	Budgeted (Y/N)
Consultancies	1,475	YES
Legal Fees	504	YES

STATEMENT OF RESPONSIBLE ACCOUNTING OFFICER

All investments held at 30 June 2017 were invested in accordance with Council's Investment Policy.

Bank reconciliations have been completed as at 30 June 2017.

Year to date cash and investments are reconciled with funds invested and cash at bank.

BRIAN JENKINS
RESPONSIBLE ACCOUNTING OFFICER