



Burwood Inc.1874

Burwood . Burwood Heights . Croydon . Croydon Park . Enfield . Strathfield

ORDINARY MEETING

Notice is hereby given that a meeting of the Council of Burwood will be held electronically on Tuesday, 27 October 2020 at 4:00pm to consider the matters contained in the attached agenda.

In the overriding interests of public health and safety during the current COVID-19 pandemic, Council will be conducting its meeting electronically as per provisions under the NSW Local Government Act. The customary face-to-face public participation opportunity has been replaced with the opportunity to speak via teleconference link. Written submissions on agenda items will also be accepted. The written submissions will be acknowledged at the meeting and referenced in the minutes.

Tommaso Briscese
GENERAL MANAGER

Our Mission

**Burwood Council will create a quality lifestyle for its citizens
by promoting harmony and excellence in the delivery of its services**

CONFLICT OF INTERESTS

What is a "Conflict of Interests" - A conflict of interests can be of two types:

Pecuniary - an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person.

A person does not have a pecuniary interest in a matter if the interest is so remote or insignificant that it could not reasonably be regarded as likely to influence any decision the person might make in relation to a matter or if the interest is of a kind specified in Section 448 of the Local Government Act.

Non-pecuniary – are private or personal interests the Council official has that do not amount to a pecuniary interest as defined in the Local Government Act. These commonly arise out of family, or personal relationships, or involvement in sporting, social or other cultural groups and associations and may include an interest of a financial nature.

Who has a Pecuniary Interest? - A person has a pecuniary interest in a matter if the pecuniary interest is the interest of:

- The person, or
- The person's spouse or de facto partner or a relative of the person, or a partner or employer of the person, or
- A company or other body of which the person, or a nominee, partner or employer of the person, is a member.

No Interest in the Matter - However, a person is not taken to have a pecuniary interest in a matter:

- If the person is unaware of the relevant pecuniary interest of the spouse, de facto partner, relative, partner, employer or company or other body, or
- Just because the person is a member of, or is employed by, a Council or statutory body or is employed by the Crown.
- Just because the person is a member of, or a delegate of the Council to, a company or other body that has a pecuniary interest in the matter so long as the person has no beneficial interest in any shares of the company or body.

N.B. "Relative", in relation to a person means any of the following:

- a) the parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descends or adopted child of the person or of the person's spouse;
- b) the spouse or de facto partners of the person or of a person referred to in paragraph (a)

Disclosure and participation in meetings

- A Councillor or a member of a Council Committee who has a pecuniary interest in any matter with which the Council is concerned and who is present at a meeting of the Council or Committee at which the matter is being considered must disclose the nature of the interest to the meeting as soon as practicable.
- The Councillor or member must not be present at, or in sight of, the meeting of the Council or Committee:
 - (a) at any time during which the matter is being considered or discussed by the Council or Committee, or
 - (b) at any time during which the Council or Committee is voting on any question in relation to the matter.

No Knowledge - A person does not breach the Act if the person did not know and could not reasonably be expected to have known that the matter under consideration at the meeting was a matter in which he or she had a pecuniary interest.

What interests do not have to be disclosed (S 448 Act)?

- (a) an interest as an elector,
- (b) an interest as a ratepayer or person liable to pay a charge,
- (c) an interest in any matter relating to the terms on which the provision of a service or the supply of goods or commodities is offered to the public generally, or to a section of the public that includes persons who are not subject to this Part,
- (d) an interest in any matter relating to the terms on which the provision of a service or the supply of goods or commodities is offered to a relative of the person by the council in the same manner and subject to the same conditions as apply to persons who are not subject to this Part,
- (e) an interest as a member of a club or other organisation or association, unless the interest is as the holder of an office in the club or organisation (whether remunerated or not),
- (f) an interest of a member of a council committee as a person chosen to represent the community or as a member of a non-profit organisation or other community or special interest group if the committee member has been appointed to represent the organisation or group on the committee,
- (g) an interest in a proposal relating to the making, amending, altering or repeal of an environmental planning instrument other than an instrument that effects a change of the permissible uses of:
 - (i) land in which the person or a person, company or body referred to in section 443 (1) (b) or (c) has a proprietary interest (which, for the purposes of this paragraph, includes any entitlement to the land at law or in equity and any other interest or potential interest in the land arising out of any mortgage, lease, trust, option or contract, or otherwise), or
 - (ii) land adjoining, adjacent to or in proximity to land referred to in subparagraph (i), if the person or the person, company or body referred to in section 443 (1) (b) or (c) would by reason of the proprietary interest have a pecuniary interest in the proposal,
- (h) an interest relating to a contract, proposed contract or other matter if the interest arises only because of a beneficial interest in shares in a company that does not exceed 10 per cent of the voting rights in the company,
- (i) an interest of a person arising from the proposed making by the council of an agreement between the council and a corporation, association or partnership, being a corporation, association or partnership that has more than 25 members, if the interest arises

because a relative of the person is a shareholder (but not a director) of the corporation or is a member (but not a member of the committee) of the association or is a partner of the partnership,

- (j) an interest of a person arising from the making by the council of a contract or agreement with a relative of the person for or in relation to any of the following, but only if the proposed contract or agreement is similar in terms and conditions to such contracts and agreements as have been made, or as are proposed to be made, by the council in respect of similar matters with other residents of the area:
 - (i) the performance by the council at the expense of the relative of any work or service in connection with roads or sanitation,
 - (ii) security for damage to footpaths or roads,
 - (iii) any other service to be rendered, or act to be done, by the council by or under any Act conferring functions on the council or by or under any contract,
- (k) an interest relating to the payment of fees to councillors (including the mayor and deputy mayor),
- (l) an interest relating to the payment of expenses and the provision of facilities to councillors (including the mayor and deputy mayor) in accordance with a policy under section 252,
- (m) an interest relating to an election to the office of mayor arising from the fact that a fee for the following 12 months has been determined for the office of mayor,
- (n) an interest of a person arising from the passing for payment of a regular account for wages or salary of an employee who is a relative of the person,
- (o) an interest arising from being covered by, or a proposal to be covered by, indemnity insurance as a councillor or member of a council committee,
- (p) an interest arising from appointment of a councillor to a body as representative or delegate of the council, whether or not a fee or other recompense is payable to the representative or delegate.

A Councillor is not prevented from taking part in the consideration or discussion of, or from voting on, any of the matters/questions detailed in Section 448 of the Local Government Act.

Non-pecuniary Interests - Must be disclosed in meetings.

If you are a Council official, other than a member of staff of Council and you have disclosed that a significant non-pecuniary conflict of interests exists, you must manage it in one of two ways:

- a) Remove the source of the conflict by relinquishing or divesting the interest that creates the conflict, of reallocating the conflicting duties to another Council official;
- b) Have no involvement in the matter, by absenting yourself from and not taking part in any debate or voting on the issue as if the provisions in Section 451(2) of the Act apply.

If you determine that a non-pecuniary conflict of interests is less than significant and does not require further action, you must provide an explanation of why you consider that the conflict does not require further action in the circumstances.

Disclosures to be Recorded - A disclosure (and the reason/s for the disclosure) made at a meeting of the Council or Council Committee must be recorded in the minutes of the meeting.

~~o0o~~~

AGENDA

FOR AN ORDINARY MEETING OF BURWOOD COUNCIL
TO BE HELD ELECTRONICALLY ON TUESDAY 27 OCTOBER 2020 AT 4:00 PM.

I DECLARE THE MEETING OPENED AT (READ BY MAYOR)

ACKNOWLEDGEMENT OF COUNTRY (READ BY MAYOR)

"I would like to acknowledge the Wangal people who are the Traditional Custodian of this Land. I would also like to pay respect to the Elders both past and present of the Wangal Nation and extend that respect to other Aboriginals present".

PRAYER (READ BY MAYOR)

"Lord, we humbly beseech thee to vouchsafe thy blessing on this Council, direct and prosper its deliberations for the advancement of this area and the true welfare of its people."

RECORDING OF MEETING (READ BY MAYOR)

"Meetings of Council and Council Committees are audio recorded for the purpose of assisting with the preparation of meeting minutes and promoting meeting transparency.

Such recordings are subject to the provisions of the Government Information (Public Access) Act 2009 (GIPA) and are promptly made available for public review via the Council website".

APOLOGIES/LEAVE OF ABSENCES

DECLARATIONS OF INTERESTS BY COUNCILLORS

DECLARATION OF POLITICAL DONATIONS (READ BY MAYOR)

In light of legislation that governs the process for the determination of Development Applications before Council, a person who makes a relevant application to Council or any person with a financial interest in the application must disclose any reportable political donation or gift made to any local Councillor or employee of Council. Such disclosure is required on Development Application Forms submitted to Council.

Council is also obliged by law to publish details of all reportable political donations or gifts on its website.

Should any person having business before Council this evening and being an applicant or party with a financial interest in such application feel that they have not made the appropriate disclosure, Council now invites them to approach the General Manager and to make their disclosure according to law."

RECORDING OF COUNCILLORS VOTING ON PLANNING DECISIONS

In accordance with Section 375A of the Local Government Act a division must be called for and taken on every Environmental Planning & Assessment decision. The names of those Councillors supporting and those opposed to the decision are to be recorded in the meeting minutes and the register retained by the General Manager.

CONFIRMATION OF MINUTES

Recommendation

That the Minutes of the following Meeting of Burwood Council:

A. Council Meeting held on 22 September 2020

copies of which were previously circulated to all Councillors be and hereby confirmed as a true and correct record of the proceedings of that meeting.

PUBLIC FEEDBACK ON AGENDA ITEMS (Read by Mayor)

The face-to-face public participation opportunity has been replaced with the opportunity to speak via teleconference link on agenda items. Written submissions are also accepted for this meeting and have been circulated directly to all Councillors. All submissions will be acknowledged at the Council Meeting and referenced in the minutes of the meeting.

ADDRESS BY THE PUBLIC ON AGENDA ITEMS COMMENCES

MAYORAL MINUTES

NOTICES OF MOTION

(ITEM NM7/20) SMALL BUSINESS MONTH TRIBUTE - CR HEATHER CRICHTON 7

GENERAL BUSINESS

(ITEM 101/20) ADOPTION OF AUDITED FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2020 10

(ITEM 102/20) INVESTMENT REPORT AS AT 30 SEPTEMBER 2020 109

(ITEM 103/20) GIFTS AND BENEFITS POLICY..... 114

(ITEM 104/20) DRAFT VOLUNTARY PLANNING AGREEMENT FOR 1 LYONS STREET STRATHFIELD 123

(ITEM 105/20) DISCLOSURE OF INTEREST RETURNS - COUNCILLORS AND DESIGNATED PERSONS 138

(ITEM 106/20) ADOPTION OF COUNCIL'S COMMUNICATIONS POLICY, SOCIAL MEDIA POLICY AND MEDIA POLICY 1411

(ITEM 107/20) CONCESSION DAYS - CHRISTMAS & NEW YEAR 2020-2021 1577

REPORTS OF COMMITTEES

(ITEM RC4/20) BURWOOD LOCAL TRAFFIC COMMITTEE - OCTOBER 2020 162

INFORMATION ITEMS

(ITEM IN34/20) LOW RISE MEDIUM DENSITY HOUSING CODE - RESTRICTION ON SUBDIVISION OF DUAL OCCUPANCIES - MEETING WITH MINISTER FOR PLANNING & PUBLIC SPACES..... 195

(ITEM IN35/20)	POWER OF ATTORNEY FOR THE GENERAL MANAGER - REPORT FOR PERIOD OF JUNE TO AUGUST 2020	196
(ITEM IN36/20)	PETITIONS	197
(ITEM IN37/20)	ANSWERS TO QUESTIONS ON NOTICE - COUNCIL MEETING OF 22 SEPTEMBER 2020.....	198

CONFIDENTIAL ITEMS

(ITEM 108/20)	PARKING METER CONTRACT - MAINTENANCE AND HOSTING SERVICES
---------------	---

That above item be considered in Closed Session to the exclusion of the press and public in accordance with Section 10A(2) (c) of the Local Government Act, 1993, as the matter involves information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

QUESTIONS ON NOTICE

Councillors are requested to submit any Questions on Notice in writing.

NOTICE OF MOTION

(ITEM NM7/20) SMALL BUSINESS MONTH TRIBUTE - CR HEATHER CRICHTON

File No: 20/47491

Summary

As the NSW Government recognises October as 'Small Business Month' I wish to pay tribute to our 5,184 local businesses. Collectively they create some 20,644 local jobs across 18 different sectors, adding \$2.7 billion in GDP to Burwood's economy.¹ In addition to the economic benefits, our businesses:

- give our community access to jobs, services and training opportunities close to home,
- shape our liveability and local identity,
- add culture and diversity to our streets, and
- create opportunities for us all to connect.

Burwood is the business and employment hub of Sydney's inner west. As we strengthen our role as a strategic centre, the sustainability of our existing small businesses remains vital, as too our ability to attract new investment, business activity and jobs to Burwood.

I acknowledge the work of the Rotary Club of Burwood who has served our community with distinction since 1939, and our two Chambers of Commerce, Croydon Park and Burwood, in utilising their extensive networks in support and encouragement of local businesses and community. Following redevelopment, The Coronation Club will return to 86 Burwood Road where since opening its doors in 1961 'exclusively for businessmen and executives'² it has played a central role in our business community.

Burwood enjoys loyal support from several long-established small businesses, with some family businesses now in their second, third and in the case of Logan's Pianos, fourth generation of trade. Here is a sample of specialty small businesses that have been based in our main street, Burwood Road, for many years:

Logan's Pianos, 250 Burwood Road, since 1920 (with 85 years in Burwood)

Burwood Disposals, 81 Burwood Road, since 1964 (56 years)

Pasticceria Mancuso, 228 Burwood Road, since 1972 (48 years)

John Hill & Co, 74 Burwood Road, since 1978 (43 years)

Sahara By The Park, 100 Burwood Road, since 1990 (31 years)

Leung Tim Choppers Co, 198-200 Burwood Road, since 1995 (25 years)

Schools Out Designer Kidswear, 35E Burwood Road, since 1995 (25 years).

Council has a civic role to play in honouring these businesses and it is with this in mind that I propose the creation of the *Mayor's Commendation* awards for our local businesses.

The *Mayor's Commendation* would create an opportunity for formal recognition of our small independent businesses who have operated continuously within the Burwood Local Government area for a significant period. Businesses would be encouraged to nominate for the categories: 10+ years, 25+ years, 40+ years, 50+ years and Generational Family Business commendation.

The *Mayor's Commendation* could include:

- workplace/shopfront window decal and certificate of appreciation

¹ Burwood2030 Community Strategic Plan

² Harvest of the Years, The Story of Burwood, Eric Dunlop, 1974, p.125

- photographic exhibition capturing Commendation Recipients in their workplace, which overtime would become a valuable addition to our Local Studies Collection
- membership to an alumni of Commendation Recipients
- celebration of Commendation Recipients at a presentation event and via our social media platforms during Small Business Month.

As we look towards post Covid-19 business recovery, there is opportunity for Council to take a fresh look at our engagement with our Chambers of Commerce and our small business community. By seeking out NSW and Federal Government grant opportunities, it is my hope that we can tailor our own program of events for *'Burwood Small Business Month 2021'* with our library and community hub providing the ideal setting for collaboration with our business community.

Operational Plan Objective

- 1.2 A well informed, supported and engaged community
- 2.2 Strong partnerships to benefit the community
- 5.2 Support and engage with local services and businesses
- 5.3 Enhance and foster the local identity.

Councillor Heather Crichton to move that:

1. The General Manager investigate the creation of the *'Mayor's Commendation'* awards as Council recognition for our long-established small independent businesses.
2. The General Manager investigate the development of a program for *'Burwood Small Business Month 2021'* and seeks out all possible NSW and Federal Government grant funding opportunities.
3. The General Manager extends a formal invitation to members of the Rotary Club of Burwood, the Burwood Chamber of Commerce and the Croydon Park Chamber of Commerce to join an escorted tour of our new library and community hub facility.
4. The General Manger provides a report back to Council by February 2021.

Attachments

- 1 [↓](#) NOM - Small Business Month Tribute

ITEM NUMBER NM7/20 - ATTACHMENT 1

NOM - Small Business Month Tribute

City of Melbourne, *Lord Mayor's Commendation* shopfront window decal.

Honouring 50+ years of Kay Craddock Antiquarian Bookseller, 156 Collins Street, Melbourne.



(ITEM 101/20) ADOPTION OF AUDITED FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2020

File No: 20/45326

REPORT BY GROUP MANAGER FINANCE AND RESOURCE MANAGEMENT

Summary

In accordance with Section 418 (1)(a) of the *Local Government Act 1993* (the Act), Council must fix a date for the meeting at which it proposes to present its Audited Financial Report, together with the Auditor's Report. The presentation of this Report to this Council Meeting fulfils this requirement.

In all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and statutory requirements so as to present a view which is consistent with Council's understanding of the financial position, the operating result and cash flows.

Operational Plan Objective

2.3 Ensure financial sustainability and organisational effectiveness

Background

As per the resolution of the 25 August 2020 Council Meeting, the Financial Reports for year ending 30 June 2020 were presented to Council's Auditor for audit.

The auditors concluded the final audit of the 2019-2020 Financial Statements in October 2020 and will forward their Independent Audit Report and Report on the Conduct of the Audit to Council for inclusion in the Financial Reports for submission to the Office of Local Government. A copy is to be presented to Council on the night of the meeting.

Council's Auditor presented the Draft Financial Statements to the Audit, Risk and Improvement Committee at the meeting held on 20 October 2020, where the auditors gave a presentation and answered questions on the presented statements. Copies of the presentation and the conduct of the audit were forwarded to Committee members. The Committee members present at the meeting accepted the Financial Statements with no alterations.

Consultation

In accordance with Section 418(1) (b) of the Act, Council has given public notice of this meeting by advertising on Council's website. Copies of the Audited Financial Reports and Auditor's Report were placed on Public Exhibition at Burwood Council and Library 2 Conder Street Burwood and on Council's website for members of the public to view. Any written submissions received from the public will be deliberated and considered by the General Manager and copies forwarded to Council's Auditors.

Planning or Policy Implications

In accordance with the *Local Government Act 1993* and *Local Government (General) Regulation 2005*, the following have been complied with:

- A copy of the Audited Financial Reports and Auditor's Report will be forwarded to the Office of Local Government.
- Public notice has been given for the presentation of the 2019-2020 Financial Reports.

- The date of this meeting was advised to the public after the date of public notices given and not more than five weeks after the Auditor's Report was received.

Financial Implications

There are no direct financial implications from the presentation of the Audited Financial Reports to Council.

Conclusion

The 2019-2020 Consolidated Financial Reports relate to the General Fund of Council. During the course of the audit no material adjustments to the financial statements were identified. The audited financial reports will be forwarded to the Office of Local Government in accordance with legislative requirements.

Recommendation(s)

1. That in accordance with Section 413(2)(c) of the *Local Government Act 1993* and Clause 215 of the *Local Government (General) Regulation 2005*, the Council make the following declaration:
 - a. That Council's Financial Reports have been drawn up in accordance with the *Local Government Act 1993* and associated Regulations; the Statement of Accounting Concept; the Local Government Code of Accounting Practice and Financial Reporting update no. 28; and the Australian Accounting Standards.
 - b. The Audited financial reports present fairly the Council's financial position and performance for the year.
 - c. These reports accord with Council's accounting and other records.
2. That the Council note that the 2019-2020 Audited Financial Reports and Auditor's Report will be forwarded to the Office of Local Government.

Attachments

1 [↓](#) Annual Financial Statement 2019-20

The auditor's report will be tabled at the Council Meeting as a separate attachment.



General Purpose Financial Statement for the year ended 30 June 2020



Burwood
Inc.1874

Burwood . Burwood Heights . Croydon . Croydon Park . Enfield . Strathfield

Burwood Council**General Purpose Financial Statements**

for the year ended 30 June 2020

Contents	Page
1. Understanding Council's Financial Statements	3
2. Statement by Councillors & Management	4
3. Primary Financial Statements:	
Income Statement	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
4. Notes to the Financial Statements	10
5. Independent Auditor's Reports:	
On the Financial Statements (Sect 417 [2])	89
On the Financial Statements (Sect 417 [3])	90

Overview

Burwood Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:
2 Conder Street
BURWOOD NSW 2134

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: www.burwood.nsw.gov.au.

Burwood Council

General Purpose Financial Statements

for the year ended 30 June 2020

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across NSW are required to present a set of audited financial statements to their council and community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2020.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by senior staff as 'presenting fairly' the Council's financial results for the year and are required to be adopted by Council – ensuring both responsibility for and ownership of the financial statements.

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income and expenses. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair value of Council's Infrastructure, property, plant and equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council's financial statements are required to be audited by the NSW Audit Office.

In NSW the auditor provides 2 audit reports:

1. an opinion on whether the financial statements present fairly the Council's financial performance and position, and
2. their observations on the conduct of the audit, including commentary on the Council's financial performance and financial position.

Who uses the Financial Statements?

The financial statements are publicly available documents and must be presented at a Council meeting between seven days and five weeks after the date of the audit report.

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Burwood Council**General Purpose Financial Statements**

for the year ended 30 June 2020

Statement by Councillors and Managementmade pursuant to Section 413(2)(c) of the *Local Government Act 1993 (NSW)* (as amended)**The attached General Purpose Financial Statements have been prepared in accordance with:**

- the *Local Government Act 1993 (NSW)* (as amended) and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these financial statements:

- present fairly the Council's operating result and financial position for the year,
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.**Signed in accordance with a resolution of Council made on 25 August 2020.**

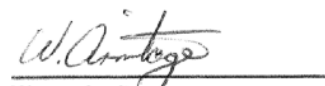
Councillor Faker
Mayor
25 August 2020



Councillor Mannah
Councillor
25 August 2020



Tommaso Briscese
General Manager
25 August 2020



Wayne Armitage
Responsible Accounting Officer
25 August 2020

Burwood Council

Financial Statements 2020

Income Statement

for the year ended 30 June 2020

Original unaudited budget 2020	\$ '000	Notes	Actual 2020	Actual 2019
Income from continuing operations				
29,276	Rates and annual charges	3a	30,448	28,600
9,687	User charges and fees	3b	8,453	11,151
4,393	Other revenues	3c	4,949	5,502
3,517	Grants and contributions provided for operating purposes	3d,3e	3,250	3,438
4,530	Grants and contributions provided for capital purposes	3d,3e	34,980	10,002
1,430	Interest and investment income	4	1,398	1,828
–	Fair value increment on investment properties	11	360	160
1,572	Rental income	14e	1,341	–
–	Net share of interests in joint ventures and associates using the equity method	19	3	–
54,405	Total income from continuing operations		85,182	60,681
Expenses from continuing operations				
21,693	Employee benefits and on-costs	5a	20,403	19,649
333	Borrowing costs	5b	378	345
11,653	Materials and contracts	5c	16,882	12,943
7,335	Depreciation and amortisation of intangible assets and IPP&E	5d	8,058	7,505
9,783	Other expenses	5e	8,852	8,370
–	Net losses from the disposal of assets	6	1,672	487
–	Net share of interests in joint ventures and associates using the equity method	19	–	13
50,797	Total expenses from continuing operations		56,245	49,312
3,608	Operating result from continuing operations		28,937	11,369
3,608	Net operating result for the year		28,937	11,369
3,608	Net operating result attributable to council		28,937	11,369
(922)	Net operating result for the year before grants and contributions provided for capital purposes		(6,043)	1,367

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

The above Income Statement should be read in conjunction with the accompanying notes.

Burwood Council

Financial Statements 2020

Statement of Comprehensive Income

for the year ended 30 June 2020

\$ '000	Notes	2020	2019
Net operating result for the year (as per Income Statement)		28,937	11,369
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of IPP&E	10(a)	(13,472)	4,728
Other comprehensive income – joint ventures and associates	19	(108)	(1)
Total items which will not be reclassified subsequently to the operating result		(13,580)	4,727
Total other comprehensive income for the year		(13,580)	4,727
Total comprehensive income for the year		15,357	16,096
Total comprehensive income attributable to Council		15,357	16,096

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Burwood Council

Financial Statements 2020

Statement of Financial Position

as at 30 June 2020

\$ '000	Notes	2020	2019
ASSETS			
Current assets			
Cash and cash equivalents	7(a)	10,781	1,941
Investments	7(b)	47,250	60,250
Receivables	8	3,461	4,495
Contract assets	13a	539	-
Other	9	680	490
Total current assets		<u>62,711</u>	<u>67,176</u>
Non-current assets			
Investments	7(b)	-	3,000
Infrastructure, property, plant and equipment	10(a)	489,027	465,443
Investment property	11	4,340	3,980
Intangible Assets	12	330	331
Right of use assets	14a	1,296	-
Investments accounted for using the equity method	19	15	120
Total non-current assets		<u>495,008</u>	<u>472,874</u>
Total assets		<u>557,719</u>	<u>540,050</u>
LIABILITIES			
Current liabilities			
Payables	15	11,069	9,112
Income received in advance	15	-	967
Contract liabilities	13b	3,671	-
Lease liabilities	14b	206	-
Borrowings	15	721	690
Provisions	16	6,976	7,022
Total current liabilities		<u>22,643</u>	<u>17,791</u>
Non-current liabilities			
Lease liabilities	14b	1,107	-
Borrowings	15	5,487	6,208
Provisions	16	179	130
Total non-current liabilities		<u>6,773</u>	<u>6,338</u>
Total liabilities		<u>29,416</u>	<u>24,129</u>
Net assets		<u>528,303</u>	<u>515,921</u>
EQUITY			
Accumulated surplus	17	250,563	224,709
Revaluation reserves	17	277,740	291,212
Council equity interest		<u>528,303</u>	<u>515,921</u>
Total equity		<u>528,303</u>	<u>515,921</u>

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Burwood Council

Financial Statements 2020

Statement of Changes in Equity
for the year ended 30 June 2020

\$ '000	Notes	as at 30/06/20			as at 30/06/19		
		Accumulated surplus	IPP&E revaluation reserve	Total equity	Accumulated surplus	IPP&E revaluation reserve	Total equity
Opening balance		224,709	291,212	515,921	213,341	286,484	499,825
Changes due to AASB 1058, AASB 15 and AASB 16 adoption	17	(2,975)	-	(2,975)	-	-	-
Restated opening balance		221,734	291,212	512,946	213,341	286,484	499,825
Net operating result for the year		28,937	-	28,937	11,369	-	11,369
Restated net operating result for the period		28,937	-	28,937	11,369	-	11,369
Other comprehensive income							
- Gain (loss) on revaluation of IPP&E	10(a)	-	(13,472)	(13,472)	-	4,728	4,728
- Joint ventures and associates	19	(108)	-	(108)	(1)	-	(1)
Other comprehensive income		(108)	(13,472)	(13,580)	(1)	4,728	4,727
Total comprehensive income		28,829	(13,472)	15,357	11,368	4,728	16,096
Equity – balance at end of the reporting period		250,563	277,740	528,303	224,709	291,212	515,921

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Burwood Council

Financial Statements 2020

Statement of Cash Flows

for the year ended 30 June 2020

Original unaudited budget 2020	\$ '000	Notes	Actual 2020	Actual 2019
Cash flows from operating activities				
Receipts:				
29,244	Rates and annual charges		30,315	28,470
10,929	User charges and fees		9,477	11,275
1,418	Investment and interest revenue received		1,698	1,689
11,338	Grants and contributions		16,283	14,088
1,500	Bonds, deposits and retention amounts received		1,502	1,220
3,385	Other		10,410	7,827
Payments:				
(21,628)	Employee benefits and on-costs		(19,868)	(19,324)
(11,820)	Materials and contracts		(20,724)	(14,585)
(334)	Borrowing costs		(378)	(342)
(1,500)	Bonds, deposits and retention amounts refunded		(1,429)	(1,825)
(8,383)	Other		(9,616)	(9,087)
14,149	Net cash provided (or used in) operating activities	18b	17,670	19,406
Cash flows from investing activities				
Receipts:				
30,000	Sale of investment securities		70,000	25,250
950	Sale of infrastructure, property, plant and equipment		401	2,293
Payments:				
(30,000)	Purchase of investment securities		(54,000)	(38,500)
(13,215)	Purchase of infrastructure, property, plant and equipment		(24,180)	(13,550)
(200)	Purchase of intangible assets		(160)	(549)
(12,465)	Net cash provided (or used in) investing activities		(7,939)	(25,056)
Cash flows from financing activities				
Receipts:				
–	Proceeds from borrowings and advances		–	1,000
Payments:				
(708)	Repayment of borrowings and advances		(690)	(596)
–	Lease liabilities (principal repayments)		(201)	–
(708)	Net cash flow provided (used in) financing activities		(891)	404
976	Net increase/(decrease) in cash and cash equivalents		8,840	(5,246)
–	Plus: cash and cash equivalents – beginning of year	18a	1,941	7,187
976	Cash and cash equivalents – end of the year	18a	10,781	1,941
–	plus: Investments on hand – end of year	7(b)	47,250	63,250
976	Total cash, cash equivalents and investments		58,031	65,191

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Contents of the Notes accompanying the General Purpose Financial Statements

Note	Details	Page
1	Basis of preparation	11
2(a)	Council functions/activities – financial information	14
2(b)	Council functions/activities – component descriptions	15
3	Revenue from continuing operations	16
4	Interest and investment income	23
5	Expenses from continuing operations	25
6	Gain or loss from disposal of assets	30
7(a)	Cash and cash equivalents	30
7(b)	Investments	31
7(c)	Restricted cash, cash equivalents and investments	32
8	Receivables	34
9	Other assets	36
10(a)	Infrastructure, property, plant and equipment	37
10(b)	Externally restricted infrastructure, property, plant and equipment	40
10(c)	Infrastructure, property, plant and equipment – current year impairments	40
11	Investment properties	40
12	Intangible assets	42
13	Contract assets and liabilities	42
14	Leases	44
15	Payables and borrowings	48
16	Provisions	51
17	Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors	53
18	Statement of cash flow information	59
19	Interests in other entities	59
20	Commitments	63
21	Contingencies	64
22	Financial risk management	67
23	Material budget variations	71
24	Fair Value Measurement	73
25	Related party disclosures	82
26	Events occurring after the reporting date	82
27	Statement of developer contributions	83
28(a)	Statement of performance measures – consolidated results	84
Additional Council disclosures (unaudited)		
28(b)	Statement of performance measures – consolidated results (graphs)	85
29	Financial review	87
30	Council information and contact details	88

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 1. Basis of preparation

These financial statements were authorised for issue by Council on 25 August 2020. Council has the power to amend and reissue these financial statements.

The principal accounting policies adopted in the preparation of these financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (NSW)* and Regulations, and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not for-profit entity.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

(a) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities and certain classes of infrastructure, property, plant and equipment and investment property.

(b) Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) estimated fair values of investment properties – refer Note 11
- (ii) estimated fair values of infrastructure, property, plant and equipment – refer Note 10
- (iii) employee benefit provisions – refer Note 16.

Covid 19 Impacts

Covid 19 has caused a disruption to council's business practices with a majority of staff working remotely from home or at other council facilities away from the main administration building. Whilst this has caused some inconvenience it has not resulted in significant additional cost. Some costs have been incurred for additional equipment and staff salaries for employees required to isolate.

Council has provided some rent relief to lessees and to businesses to compensate for lost income due to the compulsory lockdown and some additional costs have been incurred in cleaning of council's facilities.

Rate collection is less than in previous year's due to Covid 19, other receivables have not been impacted as much. - refer Note 8

Overall the financial impact has been better than originally expected and will be continually monitored in future years.

Council is of the view that physical non-current assets will not experience substantial declines in value due to Covid 19. Fair value of the majority of Council's non-current assets are determined by replacement costs where there is no anticipated material change in value due to Covid 19.

For assets where fair value is determined by market value Council has no evidence of material changes to these values.

continued on next page ...

Page 11 of 90

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 1. Basis of preparation (continued)

Significant judgements in applying the council's accounting policies

(i) Impairment of receivables

Council has made a significant judgement about the impairment of a number of its receivables – refer Note 7.

Monies and other assets received by Council

(a) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the Local Government Act 1993 (NSW), all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

Cash and other assets of the following entities have been included as part of the Consolidated Fund:

- General purpose operations

(b) The Trust Fund

In accordance with the provisions of Section 411 of the *Local Government Act 1993 (NSW)* (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the council in trust which must be applied only for the purposes of, or in accordance with, the trusts relating to those monies.

Trust monies and other assets subject to Council's control have been included in these reports.

A separate statement of monies held in the Trust Fund is available for inspection at the council office by any person free of charge.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities that are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

Volunteer services

Council does not have a material dependence on volunteer services, however the use of volunteer services is to provide opportunities for residents to experience different areas of the workforce, gain recognisable work experience, and allow them to identify and work towards future career goals. This also benefits Council as we are able to harness the skill sets of our local community without any expectation of paid employment.

New accounting standards and interpretations issued not yet effective

Certain new accounting standards and interpretations (ie pronouncements) have been published that are not mandatory for 30 June 2020 reporting periods.

Council has elected not to apply any of these pronouncements in these financial statements before their operative dates.

As at the date of authorisation of these financial statements, Council does not consider that any of those standards are likely to have a material impact on the Council's future financial statements, financial position, financial performance or cash flows.

New accounting standards adopted during the year

During the year, Council adopted the following accounting and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from 1 July 2019.

continued on next page ...

Page 12 of 90

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 1. Basis of preparation (continued)

- AASB 16 Leases
- AASB 15 Revenue from contracts with customers and associated amending standards
- AASB 1958 of Not-for-profit entities

Further information on the newly adopted standards which had a material impact on Council's reported financial position, financial performance and/or associated financial statements disclosures can be found at Note 17.

Burwood Council

Financial Statements 2020

Notes to the Financial Statements
for the year ended 30 June 2020

Note 2(a). Council functions/activities – financial information

\$ '000	Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note 2(b).											
	Income from continuing operations		Expenses from continuing operations		Operating result from continuing operations		Grants included in income from continuing operations		Carrying amount of assets			
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019		
Functions or activities												
Community Lifestyle	3,281	3,435	9,806	9,248	(6,525)	(5,813)	1,310	1,262	46,183	41,873		
Leadership Innovation	2,253	2,330	14,465	11,466	(12,212)	(9,136)	137	107	158,234	114,419		
Healthy Sustainable Environment	7,703	11,123	13,282	11,789	(5,579)	(666)	655	3,849	117,780	120,388		
Planning Infrastructure	45,194	17,935	17,966	16,013	27,228	1,922	970	859	234,095	261,760		
Vibrant City Villages	103	119	726	783	(623)	(664)	5	-	1,412	1,490		
Other – Share of gains /losses in Joint Ventures (using equity method)	3	-	-	13	3	(13)	-	-	15	120		
General purpose income	26,645	25,739	-	-	26,645	25,739	820	872	-	-		
Total functions and activities	85,182	60,681	56,245	49,312	28,937	11,369	3,897	6,949	557,719	540,050		

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 2(b). Council functions/activities - component descriptions

Details relating to the Council's functions/activities as reported in Note 2(a) are as follows:

Community and Lifestyle

The theme 'community and lifestyle' relates to supporting the community to create a feeling of belonging, inclusiveness and wellbeing amongst Burwood's diverse population. Community and lifestyle is about people being proud of where they live, feeling safe and engaged in the community and having access to facilities and services that ensure they can lead a healthy and satisfying lifestyle.

Leadership Innovation

This theme relates to the leadership not only of our elected representatives but also leaders in our business, volunteer, spiritual and environmental community. It is about encouraging greater participation and engagement in decision making processes and involving people in local activities and programs. Leadership through innovation is also about thinking outside the square to resolve some of the challenges facing our community as we strive to be a leading community in economic prosperity, environmental sustainability and social responsibility. We strive for community leadership that fosters our community values and celebrates our culture, diversity and heritage.

Healthy and Sustainable Environment

This theme is focused on maintaining and ensuring we live in a healthy, safe and sustainable natural environment. This theme aims to protect our natural resources and assets including parks, trees, open green spaces and also ensure that our impact on the environment is reduced so that we continue to live in a clean and sustainable environment. The community, Council and other governments all have a role to play in protecting our environment and taking responsibility for preserving our natural resources for future generations.

Planning and Infrastructure

This theme relates to the services and infrastructure that supports our community including roads, public transport, health facilities and education providers. It also encompasses our strategic planning to ensure we can accommodate our growing population. This theme aims to improve the quality and equitable access to services in our community and also to enhance the visual appearance of our neighbourhoods, streetscapes and town centre. Transport plays a major role in keeping our community physically connected to work, recreational spaces and services. Being able to move around easily plays a key role in the liveability and sustainability of our area.

Vibrant City and Villages

This theme relates to harnessing Burwood's strategic status and supporting the businesses and services that contribute to the wider Burwood economy. Burwood is characterised by a vibrant CBD and several business and shopping precincts. This theme aims to ensure an economically sustainable and prosperous future in Burwood with a strong network of services that support existing businesses and institutions, and attract new and diverse organisations. It also aims to stimulate the local economy and activate our surrounding villages to foster a sense of pride and enhance our local identity.

Other - Share of gains /losses in Joint Ventures (using equity method)

Council is a member of Mutual Management Services Ltd which is a company limited by guarantee and was created to provide services to the three CivicRisk self-insurance pools CivicRisk West (Westpool), CivicRisk (Metropool) and CivicRisk (United Independent Pools) to self insure for various risks, including public liability and professional indemnity.

General purpose income

General purpose income is that income not attributed to directly to Council's Activities or Functions. Income includes Rates & Annual Charges, Untied General Purpose Grants and Interest on Investments.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations

\$ '000	AASB	2020	2019
(a) Rates and annual charges			
Ordinary rates			
Residential	1058 (1)	18,114	16,831
Business	1058 (1)	6,117	5,977
Less: pensioner rebates (mandatory)	1058 (1)	(140)	(141)
Less: pensioner rebates (Council policy)	1058 (1)	(123)	(82)
Rates levied to ratepayers		<u>23,968</u>	<u>22,585</u>
Pensioner rate subsidies received	1058 (1)	171	173
Total ordinary rates		<u>24,139</u>	<u>22,758</u>
Annual charges			
<small>(pursuant to s.496, s.496A, s.496B, s.501 & s.611)</small>			
Domestic waste management services	1058 (1)	6,018	5,553
Stormwater management services	1058 (1)	288	282
Section 611 charges	1058 (1)	45	49
Less: pensioner rebates (mandatory)	1058 (1)	(42)	(42)
Less: pensioner rebates (Council policy)	1058 (1)	(51)	(52)
Annual charges levied		<u>6,258</u>	<u>5,790</u>
Pensioner subsidies received:			
– Domestic waste management	1058 (1)	51	52
Total annual charges		<u>6,309</u>	<u>5,842</u>
TOTAL RATES AND ANNUAL CHARGES		<u>30,448</u>	<u>28,600</u>

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 "at a point in time",

15 (2) indicates income recognised under AASB 15 "over time",

1058 (1) indicates income recognised under AASB 1058 "at a point in time", while

1058 (2) indicates income recognised under AASB 1058 "over time".

Council has used 2016 year valuations provided by the NSW Valuer General in calculating its rates.

Accounting policy for rates and charges

Rates and annual charges are recognised as revenue when the Council obtains control over the assets comprising these receipts.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area that are not subsidised by the NSW Government.

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates.

2019 accounting policy

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000	AASB	2020	2019
(b) User charges and fees			
Specific user charges			
(per s.502 - specific 'actual use' charges)			
Domestic waste management services		–	32
Waste management services (non-domestic)		–	417
Total specific user charges		–	449
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Private works – section 67	15 (1)	384	250
Section 10.7 certificates (EP&A Act)	15 (1)	76	79
Section 603 certificates	15 (1)	44	43
Other	15 (1)	2	3
Developer fees	15 (1)	398	473
Engineering and administration	15 (1)	1,596	1,850
Licence and inspection fees	1058 (1)	219	334
Licence fees – outdoor eating	15 (1)	88	92
Total fees and charges – statutory/regulatory		2,807	3,124
(ii) Fees and charges – other (incl. general user charges (per s.608))			
Community centres	15 (1)	167	219
Leaseback fees – Council vehicles	15 (1)	213	213
Park rents	15 (1)	67	71
Car parking meters	15 (1)	1,781	1,849
Car parking station	15 (1)	1,035	1,206
Cultural event hire charges	15 (1)	67	6
Property rental – commercial (2019 only)		–	968
Property rental – residential (2019 only)		–	189
Street furniture advertising income	15 (1)	1,010	991
Swimming centre and gym fees	15 (1)	1,238	1,804
Other	15 (1)	68	62
Total fees and charges – other		5,646	7,578
TOTAL USER CHARGES AND FEES		8,453	11,151

The AASB notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 “at a point in time”,

15 (2) indicates income recognised under AASB 15 “over time”,

1058 (1) indicates income recognised under AASB 1058 “at a point in time”, while

1058 (2) indicates income recognised under AASB 1058 “over time”.

Accounting policy for user charges and fees

Revenue arising from user charges and fees is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases such as caravan parks, the customer is required to pay on arrival. There is no material obligation for Council in relation to refunds or returns.

Where an upfront fee is charged such as membership fees for the leisure centre the fee is recognised on a straight-line basis over the expected life of the membership.

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

2019 accounting policy

User charges and fees are recognised as revenue when the service has been provided.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000	AASB	2020	2019
(c) Other revenues			
Rental income – investment property (2019 only)		–	324
Fines	1058 (1)	223	307
Fines – parking	1058 (1)	3,918	4,119
Legal fees recovery – rates and charges (extra charges)	1058 (1)	33	34
Legal fees recovery – other	1058 (1)	173	90
Diesel rebate	1058 (2)	10	9
Sale of abandoned vehicles	15 (1)	9	7
Sales – general	15 (1)	29	32
Animal control fees	1058 (2)	21	26
OHS incentive rebate	1058 (2)	103	186
Operating lease reimbursement		–	9
Recycling (domestic waste)	15 (1)	45	8
Refund Carbon Tax	1058 (2)	7	6
Other	15 (1)	366	318
Sales – library	15 (1)	7	16
Urban growth reimbursement		–	5
Workers compensation recovery	1058 (1)	5	6
TOTAL OTHER REVENUE		4,949	5,502

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 “at a point in time”,

15 (2) indicates income recognised under AASB 15 “over time”,

1058 (1) indicates income recognised under AASB 1058 “at a point in time”, while

1058 (2) indicates income recognised under AASB 1058 “over time”.

Accounting policy for other revenue

Where the revenue relates to a contract with customer, the revenue is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

Where the revenue relates to a contract which is not enforceable or does not contain sufficiently specific performance obligations then revenue is recognised when an unconditional right to a receivable arises or the cash is received, which is earlier.

2019 accounting policy:

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Council and specific criteria have been met for each of the Council’s activities as described below. Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Parking fees and fines are recognised as revenue when the service has been provided, or when the penalty has been applied, whichever occurs first.

Rental income is accounted for on a straight-line basis over the lease term.

Miscellaneous sales are recognised when physical possession has transferred to the customer which is deemed to be the point of transfer of risks and rewards.

Other income is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000	AASB	Operating 2020	Operating 2019	Capital 2020	Capital 2019
(d) Grants					
General purpose (untied)					
Current year allocation					
Financial assistance – general component	1058 (1)	398	428	–	–
Financial assistance – local roads component	1058 (1)	131	137	–	–
Payment in advance - future year allocation					
Financial assistance – general component	1058 (1)	422	444	–	–
Financial assistance – local roads component	1058 (1)	139	143	–	–
Total general purpose		1,090	1,152	–	–
Specific purpose					
Environmental programs	15 (2)	30	86	–	–
Library – per capita	1058 (1)	98	84	–	–
Library – special projects	15 (2)	1	1	119	15
LIRS subsidy	1058 (1)	25	33	–	–
Recreation and culture	15 (2)	–	30	623	3,771
Street lighting	1058 (1)	80	80	–	–
Traffic route subsidy	1058 (1)	26	32	–	–
Transport (roads to recovery)	1058 (1)	–	–	169	–
Transport (other roads and bridges funding)	1058 (1)	100	77	346	470
Community services	15 (1)	1,061	1,095	–	–
Family leave subsidy	1058 (1)	16	23	–	–
Flood mitigation		3	–	–	–
Other	1058 (1)	48	–	60	–
Other		2	–	–	–
Total specific purpose		1,490	1,541	1,317	4,256
Total grants		2,580	2,693	1,317	4,256
Grant revenue is attributable to:					
– Commonwealth funding		2,093	2,224	169	1,006
– State funding		447	469	446	3,250
– Other funding		40	–	702	–
		2,580	2,693	1,317	4,256

The AASB notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 “at a point in time”,
15 (2) indicates income recognised under AASB 15 “over time”,
1058 (1) indicates income recognised under AASB 1058 “at a point in time”, while
1058 (2) indicates income recognised under AASB 1058 “over time”.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000	Notes	AASB	Operating 2020	Operating 2019	Capital 2020	Capital 2019
(e) Contributions						
Developer contributions:						
(s7.4 & s7.11 - EP&A Act, s64 of the LGA):						
Cash contributions						
S 7.4 – contributions using planning agreements		1058 (2)	–	–	3,870	302
S 7.11 – contributions towards amenities/services		1058 (2)	–	–	5,481	3,585
Total developer contributions – cash			–	–	9,351	3,887
Non-cash contributions						
S 7.4 – contributions using planning agreements		1058 (2)	–	–	22,016	–
Total developer contributions non-cash			–	–	22,016	–
Total developer contributions	27		–	–	31,367	3,887
Other contributions:						
Cash contributions						
Community services		1058 (1)	31	25	–	–
Kerb and gutter		1058 (2)	436	509	2,296	1,859
Other councils – joint works/services		1058 (1)	–	16	–	–
Recreation and culture		1058 (1)	17	31	–	–
RMS contributions (regional roads, block grant)		1058 (1)	105	102	–	–
Other		1058 (1)	39	–	–	–
LSL transfer between councils		1058 (1)	42	62	–	–
Total other contributions – cash			670	745	2,296	1,859
Total other contributions			670	745	2,296	1,859
Total contributions			670	745	33,663	5,746
TOTAL GRANTS AND CONTRIBUTIONS			3,250	3,438	34,980	10,002

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 “at a point in time”,

15 (2) indicates income recognised under AASB 15 “over time”,

1058 (1) indicates income recognised under AASB 1058 “at a point in time”, while

1058 (2) indicates income recognised under AASB 1058 “over time”.

1. The non-cash contribution figure relates to commercial office space and land dedication under a voluntary planning agreement.

Accounting policy for grants and contributions**Accounting policy from 1 July 2019****Grant income under AASB 15**

continued on next page ...

Page 21 of 90

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue are recognised when control of each performance obligations is satisfied.

Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Grant income

Assets arising from grants in the scope of AASB 1058 is recognised at the assets fair value when the asset is received. Councils considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

Capital grants

Capital grants received to enable Council to acquire or construct an item of infrastructure, property, plant and equipment to identified specifications which will be under Council's control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

Contributions

Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of sections 7.4, 7.11 and 7.12 of the *Environmental Planning and Assessment Act 1979*.

While Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon receipt by Council, due to the possibility that individual development consents may not be acted upon by the applicant and, accordingly, would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required, but the Council may apply contributions according to the priorities established in work schedules.

Accounting policy prior to 1 July 2019

Control over grants and contributions is normally obtained upon their receipt (or acquittal) and revenue is recognised at this time and is valued at the fair value of the granted or contributed asset at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner, or used over a particular period, and those conditions were un-discharged at reporting date, the unused grant or contribution is disclosed below.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at reporting date.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000	2020	2019
(f) Unspent grants and contributions – external restrictions		
Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner due to externally imposed restrictions.		
Operating grants		
Unexpended at the close of the previous reporting period	248	247
Add: operating grants recognised as income in the current period but not yet spent (2019 only)	–	248
Add: operating grants received for the provision of goods and services in a future period	150	–
Less: operating grants recognised in a previous reporting period now spent (2019 only)	–	(247)
Less: operating grants received in a previous reporting period now spent and recognised as income	(159)	–
Less: operating grants received in a previous reporting period now transferred to a liability account	(212)	–
Unexpended and held as externally restricted assets (operating grants)	<u>27</u>	<u>248</u>
Capital grants		
Unexpended at the close of the previous reporting period	2,806	445
Add: capital grants recognised as income in the current period but not yet spent (2019 only)	–	2,371
Add: capital grants received for the provision of goods and services in a future period	522	–
Less: capital grants recognised in a previous reporting period now spent (2019 only)	–	(10)
Less: capital grants received in a previous reporting period now spent and recognised as income	(702)	–
Less: capital grants received in previous reporting period now transferred to a liability account	(2,626)	–
Unexpended and held as externally restricted assets (capital grants)	<u>–</u>	<u>2,806</u>
Contributions		
Unexpended at the close of the previous reporting period	19,259	18,092
Add: contributions recognised as income in the current period but not yet spent	9,448	4,080
Less: contributions recognised in a previous reporting period now spent	(11,440)	(2,913)
Unexpended and held as externally restricted assets (contributions)	<u>17,267</u>	<u>19,259</u>

Note 4. Interest and investment income

\$ '000	2020	2019
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	44	57
– Cash and investments	1,336	1,770
Dividend income (other)	18	1
Total Interest and investment income	<u>1,398</u>	<u>1,828</u>
Interest revenue is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	44	57
General Council cash and investments	1,257	1,578

continued on next page ...

Page 23 of 80

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 4. Interest and investment income (continued)

\$ '000	2020	2019
Restricted investments/funds – external:		
Development contributions		
– Section 7.11 and Section 7.12	97	193
Total interest and investment revenue	1,398	1,828

Accounting policy for interest and investment revenue

Interest income is recognised using the effective interest rate at the date that interest is earned.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations

\$ '000	2020	2019
(a) Employee benefits and on-costs		
Salaries and wages	14,988	14,006
Employee termination costs (where material – other than vested leave paid)	329	412
Employee leave entitlements (ELE)	2,629	2,885
Superannuation	1,790	1,684
Superannuation – defined benefit plans	–	21
Workers' compensation insurance	347	327
Fringe benefit tax (FBT)	264	234
Training costs (other than salaries and wages)	76	136
Other	11	2
Total employee costs	20,434	19,707
Less: capitalised costs	(31)	(58)
TOTAL EMPLOYEE COSTS EXPENSED	20,403	19,649

Accounting policy for employee benefits and on-costs

Employee benefit expenses are recorded when the service has been provided by the employee.

Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Superannuation plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note 21 for more information.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

\$ '000	2020	2019
(b) Borrowing costs		
(i) Interest bearing liability costs		
Interest on leases	38	–
Interest on loans	340	345
Total interest bearing liability costs	378	345
TOTAL BORROWING COSTS EXPENSED	378	345

Accounting policy for borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed as incurred.

\$ '000	2020	2019
(c) Materials and contracts		
Raw materials and consumables	2,099	1,756
Contractor and consultancy costs		
– Agency staff	1,979	2,291
– Domestic waste	1,550	994
– General	6,665	4,708
– Recycling	448	477
– SDR processing	520	549
– Other contractor and consultancy costs	2,442	1,209
Auditors remuneration ²	119	94
Legal expenses:		
Expenses from short-term leases (2020 only)	29	–
– Legal expenses: planning and development	373	249
– Legal expenses: debt recovery	33	34
– Legal expenses: other	625	522
Operating leases expense (2019 only):		
– Operating lease rentals: minimum lease payments ¹	–	60
Total materials and contracts	16,882	12,943
TOTAL MATERIALS AND CONTRACTS	16,882	12,943

Accounting policy for materials and contracts

Expenses are recorded on an accruals basis as the council receives the goods or services.

Operating leases (2019 only)

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

1. Operating lease payments are attributable to:

Other	–	60
	–	60

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

\$ '000	2020	2019
2. Auditor remuneration		
During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms		
Auditors of the Council - NSW Auditor-General:		
(i) Audit and other assurance services		
Audit and review of financial statements	88	71
Remuneration for audit and other assurance services	<u>88</u>	<u>71</u>
Total Auditor-General remuneration	<u>88</u>	<u>71</u>
Non NSW Auditor-General audit firms		
(ii) Non-assurance services		
Other audit and assurance services	31	23
Remuneration for non-assurance services	<u>31</u>	<u>23</u>
Total remuneration of non NSW Auditor-General audit firms	<u>31</u>	<u>23</u>
Total Auditor remuneration	<u>119</u>	<u>94</u>

continued on next page ...

Page 27 of 90

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

\$ '000	Notes	2020	2019
(d) Depreciation and amortisation of intangible assets and IPP&E			
Depreciation and amortisation			
Plant and equipment		928	882
Office equipment		201	173
Furniture and fittings		334	314
Land improvements (depreciable)		282	285
Infrastructure:	10(a)		
– Buildings – non-specialised		89	89
– Buildings – specialised		1,405	1,226
– Other structures		110	117
– Roads		2,007	1,989
– Footpaths		734	724
– Other road assets		223	207
– Stormwater drainage		677	671
– Swimming pools		128	127
– Other open space/recreational assets		379	338
Right of use assets	14	218	–
Other assets:			
– Library books		130	118
– Other		52	27
Intangible assets	12	161	218
Total gross depreciation and amortisation costs		<u>8,058</u>	<u>7,505</u>
Total depreciation and amortisation costs		<u>8,058</u>	<u>7,505</u>
TOTAL DEPRECIATION AND AMORTISATION FOR INTANGIBLES AND IPP&E		<u>8,058</u>	<u>7,505</u>

Accounting policy for depreciation, amortisation and impairment expenses of non-financial assets**Depreciation and amortisation**

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note 10 for IPPE assets.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are no longer required to be tested for impairment under AASB 136. This is because these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Intangible assets that have an indefinite useful life, or are not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

continued on next page ...

Page 28 of 90

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

\$ '000	2020	2019
(e) Other expenses		
Advertising	182	190
Bad and doubtful debts	42	(5)
Bank charges	169	179
Computing	1,200	967
Contributions/levies to other levels of government		
– Department of planning levy	78	76
– Emergency services levy (includes FRNSW, SES, and RFS levies)	61	52
– NSW fire brigade levy	654	562
Councillor expenses – mayoral fee	44	43
Councillor expenses – councillors' fees	142	139
Councillors' expenses (incl. mayor) – other (excluding fees above)	103	139
Donations, contributions and assistance to other organisations (Section 356)	16	55
Electricity and heating	458	481
Insurance	563	595
Postage	93	96
Printing and stationery	259	217
Rental	81	80
Strata levy	197	190
Street lighting	600	639
Subscriptions and publications	210	192
Subscriptions LGA and SSROC	128	123
Telephone and communications	102	106
Valuation fees – council properties	13	11
Valuation fees – rates land values	46	51
Waste disposal fees	3,072	3,038
Water and sewerage charges	117	120
Other	222	34
Total other expenses	8,852	8,370
TOTAL OTHER EXPENSES	8,852	8,370

Accounting policy for other expenses

Other expenses are recorded on an accruals basis as the Council receives the goods or services.

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 6. Gain or loss from disposal of assets

\$ '000	Notes	2020	2019
Property (excl. investment property)			
Carrying amount of property assets sold/written off		–	(1,727)
Net gain/(loss) on disposal		–	(1,727)
Plant and equipment			
	10(a)		
Proceeds from disposal – plant and equipment		397	565
Less: carrying amount of plant and equipment assets sold/written off		(238)	(395)
Net gain/(loss) on disposal		159	170
Infrastructure			
	10(a)		
Proceeds from disposal – infrastructure		–	1,727
Less: carrying amount of infrastructure assets sold/written off		(1,835)	(658)
Net gain/(loss) on disposal		(1,835)	1,069
Other			
Proceeds from disposal – Office Furniture		4	1
Net gain/(loss) on disposal		4	1
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		(1,672)	(487)

Accounting policy for disposal of assets

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

During the 2018-19, Council sold a parcel of Land at Hornsey Street, Burwood. This asset could not be identified within Council's asset register and was given a nominal value for sale.

Note 7(a). Cash and cash equivalents

\$ '000	2020	2019
Cash and cash equivalents		
Cash on hand and at bank	2,028	373
Cash-equivalent assets		
– Deposits at call	8,753	1,568
Total cash and cash equivalents	10,781	1,941

Accounting policy for cash and cash equivalents

For Statement of Cash Flow presentation purposes, cash and cash equivalents include: cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 7(b). Investments

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Investments				
a. 'Financial assets at fair value through profit and loss'				
– 'Designated at fair value on initial recognition'	47,250	–	60,250	3,000
Total Investments	47,250	–	60,250	3,000
TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS				
	58,031	–	62,191	3,000
Financial assets at fair value through the profit and loss				
Long term deposits	26,000	–	35,000	3,000
NCD's, FRN's (with maturities > 3 months)	21,250	–	25,250	–
Total	47,250	–	60,250	3,000

Accounting policy for investments

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, Council classifies its financial assets into the following categories – those measured at:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income – equity instrument (FVOCI-equity)

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, impairment and gains or loss on de-recognition are recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

Net gains or losses, including any interest or dividend income, are recognised in profit or loss.

Council's financial assets measured at fair value through profit or loss comprise investments in FRNs and NCDs in the Statement of Financial Position.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 7(c). Restricted cash, cash equivalents and investments

Note 7(c). Restricted cash, cash equivalents and investments

\$ '000	2020		2019	
	Current	Non-current	Current	Non-current
Total cash, cash equivalents and investments	58,031	–	62,191	3,000
attributable to:				
External restrictions	20,379	–	22,695	3,000
Internal restrictions	34,479	–	33,588	–
Unrestricted	3,173	–	5,908	–
	58,031	–	62,191	3,000

\$ '000	2020	2019
---------	------	------

Details of restrictions

External restrictions – other

Developer contributions – general	17,267	19,259
Specific purpose unexpended grants (recognised as revenue) – general fund	27	3,054
Unexpended general purpose loans	1,000	1,106
Domestic waste management	2,085	2,276
External restrictions – other	20,379	25,695

Total external restrictions

	20,379	25,695
--	---------------	---------------

Internal restrictions

Plant and vehicle replacement	3,043	3,229
Employees leave entitlement	1,465	1,465
Carry over works	2,128	2,368
Deposits, retentions and bonds	4,446	4,373
Park upgrade	934	1,186
Car park upgrades	574	574
Closed circuit television monitoring	234	434
Election	325	275
Enfield aquatic centre maintenance/upgrade	1,253	1,153
Financial assistance grant (in advance)	561	587
Future property investment	4,556	7,640
Information technology	667	438
Insurances	1,123	1,286
Local area traffic management	294	250
Organisational alignment	500	500
Parking meter replacement	266	527
Payments in advance	23	95
Property maintenance	1,949	1,924
Property sales	500	500
Road and footpath restorations (private works)	692	549
Furniture and equipment replacement	–	700
Technology enhancements (Smart City – Burwood)	971	1,250
Operations centre upgrade	1,400	1,000
Work health and safety	371	303
Covid-19 (operational reimbursement)	1,852	–
Woodstock community building upgrade	287	287

continued on next page ...

Page 32 of 90

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 7(c). Restricted cash, cash equivalents and investments (continued)

\$ '000	2020	2019
Town centre festive decorations	50	250
Contract Liabilities (AASB 15 / AASB 1058)	3,671	-
Other	344	445
Total internal restrictions	<u>34,479</u>	<u>33,588</u>
TOTAL RESTRICTIONS	<u>54,858</u>	<u>59,283</u>

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 8. Receivables

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Purpose				
Rates and annual charges	1,216	–	780	–
Interest and extra charges	89	–	74	–
User charges and fees	188	–	757	–
Private works	159	–	98	–
Accrued revenues				
– Interest on investments	256	–	571	–
– Parking fine income	302	–	391	–
– Other income accruals	340	–	298	–
Net investment in finance lease	–	–	–	–
Government grants and subsidies	443	–	908	–
Net GST receivable	631	–	740	–
Other debtors - Active Kids	2	–	7	–
Other debtors	8	–	8	–
Total	3,634	–	4,632	–
Less: provision of impairment				
User charges and fees	(173)	–	(137)	–
Total provision for impairment – receivables	(173)	–	(137)	–
TOTAL NET RECEIVABLES	3,461	–	4,495	–
Externally restricted receivables				
Domestic waste management	233	–	158	–
Stormwater management	13	–	10	–
Total external restrictions	246	–	168	–
Unrestricted receivables	3,215	–	4,327	–
TOTAL NET RECEIVABLES	3,461	–	4,495	–

\$ '000	2020	2019
Movement in provision for impairment of receivables		
Balance at the beginning of the year (calculated in accordance with AASB 139)	137	156
+ new provisions recognised during the year	67	6
– amounts already provided for and written off this year	(31)	(25)
Balance at the end of the year	173	137

Accounting policy for receivables**Recognition and measurement**

Receivables are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets.

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Burwood Council**Notes to the Financial Statements**

for the year ended 30 June 2020

Note 8. Receivables (continued)

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Impairment

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss (ECL) basis.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating ECL, the Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information.

When considering the ECL for rates debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rates debtors, Council uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Council uses the presentation that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Council in full, without recourse by the Council to actions such as realising security (if any is held) or
- the financial assets (for non-rates debtors) are more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach.

On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Council uses the simplified approach for trade receivables where the expected lifetime credit losses are recognised on day 1.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

None of the receivables that have been written off are subject to enforcement activity.

Where the Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Rates and annual charges outstanding are secured against the property.

Covid 19

Council's rates have had a moderate increase in outstanding collections however they are secured against the property and are within the Local Government performance measures, Council's user charges collections have not been significantly impacted by the Covid 19 pandemic and are comparable to prior years, therefore no adjustment has been made to the impairment provision.

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 9. Other assets

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Other assets				
Prepayments	680	-	490	-
TOTAL OTHER ASSETS	680	-	490	-

Burwood Council

Financial Statements 2020

Notes to the Financial Statements
for the year ended 30 June 2020
Note 10(a). Infrastructure, property, plant and equipment

	as at 30/06/19										Asset movements during the reporting period										as at 30/06/20		
	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions renewals	Additions new assets	Gross carrying value of disposals	Depreciation expense	WIP transfers	Revaluation decrements to equity (A/R)	Revaluation increments to equity (A/R)	Gross carrying amount	Accumulated depreciation	Net carrying amount										
Capital work in progress	708	-	708	-	536	(41)	-	(280)	-	-	923	-	923										
Plant and equipment	9,309	(5,192)	4,117	1,673	326	(322)	(928)	-	-	9,943	(5,077)	4,866											
Office equipment	2,836	(2,127)	709	109	1,020	(39)	(201)	-	-	2,662	(1,064)	1,598											
Furniture and fittings	4,700	(2,597)	2,103	-	11,279	(161)	(334)	239	-	15,775	(2,649)	13,126											
Land:																							
- Operational land	121,430	-	121,430	-	-	-	-	-	-	121,430	-	121,430											
- Community land	41,312	-	41,312	-	1,150	-	-	-	(5,547)	35,915	-	35,915											
Land improvements - depreciable	16,466	(3,653)	12,813	67	-	(18)	(282)	-	-	16,500	(3,920)	12,580											
Infrastructure:																							
- Buildings - non-specialised	4,174	(3,127)	1,047	-	-	-	(89)	-	-	4,174	(3,216)	958											
- Buildings - specialised	65,344	(13,292)	52,052	49	22,408	-	(1,405)	-	20,783	108,584	(14,697)	93,887											
- Other structures	3,719	(724)	2,995	-	261	-	(110)	-	-	3,979	(834)	3,145											
- Roads	202,365	(61,955)	140,410	1,992	-	(350)	(2,007)	4	(26,078)	220,460	(106,489)	113,971											
- Footpaths	59,013	(20,574)	38,439	2,107	5	(1,004)	(734)	11	(4,936)	73,163	(39,275)	33,888											
- Other road assets	9,075	(1,920)	7,155	344	807	(41)	(223)	-	-	10,173	(2,132)	8,041											
- Stormwater drainage	70,165	(41,515)	28,650	176	580	(42)	(677)	-	3,306	82,263	(50,270)	31,993											
- Swimming pools	6,018	(2,810)	3,208	-	-	-	(128)	-	-	6,018	(2,937)	3,081											
- Other open space/recreational assets	10,113	(2,421)	7,692	482	734	(53)	(379)	26	-	11,192	(2,690)	8,502											
Other assets:																							
- Library books	1,733	(1,366)	367	-	142	-	(130)	-	-	1,875	(1,496)	379											
- Other	757	(521)	236	50	511	(2)	(52)	-	-	889	(145)	744											
Total Infrastructure, property, plant and equipment ²	629,237	(163,794)	465,443	7,049	39,759	(2,073)	(7,679)	-	(31,014)	725,918	(236,891)	489,027											

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

(2) Infrastructure Assets (Roads, Footpaths and Drainage) includes disposal costs as part of the costs when valuing the assets.

continued on next page ...

Burwood Council

Financial Statements 2020

Notes to the Financial Statements
for the year ended 30 June 2020

Note 10(a). Infrastructure, property, plant and equipment (continued)

	as at 30/06/18										Asset movements during the reporting period										as at 30/06/19		
	Gross carrying amount	Accumulated depreciation	Net carrying amount	Additions renewals	Additions new assets	Gross carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments to equity (A/R)	Gross carrying amount	Accumulated depreciation	Net carrying amount										
Capital work in progress	1,000	-	1,000	-	615	(102)	-	(806)	-	-	708	-	708										
Plant and equipment	8,739	(4,885)	3,854	225	1,299	(395)	18	-	-	9,309	(5,192)	4,117											
Office equipment	2,520	(1,955)	565	216	102	(2)	-	-	-	2,836	(2,127)	709											
Furniture and fittings	4,356	(2,283)	2,073	25	319	-	-	-	-	4,700	(2,597)	2,103											
Land:																							
- Operational land	121,430	-	121,430	-	-	-	-	-	-	121,430	-	121,430											
- Community land	36,583	-	36,583	-	-	-	-	-	4,728	41,312	-	41,312											
Land improvements - depreciable	16,301	(3,393)	12,908	161	53	(31)	5	-	-	16,466	(3,653)	12,813											
Infrastructure:																							
- Buildings - non-specialised	4,582	(3,446)	1,136	-	-	(89)	-	-	-	4,174	(3,127)	1,047											
- Buildings - specialised	63,266	(12,106)	51,160	874	953	(23)	314	-	-	65,344	(13,292)	52,052											
- Other structures	3,594	(607)	2,987	14	111	(117)	-	-	-	3,719	(724)	2,995											
- Roads	201,457	(60,694)	140,763	2,189	1	(588)	15	-	-	202,365	(61,955)	140,410											
- Footpaths	57,761	(20,704)	37,057	3,112	-	(1,290)	284	-	-	59,013	(20,574)	38,439											
- Other road assets	8,538	(1,782)	6,756	303	362	(91)	32	-	-	9,075	(1,920)	7,155											
- Stormwater drainage	68,832	(40,984)	27,848	60	1,379	(67)	61	-	-	70,165	(41,515)	28,650											
- Swimming pools	6,008	(2,682)	3,326	11	-	(127)	-	-	-	6,018	(2,810)	3,208											
- Other open space/recreational assets	9,026	(2,219)	6,807	1,140	280	(251)	53	-	-	10,113	(2,421)	7,692											
Other assets:																							
- Library books	1,592	(1,248)	344	-	141	(118)	-	-	-	1,733	(1,366)	367											
- Other	3,058	(2,614)	444	52	12	(27)	24	(269)	-	757	(521)	236											
Total Infrastructure, property, plant and equipment ²	618,643	(161,602)	457,041	8,382	5,627	(2,780)	(7,287)	-	(269)	4,728	629,237	(163,794)	465,443										

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

(2) Amounts were transferred from Other Assets to the Intangible Assets class (refer note 11). Recognition of software as Intangible Assets represents a change in accounting policy, effective 1 July 2018.

continued on next page ...

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 10(a). Infrastructure, property, plant and equipment (continued)

Accounting policy for infrastructure, property, plant and equipment

Infrastructure, property, plant and equipment are held at fair value. Independent valuations are performed at least every five years, however the carrying amount of assets is assessed at each reporting date to confirm that it is not materially different from current fair value.

Increases in the carrying amounts arising on revaluation are credited to the asset revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost over their estimated useful lives as follows:

Plant and equipment	Years	Other equipment	Years
Office equipment	5 to 10	Playground equipment	15 to 25
Office furniture	5 to 20	Benches, seats etc.	10 to 20
Computer equipment	5		
Vehicles	5	Buildings	
Heavy plant/road making equipment	8 to 10	Buildings: masonry	50 to 100
Other plant and equipment	5 to 20	Buildings: other	20 to 40
Transportation assets		Other infrastructure assets	
Sealed roads: surface	20 to 30	Bulk earthworks	Infinite
Sealed roads: structure	Infinite	Swimming pools	60
Unsealed roads	20	Unsealed roads	20
Bridge: concrete	100	Other open space/recreational assets	15 to 80
Bridge: other	50	Other infrastructure	10 to 80
Road pavements	75 to 225	Stormwater assets	100 to 200
Kerb, gutter and footpaths	50 to 90		

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 Land Under Roads.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 Property, Plant and Equipment.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 10(a). Infrastructure, property, plant and equipment (continued)

Crown reserves

Crown reserves under Council's care and control are recognised as assets of the council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

Note 10(b). Externally restricted infrastructure, property, plant and equipment

\$ '000	as at 30/06/20			as at 30/06/19		
	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount
Domestic waste management						
Plant and equipment	948	596	352	857	552	305
Total DWM	948	596	352	857	552	305
TOTAL RESTRICTED IPP&E	948	596	352	857	552	305

Note 10(c). Infrastructure, property, plant and equipment – current year impairments

Council has recognised no impairment losses during the reporting period nor reversed any prior period losses.

Note 11. Investment properties

\$ '000	2020	2019
Owned investment property		
Investment property on hand at fair value	4,340	3,980
Total owned investment property	4,340	3,980

(a) Reconciliation – owned investment property

Reconciliation of annual movement:

Opening balance	3,980	3,820
– Net gain/(loss) from fair value adjustments	360	160
CLOSING BALANCE – OWNED INVESTMENT PROPERTY	4,340	3,980

(b) Valuation basis

The basis of valuation of investment properties is fair value, being the amounts for which the properties could be exchanged between willing parties in arms length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases.

The 2019 and 2020 revaluations were based on independent assessments made by Scott Fullarton Valuations Pty Ltd (FAP)

(c) Contractual obligations at reporting date (2019 only)

continued on next page ...

Page 40 of 90

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 11. Investment properties (continued)

Refer to Note 20 for disclosures relating to any capital and service obligations that have been contracted.

\$ '000	2020	2019
---------	------	------

(d) Leasing arrangements – Council as lessor (2019 only)

The investment properties are leased to tenants under long-term operating leases with rentals payable monthly.

Future minimum lease payments receivable under non-cancellable investment property operating leases not recognised in the financial statements are receivable as follows:

Within 1 year	–	337
Later than 1 year but less than 5 years	–	279
Total minimum lease payments receivable	–	616

Council has three properties classified as Investment properties.

Shop C1A, 1-17 Elsie Street Burwood has three year lease plus a three year option. Rental is paid Monthly with a fixed yearly percentage lease increase.

Shop C1B 1-17 Elsie Street Burwood has a five year lease. Rental is paid Monthly with a fixed percentage yearly lease increase.

Shops C2 & C3, 1-17 Elsie Street Burwood have two year lease plus two, five year options. Rental is paid Monthly with a fixed yearly percentage lease increase.

(e) Investment property income and expenditure – summary (2019 only)**Rental income from investment property:**

– Minimum lease payments	–	324
Net revenue contribution from investment property	–	324

plus:

Fair value movement for year	–	160
Total income attributable to investment property	–	484

Accounting policy for investment property

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council. Changes in fair values are recorded in the Income Statement as a separate line item.

Properties that are under construction for future use as investment properties are regarded as investment property. These are also carried at fair value unless the fair value cannot yet be reliably determined. Where that is the case, the property will be accounted for at cost until either the fair value becomes reliably determinable or construction is complete.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 12. Intangible assets

Intangible assets are as follows:

\$ '000	2020	2019
Software		
Opening values at 1 July		
Gross book value	2,670	2,389
Accumulated amortisation	(2,339)	(2,120)
Net book value – opening balance	331	269
Movements for the year		
– Other movements	322	436
– Purchases	160	281
– Amortisation charges	(161)	(218)
Closing values at 30 June		
Gross book value	2,316	2,670
Accumulated amortisation	(1,986)	(2,339)
Total software – net book value	330	331
TOTAL INTANGIBLE ASSETS – NET BOOK VALUE	330	331

Accounting policy for intangible assets**IT development and software**

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems.

Costs capitalised include external direct costs of materials and service, direct payroll, and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight line basis over periods generally ranging from three to five years. IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility, and where Council has an intention and ability to use the asset.

Note 13. Contract assets and liabilities

\$ '000	2020 Current	2020 Non-current
(a) Contract assets		
Other	539	–
Total Contract assets	539	–
Total unrestricted assets	539	–
Total contract assets	539	–

continued on next page ...

Page 42 of 90

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 13. Contract assets and liabilities (continued)

\$ '000	Notes	2020 Current	2020 Non-current
(b) Contract liabilities			
Grants and contributions received in advance:			
Unexpended capital grants (to construct Council controlled assets)	(i)	2,626	-
Unexpended operating grants (received prior to performance obligation being satisfied)	(ii)	212	-
Total grants received in advance		2,838	-
User fees and charges received in advance:			
Other		833	-
Total user fees and charges received in advance		833	-
Total contract liabilities		3,671	-

Notes

(i) Council has received funding to construct assets including sporting facilities and other infrastructure. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

(ii) The contract liability relates to grants received prior to the revenue recognition criteria in AASB 15 being satisfied since the performance obligations are ongoing.

\$ '000	2020 Current	2020 Non-current
(i) Contract liabilities relating to restricted assets		
Internally restricted assets		
Contract Liabilities	3,671	-
Contract liabilities relating to internally restricted assets	3,671	-
Total contract liabilities relating to restricted assets	3,671	-
Total contract liabilities	3,671	-

\$ '000	2020
(ii) Revenue recognised (during the financial year) from opening contract liability balances	

Grants and contributions received in advance:

Capital grants (to construct Council controlled assets)	702
Operating grants (received prior to performance obligation being satisfied)	28

Total Revenue recognised during the financial year that was included in the contract liability balance at the beginning of the period	730
--	------------

Significant changes in contract assets and liabilities

The contract liabilities have arisen on adoption of AASB 15 and AASB 1058. Previously income received in advance was recognised for reciprocal contracts. The increase in a contract liability is primarily due to grants in the scope of AASB 15 and

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 13. Contract assets and liabilities (continued)

capital grants received by Council to acquire or construct assets which will be under Council's control. Previously, revenue was recognised on receipt of the funds.

Accounting policy for contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before the payment is due, Council presents the work in progress as a contract asset, unless the rights to that amount of consideration are unconditional, in which case Council recognises a receivable.

When an amount of consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

Note 14. Leases

The Council has applied AASB 16 using the modified retrospective (cumulative catch-up) method and therefore the comparative information has not been restated and continues to be reported under AASB 117 and related Interpretations.

(i) Council as a lessee

Council has leases over a range of assets including land and buildings, vehicles, machinery and IT equipment. Information relating to the leases in place and associated balances and transactions is provided below.

Terms and conditions of leases**Vehicles**

Council has entered into a Domestic Waste contract for the service of the collection of Residential waste throughout the Burwood Local Government area. As part of the Domestic Waste collection service, four (4) vehicles are leased with lease terms of seven (7) years; the lease payments are fixed during the lease term and there is generally no renewal option.

Office and IT equipment

Council leases office and IT equipment which are generally for low value assets, except for significant items such as photocopiers. Council currently leases a Folding Machine, the lease expires on 30 April 2023 with no renewal option, the payments are fixed.

\$ '000	Plant & Equipment	Office Equipment	Total
(a) Right of use assets			
Opening balance at 30 June 2019	-	-	-
Adoption of AASB 16 at 1 July 2019 – first time lease recognition	-	14	14
Additions to right-of-use assets	1,500	-	1,500
Depreciation charge	(214)	(4)	(218)
RIGHT OF USE ASSETS	1,286	10	1,296

\$ '000	2020 Current	2020 Non-current
---------	-----------------	---------------------

(b) Lease liabilities

continued on next page ...

Page 44 of 90

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 14. Leases (continued)

\$ '000	2020 Current	2020 Non-current
Lease liabilities	206	1,107
TOTAL LEASE LIABILITIES	206	1,107

(i) The maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

\$ '000	< 1 year	1 – 5 years	> 5 years	Total	Total per Statement of Financial Position
Cash flows	206	1,107	–	1,313	1,313

\$ '000	2020 Current	2020 Non-current
(ii) Lease liabilities relating to restricted assets		
Total lease liabilities relating to unrestricted assets	206	1,107
Total lease liabilities	206	1,107

\$ '000	2020
---------	------

(c) Income Statement

The amounts recognised in the Income Statement relating to leases where Council is a lessee are shown below:

Interest on lease liabilities	38
Depreciation of right of use assets	218
Expenses relating to short-term leases	29
	285

(d) Statement of Cash Flows

Total cash outflow for leases	240
	240

Accounting policy

Accounting policies under AASB 16 – applicable from 1 July 2019

At inception of a contract, Council assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration?

Council has elected not to separate non-lease components from lease components for any class of asset and has accounted for payments as a single component.

continued on next page ...

Page 45 of 90

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 14. Leases (continued)

At the lease commencement, Council recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where Council believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives. The right-of-use is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured when there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

Exceptions to lease accounting

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases at significantly below market value / concessionary leases

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

Accounting policy under AASB 117 and associated Accounting Interpretations (2019 only)

Refer to Note 11.

(ii) Council as a lessor

(e) Operating leases

Council leases out a number of properties to tenants under long-term leases with rentals payable yearly and monthly: these leases have been classified as operating leases for financial reporting purposes and the assets are included as investment property (refer note 11).

The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below:

\$ '000	2020
(i) Operating lease income	
Investment properties	
Lease income relating to variable lease payments not dependent on an index or a rate	317
Other lease income	
Other	1,024
Total income relating to operating leases	1,341
(ii) Operating lease expenses	
Investment properties	
Direct operating expenses that generated rental income	1,230
Total expenses relating to operating leases	1,230

(iv) Maturity analysis of contractual lease income

Maturity analysis of future lease income receivable showing the undiscounted lease

continued on next page ...

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 14. Leases (continued)

\$ '000	2020
payments to be received after reporting date for operating leases:	
< 1 year	1,651
1–2 years	1,463
2–3 years	1,535
3–4 years	1,610
4–5 years	1,689
> 5 years	303
Total undiscounted contractual lease income receivable	8,251

Accounting policy

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

When Council has a sub-lease over an asset and is the intermediate lessor then the head lease and sub-lease are accounted for separately. The classification of the sub-lease is based on the right-of-use asset which arises from the head lease rather than the useful life of the underlying asset.

If the lease contains lease and non-lease components then the non-lease components are accounted for in accordance with AASB 15 *Revenue from Contracts with Customers*.

The lease income is recognised on a straight-line basis over the lease term.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 15. Payables and borrowings

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Payables				
Goods and services – operating expenditure	2,192	–	2,048	–
Goods and services – capital expenditure	2,272	–	1,660	–
Prepaid rates	303	–	–	–
Accrued expenses:				
– Borrowings	24	–	24	–
– Salaries and wages	1,200	–	629	–
– Other expenditure accruals	618	–	360	–
Security bonds, deposits and retentions	4,446	–	4,373	–
Other	14	–	18	–
Total payables	11,069	–	9,112	–
Income received in advance (2019 only)				
Payments received in advance	–	–	967	–
Total income received in advance	–	–	967	–
Borrowings				
Loans – secured ¹	721	5,487	690	6,208
Total borrowings	721	5,487	690	6,208
<u>TOTAL PAYABLES AND BORROWINGS</u>	<u>11,790</u>	<u>5,487</u>	<u>10,769</u>	<u>6,208</u>

⁽¹⁾ Loans are secured over the general rating income of Council.

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 20.

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
(a) Payables and borrowings relating to restricted assets				
Externally restricted assets				
Domestic waste management	657	–	202	–
Payables and borrowings relating to externally restricted assets	657	–	202	–
Total payables and borrowings relating to restricted assets	657	–	202	–
Total payables and borrowings relating to unrestricted assets	11,133	5,487	10,567	6,208
<u>TOTAL PAYABLES AND BORROWINGS</u>	<u>11,790</u>	<u>5,487</u>	<u>10,769</u>	<u>6,208</u>

continued on next page ...

Page 48 of 90

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 15. Payables and borrowings (continued)

\$ '000	2020	2019
(b) Current payables and borrowings not anticipated to be settled within the next twelve months		
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Payables – security bonds, deposits and retentions	2,736	2,933
Total payables and borrowings	2,736	2,933

(c) Changes in liabilities arising from financing activities

\$ '000	as at 30/06/19 Opening Balance	Cash flows	as at 30/06/20 Closing balance
Loans – secured	6,898	(690)	6,208
Lease liabilities	–	1,313	1,313
TOTAL	6,898	623	7,521

\$ '000	as at 30/06/18 Opening Balance	Cash flows	Non-cash changes Acquisition	as at 30/06/19 Closing balance
Loans – secured	6,494	(596)	1,000	6,898
TOTAL	6,494	(596)	1,000	6,898

\$ '000	2020	2019
---------	------	------

(d) Financing arrangements**(i) Unrestricted access was available at balance date to the following lines of credit:**

Credit cards/purchase cards	50	50
Total financing arrangements	50	50

Drawn facilities as at balance date:

– Credit cards/purchase cards	8	12
Total drawn financing arrangements	8	12

Undrawn facilities as at balance date:

– Credit cards/purchase cards	42	38
Total undrawn financing arrangements	42	38

Accounting policy for payables and borrowings

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Council comprise trade payables, bank and other loans and finance lease liabilities.

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 15. Payables and borrowings (continued)

Payables

These amounts represent liabilities for goods and services provided to the council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Income Statement over the period of the borrowings using the effective-interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or finance cost.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 16. Provisions

\$ '000	2020	2020	2019	2019
	Current	Non-current	Current	Non-current
Provisions				
Employee benefits				
Annual leave	1,838	–	1,722	–
Long service leave	4,834	176	4,783	128
Other – RDO/TIL	171	–	393	–
ELE on-costs	133	3	124	2
Sub-total – aggregate employee benefits	6,976	179	7,022	130
TOTAL PROVISIONS	6,976	179	7,022	130

(a) Provisions relating to restricted assets

Externally restricted assets

Domestic waste management	115	10	164	19
Provisions relating to externally restricted assets	115	10	164	19
Total provisions relating to restricted assets	115	10	164	19
Total provisions relating to unrestricted assets	6,861	169	6,858	111
TOTAL PROVISIONS	6,976	179	7,022	130

\$ '000	2020	2019
---------	------	------

(b) Current provisions not anticipated to be settled within the next twelve months

The following provisions, even though classified as current, are not expected to be settled in the next 12 months.

Provisions – employees benefits	4,921	5,002
	<u>4,921</u>	<u>5,002</u>

(c) Description of and movements in provisions

\$ '000	ELE provisions				Total
	Annual leave	Long service leave	ELE on-costs	Other employee benefits	
2020					
At beginning of year	1,722	4,911	126	393	7,152
Additional provisions	1,332	687	10	2	2,031
Amounts used (payments)	(1,216)	(588)	–	(224)	(2,028)
Total ELE provisions at end of year	1,838	5,010	136	171	7,155
2019					
At beginning of year	1,819	4,473	145	437	6,874
Additional provisions	1,114	989	–	167	2,270
Amounts used (payments)	(1,211)	(551)	(19)	(211)	(1,992)
Total ELE provisions at end of year	1,722	4,911	126	393	7,152

continued on next page ...

Page 51 of 80

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 16. Provisions (continued)

Accounting policy for provisions

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Employee benefits

Short-term obligations

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

On-costs

The employee benefit provisions include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation, payroll tax and workers compensation expenses which will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

Self-insurance

Council has decided to self-insure for various risks, including public liability and professional indemnity through a Joint Venture activity: "CivicRisk Mutual" comprising a number of Local Government Council's.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors**(a) Nature and purpose of reserves****Infrastructure, property, plant and equipment revaluation reserve**

The infrastructure, property, plant and equipment revaluation reserve is used to record increments / decrements of non-current asset values due to their revaluation.

(b) Changes in accounting policies due to adoption of new accounting standards (not-retrospective)

During the year ended 30 June 2020, the Council has adopted AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for-profit Entities* and AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method and therefore the comparative information for the year ended 30 June 2019 has not been restated and continues to comply with AASB 111 *Construction Contracts*, AASB 117 *Leases*, AASB 118 *Revenue*, AASB 1004 *Contributions* and associated Accounting Interpretations.

All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 July 2019.

The impacts of adopting these standards and associated transition disclosures are provided below.

Adjustments to the current year figures for the year ended 30 June 2020**Statement of Financial Position****(ii) AASB 15 and AASB 1058**

The following approach has been applied on transition to AASB 15 and AASB 1058:

- Council has not adopted the completed contract expedient and therefore has not excluded revenue which was fully recognised in previous years in accordance with the former accounting standards and pronouncements
- Council has retrospectively restated contracts for modifications that occurred before 1 July 2019 unless such contract modification were minor.

Transfer of control to a customer – over time or at a point in time

AASB 15 has specific criteria regarding whether control is transferred over time or at a point in time. The entity has reviewed its contracts and concluded that the criteria for recognition over time is not met in some circumstances. In such cases, revenue and related production costs will be recognised at the delivery of each separate performance obligation instead of over the contract using a single margin.

Prepaid rates

Under AASB 1004, rates were recorded as revenue at the earliest of receipt of the funds from the ratepayer and the beginning of the rating period. Under AASB 1058, prepaid rates are recognised as a financial liability until the beginning of the rating period.

Grants – operating

Under AASB 1004, most grant income was recognised as revenue on receipt. Under AASB 15, where an agreement is enforceable and contains sufficiently specific performance obligations, the revenue is either recognised over time as the work is performed, or recognised at the point in time that the control of the services passes to the customer.

Grants – capital

Under AASB 1004, most grant monies were recorded as revenue on receipt. Under AASB 1058, where Council has received assets (including cash) to acquire or construct a non-financial asset, the asset is to be controlled by Council and the contract is enforceable, then the asset is recognised as a contract liability on receipt and recorded as revenue as the performance obligation to acquire or construct the asset is completed.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

Changes in presentation

In addition to the above changes in accounting policies, the Council has also amended the presentation of certain items to align them with the requirements of AASB 15 and AASB 1058:

- Movement of balances between receivables and contract assets.

\$ '000	Balance at 1 July 2019
Opening contract balances at 1 July 2019	
Contract assets	
– Under AASB 15	–
– Under AASB 1058	–
Total Contract assets	<u>–</u>
Contract liabilities	
– Under AASB 15	2,975
– Under AASB 1058	–
Total Contract liabilities	<u>2,975</u>

Comparison of financial statement line items under AASB 15 compared to previous standards for the current year

The following tables show the impact of adopting AASB 15 and AASB 1058 on the Council's financial statements for the year ended 30 June 2020.

Statement of Financial Position

\$ '000	Carrying amount per Statement of Financial Position under AASB 15 and AASB 1058	Reclassific- ation	Remeasur- ement	Carrying amount under previous revenue standards	Notes
Current assets					
Cash and cash equivalents	10,781	–	–	10,781	
Investments	47,250	–	–	47,250	
Receivables	3,461	539	–	4,000	
Contract assets	539	(539)	–	–	
Other	680	–	–	680	
Total current assets	<u>62,711</u>	<u>–</u>	<u>–</u>	<u>62,711</u>	
Current liabilities					
Payables	11,069	–	–	11,069	
Contract liabilities	3,671	–	(3,671)	–	
Lease liabilities	206	–	–	206	
Borrowings	721	–	–	721	
Provisions	6,976	–	–	6,976	
Total current liabilities	<u>22,643</u>	<u>–</u>	<u>(3,671)</u>	<u>18,972</u>	
Non-current assets					

continued on next page ...

Page 54 of 90

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

\$ '000	Carrying amount per Statement of Financial Position under AASB 15 and AASB 1058	Reclassific- ation	Remeasur- ement	Carrying amount under previous revenue standards	Notes
Infrastructure, property, plant and equipment	489,027	-	-	489,027	
Investment property	4,340	-	-	4,340	
Intangible assets	330	-	-	330	
Right of use assets	1,296	-	-	1,296	
Investments accounted for using equity method	15	-	-	15	
Total non-current assets	495,008	-	-	495,008	
Non-current liabilities					
Lease liabilities	1,107	-	-	1,107	
Borrowings	5,487	-	-	5,487	
Provisions	179	-	-	179	
Total Non-current liabilities	6,773	-	-	6,773	
Net assets	528,303	-	3,671	531,974	
Equity					
Accumulated surplus	250,563	-	(2,975)	247,588	
Revaluation reserves	277,740	-	-	277,740	
Council equity interest	528,303	-	(2,975)	525,328	
Total equity	528,303	-	(2,975)	525,328	

The adoption of AASB 15 and AASB 1058 has materially effected the statement of financial position for the year ended 30 June 2020. The adjustments are in relation to the reclassification of Council's lease liabilities and remeasurement of Grants during the 2018-19 year and were unexpended at 30 June 2019.

Income Statement

\$ '000	Income Statement and comprehen- sive income under AASB 15 and AASB 1058	Reclassific- ation	Remeasur- ement	Income Statement and comprehen- sive income under previous revenue standards	Notes
<u>Income from continuing operations</u>					
Rates and annual charges	30,448	-	-	30,448	
User charges and fees	8,453	-	-	8,453	
Other revenues	4,949	-	-	4,949	
Grants and contributions provided for operating purposes	3,250	-	(28)	3,222	
Grants and contributions provided for capital purposes	34,980	-	(703)	34,277	
Interest and investment income	1,398	-	-	1,398	

continued on next page ...

Page 55 of 90

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

\$ '000	Income Statement and comprehensive income under AASB 15 and AASB 1058	Reclassification	Remeasurement	Income Statement and comprehensive income under previous revenue standards	Notes
Fair value increment on investment properties	360	-	-	360	
Rental income	1,341	-	-	1,341	
Net share of interests in joint ventures and associates using the equity method	3	-	-	3	
Total Income from continuing operations	85,182	-	(731)	84,451	
<u>Expenses from continuing operations</u>					
Employee benefits and on-costs	20,403	-	-	20,403	
Borrowing costs	378	-	-	378	
Materials and contracts	16,882	-	-	16,882	
Depreciation and amortisation	8,058	-	-	8,058	
Other expenses	8,852	-	-	8,852	
Net losses from the disposal of assets	1,672	-	-	1,672	
Total Expenses from continuing operations	56,245	-	-	56,245	
Total Operating result from continuing operations	28,937	-	(731)	28,206	
Net operating result for the year	28,937	-	(731)	28,206	
Total comprehensive income	15,357	-	-	15,357	

The adoption of AASB 15 and AASB 1058 has not materially effected the statement of financial position for the year ended 30 June 2020. The adjustments are in relation to the remeasurement of Council's Grants during the 2018-19 year.

Adjustments to the current year figures for the year ended 30 June 2020

Statement of Financial Position

\$ '000	Original Balance 1 July, 2019	Impact Increase/ (decrease)	Restated Balance 1 July, 2019
Contract assets	-	-	-
Total assets	540,050	-	540,050
Contract liabilities	-	2,975	2,975
Total liabilities	24,129	2,975	27,104
Accumulated surplus	224,709	(2,975)	221,734
Revaluation reserves	291,212	-	291,212
Total equity	515,921	(2,975)	512,946

continued on next page ...

Page 56 of 90

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)**(iii) AASB 16 Leases****Council as a lessee**

Under AASB 117, Council assessed whether leases were operating or finance leases, based on its assessment of whether the significant risks and rewards of ownership had been transferred to Council or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low-value assets).

Council has used the exception to lease accounting for short-term leases and leases of low-value assets, and the lease expense relating to these leases is recognised in the Income Statement on a straight-line basis.

Practical expedients used on transition

AASB 16 includes a number of practical expedients which can be used on transition. Council has used the following expedients:

- Contracts which had previously been assessed as not containing leases under AASB 117 were not re-assessed on transition to AASB 16.
- Lease liabilities have been discounted using the Council's incremental borrowing rate at 1 July 2019.
- Right-of-use assets at 1 July 2019 have been measured at an amount equal to the lease liability adjustment by the any prepaid or accrued lease payments.
- A single discount rate was applied to all leases with similar characteristics.
- The right-of-use asset was adjusted by the existing onerous lease provision (where relevant) at 30 June 2019 rather than perform impairment testing of the right-of-use asset.
- Excluded leases with an expiry date prior to 30 June 2020 from the Statement of Financial Position, and lease expenses for these leases have been recorded on a straight-line basis over the remaining term.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Financial statement impact of adoption of AASB 16

Council has recognised right-of-use assets and lease liabilities of \$232k at 1 July 2019 for leases previously classified as operating leases, or leases that are significantly below market value which were previously off balance sheet.

The weighted average lessee's incremental borrowing rate applied to lease liabilities at 1 July 2019 was 2.7%.

\$ '000	Balance at 1 July 2019
Operating lease commitments at 30 June 2019 per Council financial statements	30
 Reconciliation of lease liabilities recognised on adoption of AASB 16 Leases	
Operating lease commitments discounted using the incremental borrowing rate at 1 July 2019	218
Add:	
Contracts not accounted for as operating lease commitments last year	14
Finance lease liabilities	-
Extension options reasonably certain to be exercised not included in the commitments note	-
Variable lease payments linked to an index	-
Other	-
Less:	
Short-term leases included in commitments note	-
Leases for low-value assets included in commitments note	-
Other	-
Lease liabilities recognised at 1 July 2019	232

Council as a lessor

For the arrangements where Council is a lessor, there are no significant accounting policy changes on adoption of AASB 16 except for sub-leases, which have now been classified in relation to the right-of-use asset under the head lease rather than

continued on next page ...

Page 57 of 90

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

the underlying asset.

Adjustments to the current year figures for the year ended 30 June 2020

Statement of Financial Position

\$ '000	Original Balance 1 July, 2019	Impact Increase/ (decrease)	Restated Balance 1 July, 2019
Rights-of-use assets	–	232	232
Total assets	540,050	232	540,282
Payables – accrued interest on leases (30/6/2019)	–	–	–
Leases	–	232	232
Total liabilities	24,129	232	24,361
Accumulated surplus	224,709	–	224,709
Revaluation reserves	291,212	–	291,212
Total equity	515,921	–	515,921

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 18. Statement of cash flow information

\$ '000	Notes	2020	2019
(a) Reconciliation of cash and cash equivalents			
Total cash and cash equivalents per Statement of Financial Position	7(a)	10,781	1,941
Balance as per the Statement of Cash Flows		10,781	1,941

(b) Reconciliation of net operating result to cash provided from operating activities

Net operating result from Income Statement		28,937	11,369
Adjust for non-cash items:			
Depreciation and amortisation		8,058	7,505
Net losses/(gains) on disposal of assets		1,672	487
Non-cash capital grants and contributions		(22,016)	-
Adoption of AASB 15/1058		(2,975)	-
Losses/(gains) recognised on fair value re-measurements through the P&L:			
– Investment property		(360)	(160)
Share of net (profits)/losses of associates/joint ventures using the equity method		(3)	13
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		998	(208)
Increase/(decrease) in provision for impairment of receivables		36	(19)
Decrease/(increase) in other current assets		(190)	(34)
Decrease/(increase) in contract assets		(539)	-
Increase/(decrease) in payables		144	844
Increase/(decrease) in accrued interest payable		-	3
Increase/(decrease) in other accrued expenses payable		829	226
Increase/(decrease) in other liabilities		(595)	(898)
Increase/(decrease) in contract liabilities		3,671	-
Increase/(decrease) in provision for employee benefits		3	278
Net cash provided from/(used in) operating activities from the Statement of Cash Flows		17,670	19,406

(c) Non-cash investing and financing activities

Developer contributions 'in kind'		22,016	-
Total non-cash investing and financing activities		22,016	-

Note 19. Interests in other entities

\$ '000	Council's share of net income		Council's share of net assets	
	2020	2019	2020	2019
Joint ventures	3	(13)	15	120
Total	3	(13)	15	120

continued on next page ...

Page 59 of 90

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 19. Interests in other entities (continued)

Joint arrangements

(i) Joint ventures

Each member of the relevant joint entity has an equal voting right to each other member while they insure through the entity.

Civic Risk Metro

Civic Risk Metro is an alliance of councils who have joined together to protect member assets and liabilities through establishing manageable levels of self insured risk and minimising the cost of insurance of public liability and professional indemnity risks.

Civic Risk Mutual

CivicRisk Mutual is an alliance of councils who have joined together to protect member assets and liabilities through establishing manageable levels of self insured risk and minimising the cost of insurance of property, motor and other classes of risks.

Both joint ventures have the same year end date as the council.

Both Civic Risk Metro and CivicRisk Mutual operate on insurance principles, charging annual contributions to cover expected insurance and other costs and returning surplus funds to members from time to time as determined by their respective Boards. Council does not make loans or advances to either joint venture.

Material joint ventures

The following information is provided for joint ventures that are individually material to the Council. Included are the total amounts as per the joint venture financial statements, adjusted for fair-value adjustments at acquisition date and differences in accounting policies, rather than the Council's share.

(a) Net carrying amounts – Council's share

\$ '000	Nature of relationship	Measurement method	2020	2019
CivicRisk Metro	Joint Venture	Equity Method	(49)	67
CivicRisk Mutual	Joint Venture	Equity Method	64	53
Total carrying amounts – material joint ventures			15	120

(b) Details

	Principal activity	Place of business
CivicRisk Metro	Local Government insurance coverage	Penrith
CivicRisk Mutual	Local Government insurance coverage	Penrith

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 19. Interests in other entities (continued)

(c) Relevant interests and fair values

\$ '000	Interest in outputs		Interest in ownership		Proportion of voting power	
	2020	2019	2020	2019	2020	2019
CivicRisk Metro	(0.4)%	0.5%	(0.4)%	0.5%	16.7%	16.7%
CivicRisk Mutual	0.9%	0.8%	0.9%	0.8%	5.3%	5.9%

(d) Summarised financial information for joint ventures

\$ '000	CivicRisk Metro		CivicRisk Mutual	
	2020	2019	2020	2019
Statement of financial position				
Current assets				
Cash and cash equivalents	9,281	254	6,177	1,813
Other current assets	5,781	9,900	5,924	7,215
Non-current assets	6,711	12,769	5,102	5,368
Current liabilities				
Current financial liabilities (excluding trade and other payables and provisions)	1,689	1,313	5,923	4,827
Other current liabilities	1,762	311	489	346
Non-current liabilities				
Non-current financial liabilities (excluding trade and other payables and provisions)	5,558	6,651	3,635	2,279
Net assets	12,764	14,648	7,156	6,944
Reconciliation of the carrying amount				
Opening net assets (1 July)	14,648	13,549	6,944	8,468
Profit/(loss) for the period	(1,884)	1,099	212	(1,524)
Closing net assets	12,764	14,648	7,156	6,944
Council's share of net assets (%)	(0.4)%	0.5%	0.9%	0.8%
Council's share of net assets (\$)	(49)	67	64	53
Statement of comprehensive income				
Income	1,845	2,116	14,474	11,320
Interest income	271	1,013	205	448
Other expenses	(2,405)	(2,030)	(14,468)	(13,292)
Profit/(loss) from continuing operations	(289)	1,099	211	(1,524)
Profit/(loss) for the period	(289)	1,099	211	(1,524)
Total comprehensive income	(289)	1,099	211	(1,524)
Share of income – Council (%)	(0.4)%	2.4%	0.9%	2.6%
Profit/(loss) – Council (\$)	1	27	2	(40)
Total comprehensive income – Council (\$)	1	27	2	(40)

continued on next page ...

Page 61 of 90

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 19. Interests in other entities (continued)**Accounting policy for joint arrangements**

The council has determined that it has only joint ventures.

Joint ventures

Interests in joint ventures are accounted for using the equity method in accordance with AASB128 Investments in Associates and Joint Ventures.

Under this method, the investment is initially recognised as a cost and the carrying amount is increased or decreased to recognise the council's share of the profit or loss and other comprehensive income of the joint venture after the date of acquisition.

If the council's share of losses of a joint venture equals or exceeds its interest in the joint venture, the council discontinues recognising its share of further losses.

The council's share in the joint venture's gains or losses arising from transactions between itself and its joint venture are eliminated.

Adjustments are made to the joint venture's accounting policies where they are different from those of the council for the purposes of the consolidated financial statements.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 20. Commitments

\$ '000	2020	2019
(a) Capital commitments (exclusive of GST)		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Buildings	6,774	250
Plant and equipment	–	268
Other – Structures	–	153
Total commitments	6,774	671
These expenditures are payable as follows:		
Within the next year	6,774	671
Total payable	6,774	671
Sources for funding of capital commitments:		
Future grants and contributions	1,082	131
Section 7.11 and 64 funds/reserves	4,928	272
Externally restricted reserves	–	268
Internally restricted reserves	764	–
Total sources of funding	6,774	671
Details of capital commitments		
Buildings - Upgrade of the Henley Park Amenities Building		
Building / Swimming Pool - Construction of a new 25 meter Learn to Swimming Pool and Building at Enfield Aquatic Centre		

\$ '000	2020	2019
(b) Non-cancellable operating lease commitments (2019 only)		
a. Commitments under non-cancellable operating leases at the reporting date, but not recognised as liabilities are payable:		
Within the next year	–	8
Later than one year and not later than 5 years	–	22
Total non-cancellable operating lease commitments	–	30

b. Non-cancellable operating leases include the following assets:

- Office equipment.

- Contingent rentals may be payable depending on the condition of items or usage during the lease term.

Conditions relating to finance and operating leases:

– All operating lease agreements are secured only against the leased asset.

– No lease agreements impose any financial restrictions on Council regarding future debt etc.

Refer to Note 15 for information relating to leases for 2020.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 21. Contingencies

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

LIABILITIES NOT RECOGNISED**1. Guarantees****(i) Defined benefit plans**

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a 'multi-employer fund' for purposes of AASB119 Employee Benefits for the following reasons:

- Assets are not segregated within the sub-group according to the employees of each sponsoring employer.
- The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer.
- Benefits for employees of all sponsoring employers are determined according to the same formulae and without regard to the sponsoring employer.
- The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

Given the factors above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers, and hence shares in the associated gains and losses (to the extent that they are not borne by members).

Description of the funding arrangements.

Pooled employers are required to pay standard employer contributions and additional lump sum contributions to the fund.

The standard employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current standard employer contribution rates are:

Division B	1.9 times employee contributions for non-180 Point Members; Nil for 180 Point Members
Division C	2.5% salaries
Division D	1.64 times employee contributions

- For 180 Point Members, Employers are required to contribute 7% of salaries to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The additional lump sum contribution for each Pooled Employer is a share of the total additional contributions of \$40 million per annum from 1 July 2018 for 3 years to 30 June 2021, apportioned according to each employer's share of the accrued liabilities as at 30 June 2018. These additional lump sum contributions are used to fund the deficit of assets to accrued liabilities as at 30 June 2018.

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

Description of the extent to which Council can be liable to the plan for other Council's obligations under the terms and conditions of the multi-employer plan

As stated above, each sponsoring employer (Council) is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding additional contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the Council.

There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.

continued on next page ...

Page 64 of 90

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 21. Contingencies (continued)

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2020 was \$283,495.61. The last formal valuation of the Fund was undertaken by the Fund Actuary, Richard Boyfield FIAA as at 30 June 2019.

Council's expected contribution to the plan for the next annual reporting period is \$284,048.60.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2020 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	1,695.2	
Past Service Liabilities	1,773.2	95.6%
Vested Benefits	1,757.5	96.5%

* excluding member accounts and reserves in both assets and liabilities.

The share of this deficit that is broadly attributed to Council is estimated to be in the order of \$172,700 as at 30 June 2020.

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils. For this reason, no liability for the deficiency has been recognised in Council's accounts. Council has a possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

The key economic long term assumptions used to calculate the present value of accrued benefits are:

Investment return	5.75% per annum
Salary inflation *	3.5% per annum
Increase in CPI	2.5% per annum

* Plus promotional increases

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

(iv) Other guarantees

Council has provided no other guarantees other than those listed above.

2. Other liabilities**(i) Third party claims**

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

continued on next page ...

Page 65 of 90

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 21. Contingencies (continued)

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

(ii) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

(iii) Joint Venture

Council is a member of Mutual Management Services Ltd which is a company limited by guarantee and was created to provide administration services to the three CivicRisk self-insurance pools CivicRisk West (Westpool), CivicRisk Metro (Metropool) and CivicRisk (United Independent Pools).

Mutual Management Services operates as a mutual for the benefit of the member Councils which make up the combined CivicRisk membership.

Mutual Management Services was created to move the administration staff and responsibilities from CivicRisk West to a separate entity that provides the services to all three pools. The creation of the administration company was an internal structure change to assist with meeting commercial obligations rather than a change in the underlying operations.

ASSETS NOT RECOGNISED

(i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30 June 2008.

(ii) Infringement notices/fines

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 22. Financial risk management

Risk management

Council's activities expose it to a variety of financial risks including (1) price risk, (2) credit risk, (3) liquidity risk and (4) interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's finance section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's financial assets and financial liabilities recognised in the financial statements is presented below.

\$ '000	Carrying value 2020	Carrying value 2019	Fair value 2020	Fair value 2019
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	10,781	1,941	10,781	1,941
Receivables	3,461	4,495	4,000	4,495
Fair value through profit and loss				
Investments				
– 'Designated at fair value on initial recognition'	47,250	63,250	47,250	63,250
Total financial assets	61,492	69,686	62,031	69,686
Financial liabilities				
Payables	11,069	9,112	10,766	9,112
Loans/advances	6,208	6,898	6,208	6,898
Lease liabilities	1,313	–	1,313	–
Total financial liabilities	18,590	16,010	18,287	16,010

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings and held-to-maturity investments** – are based upon estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) 'at fair value through profit and loss' or (ii) 'available-for-sale' – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from its independent advisers (Imperium Markets) before placing any cash and investments.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance area manages the cash and Investments portfolio with the assistance of independent advisors (Imperium Markets).

continued on next page ...

Page 67 of 90

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 22. Financial risk management (continued)

Council has an investment policy which complies with the Local Government Act 1993 and Minister's investment order 625. This policy is regularly reviewed by Council and its staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance as required by Local Government regulations.

The risks associated with the instruments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

(a) Market risk – price risk and interest rate risk

The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.

\$ '000	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
2020				
Possible impact of a 1% movement in interest rates	580	580	(580)	(580)
2019				
Possible impact of a 1% movement in interest rates	652	652	(652)	(652)

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures. Council also encourages ratepayers to pay their rates by the due date through incentives.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

continued on next page ...

Page 68 of 90

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 22. Financial risk management (continued)

Credit risk profile

Receivables – rates and annual charges

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages the payment of debt.

\$ '000	Not yet overdue	< 1 year overdue	1 - 2 years overdue	2 - 5 years overdue	> 5 years overdue	Total
2020						
Gross carrying amount	–	1,064	64	45	43	1,216
2019						
Gross carrying amount	–	697	19	28	36	780

Receivables - non-rates and annual charges

Council applies the simplified approach for non-rates and annual charges debtors to provide for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision. To measure the expected credit losses, non-rates and annual charges debtors have been grouped based on shared credit risk characteristics and the days past due.

The loss allowance provision as at 30 June 2019 is determined as follows. The expected credit losses incorporate forward-looking information.

\$ '000	Not yet overdue	0 - 30 days overdue	31 - 60 days overdue	61 - 90 days overdue	> 91 days overdue	Total
2020						
Gross carrying amount	1,532	129	7	539	211	2,418
Expected loss rate (%)	0.00%	0.00%	0.00%	18.24%	80.08%	11.05%
ECL provision	–	–	–	98	169	267
2019						
Gross carrying amount	2,997	87	526	28	214	3,852
Expected loss rate (%)	0.00%	0.00%	0.00%	9.53%	62.40%	3.54%
ECL provision	–	–	–	3	134	137

continued on next page ...

Page 69 of 90

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 22. Financial risk management (continued)

(c) Liquidity risk

Payables, lease liabilities and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through diversification of borrowing types, maturities and interest rate structures. The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The timing of cash flows presented in the table below to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows.

The amounts disclosed in the table are the undiscounted contracted cash flows for non-lease liabilities and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

\$ '000	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in:		Total cash outflows	Actual carrying values
				1 - 5 Years	> 5 Years		
2020							
Trade/other payables	0.00%	4,446	6,320	–	–	10,766	10,766
Loans and advances	4.06%	–	1,039	3,958	1,211	6,208	6,208
Total financial liabilities		4,446	7,359	3,958	1,211	16,974	16,974
2019							
Trade/other payables	0.00%	4,373	4,686	–	–	9,059	9,112
Loans and advances	4.11%	–	1,040	4,494	1,364	6,898	6,898
Total financial liabilities		4,373	5,726	4,494	1,364	15,957	16,010

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 23. Material budget variations

Council's original financial budget for 2019-20 was adopted by the Council on 20/06/2019 and is unaudited.

While the Income Statement included in this General Purpose Financial Statements must disclose the original budget adopted by Council, the Local Government Act 1993 requires Council to review its financial budget on a quarterly basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This note sets out the details of **material variations** between Council's original budget and its actual results for the year as per the Income Statement – even though such variations may have been adjusted for during each quarterly budget review.

Material variations represent those variances between the original budget figure and the actual result that amount to **10%** or more.

Variation Key: **F** = Favourable budget variation, **U** = Unfavourable budget variation.

\$ '000	2020 Budget	2020 Actual	2020 ----- Variance -----		
REVENUES					
Rates and annual charges	29,276	30,448	1,172	4%	F
User charges and fees	9,687	8,453	(1,234)	(13)%	U
The variance is attributed to the impact COVID-19 has had on Council's Aquatic Centre through the shutdown causing loss of income in admissions and the cancellation of the Learn to Swim Programme. Council also provided rental assistance to our tenants and businesses throughout the local area for the period April to June 2020, which had an effect on obtaining budgetary targets. In addition building and construction income along with parking income were down.					
Other revenues	4,393	4,949	556	13%	F
The increase in income was attributed to increased policing of construction sites within the Burwood Town Centre and surrounding area, the impounding of abandoned shopping trolleys this income was not originally budgeted. In addition Council received insurance rebates on our Workers Compensation premiums along with environmental rebates.					
Operating grants and contributions	3,517	3,250	(267)	(8)%	U
Capital grants and contributions	4,530	34,980	30,450	672%	F
Section 7.4, 7.11 and 7.12 contributions were up on anticipated budget due to increased developments commencing within the Burwood Town Centre and Council taking control of a parcel of property and land (non-cash contribution) as part of a planning agreement. In addition Council received income from developers for works within the Burwood Town Centre and surrounding area along with additional RMS grant funding not originally budgeted.					
Interest and investment revenue	1,430	1,398	(32)	(2)%	U
Fair value increment on investment property	-	360	360	∞	F
In accordance with Legislative requirements Council obtains Valuation of it's Investment property. Council does not budget for any increase or decrements of it's property.					
Rental income	1,572	1,341	(231)	(15)%	U
The variance is attributed to the impact COVID-19 has had on Council's rental properties whereby Council provided rental assistance to our tenants which had an effect on obtaining budgetary targets.					
Joint ventures and associates – net profits	-	3	3	∞	F
Council does not budget for it's Joint Venture.					

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 23. Material budget variations

\$ '000	2020 Budget	2020 Actual	2020 ----- Variance -----		
EXPENSES					
Employee benefits and on-costs	21,693	20,403	1,290	6%	F
Borrowing costs	333	378	(45)	(14)%	U
Borrowing costs, or interest repaid on loans was over budgeted forecast due to the inception of AASB 16 Leases.					
Materials and contracts	11,653	16,882	(5,229)	(45)%	U
Each year there is some expenditure in the Capital Budget that ultimately does not meet capitalisation guidelines and is expensed in Materials and Contracts. For 2019/20 this amounted to \$2.46m.					
The variance is attributed to contracted staff which were unbudgeted totalling \$1.98m some costs offset were found within employee Costs and Other Expenses. An amount of \$1.19m in consultant fee associated with the development of the Local Strategic Planning & Housing Strategy. There were other minor ups and downs within the area having no material effects.					
Depreciation and amortisation	7,335	8,058	(723)	(10)%	U
Depreciation costs, was over budget to forecast mainly due to the inception of AASB 16 Leases - Right of Use Assets, along with two new Buildings coming on line late in 2017-18 financial year which was not taken into account when the budgets were formed and the continued renewal of Council's infrastructure assets.					
Other expenses	9,783	8,852	931	10%	F
The variance is attributed through continued savings in Insurance Premiums and Excesses with further savings in the areas of Waste and Trade Disposal costs, Printing and Stationery, Telephone and Internet charges, Computer Licences and Support Warranties, Water and Gas charges, Advertising, Motor Vehicle Insurance and CTP. In addition there were savings within the Councillors expenses.					
Net losses from disposal of assets	-	1,672	(1,672)	∞	U
Council writes off infrastructures assets as part of it's renewal programme replacing the written down value of the assets with the current replacement costs of the renewal.					
Joint ventures and associates – net losses	-	-	-	∞	F

STATEMENT OF CASH FLOWS

Cash flows from operating activities	14,149	17,670	3,521	25%	F
The variance between actual and budget can be attributed to increases in Rate income with new strata units coming online during the year associated with the Burwood Town Centre development, increased income through Shopping Trolley impounding fees and Workers Compensation premiums. There were also reductions in income associated with COVID-19 and Council granting rent relief for tenants and businesses. Council received unexpected Developer Contributions during the year. In addition there were savings in Employees Costs, however these savings were offset against increased Temporary Agency Staffing Levels, Consultancy and Legal costs.					
Cash flows from investing activities	(12,465)	(7,939)	4,526	(36)%	F
The variance between actual and budget was attributed to more than expected sale of Council investments due to COVID-19 and an increase in Capital Works programme.					
Cash flows from financing activities	(708)	(891)	(183)	26%	U
Variance attributed to borrowing costs, or interest paid due to the inception of AASB 16 Leases not budgeted.					

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, property, plant and equipment
- Investment property

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(1) Assets and liabilities that have been measured and recognised at fair values

2020	Date of latest valuation	Fair value measurement hierarchy		Total
		Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements				
Investment property				
Investment Property	30/06/20	4,340	–	4,340
Total investment property		4,340	–	4,340
Infrastructure, property, plant and equipment				
Plant and office equipment and furniture and fittings	30/06/20	–	19,590	19,590
Operational land	30/06/18	121,430	–	121,430
Community land	30/06/19	–	35,915	35,915
Land improvements – depreciable	30/06/16	–	12,580	12,580
Buildings – non-specialised	30/06/18	958	–	958
Buildings – specialised	30/06/18	–	93,887	93,887
Other structures	30/06/17	–	3,145	3,145
Roads	30/06/20	–	113,971	113,971
Footpaths and kerb and gutter	30/06/20	–	33,888	33,888
Drainage infrastructure	30/06/20	–	31,993	31,993
Swimming pools	30/06/18	–	3,081	3,081
Library books	30/06/16	–	379	379
Other assets	30/06/14	–	744	744
Openspace/Recreational	30/06/16	–	8,502	8,502
Other Road Assets	30/06/16	–	8,041	8,041
Total infrastructure, property, plant and equipment		122,388	365,716	488,104

continued on next page ...

Page 73 of 90

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

2019	Date of latest valuation	Fair value measurement hierarchy		Total
		Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements				
Investment property				
Investment Property	30/06/19	3,980	–	3,980
Total investment property		3,980	–	3,980
Infrastructure, property, plant and equipment				
Plant and office equipment and furniture and fittings	30/06/19	–	6,929	6,929
Operational land	30/06/18	121,430	–	121,430
Community land	30/06/18	–	41,312	41,312
Land improvements – depreciable	30/06/16	–	12,813	12,813
Buildings – non-specialised	30/06/18	1,047	–	1,047
Buildings – specialised	30/06/18	–	52,052	52,052
Other structures	30/06/17	–	2,995	2,995
Roads	30/06/16	–	140,410	140,410
Footpaths and kerb and gutter	30/06/16	–	38,439	38,439
Drainage infrastructure	30/06/16	–	28,650	28,650
Swimming pools	30/06/18	–	3,208	3,208
Library books	30/06/16	–	367	367
Other assets	30/06/14	–	236	236
Openspace/Recreational	30/06/16	–	7,692	7,692
Other Road Assets	30/06/16	–	7,155	7,155
Total infrastructure, property, plant and equipment		122,477	342,258	464,735

Note that capital WIP is not included above since it is carried at cost.

(2) Valuation techniques used to derive level 2 and level 3 fair values

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

Investment property

Council obtains independent valuations of its investment property on an annual basis and at the end of each reporting period to ensure the financial statements reflect the most up-to-date valuation. The best evidence of fair value is the current price in an active market for similar assets. The investment property valuation is included in level 2 of the hierarchy. The key unobservable input to the valuation is the price per square metre.

The fair value of the investment property is determined by an independent, qualified valuer on an annual basis who has experience in the location of the property. The Council reviews the valuation report and discusses significant movements with the valuer. As at 30 June 2020 the valuation of the investment property was performed by Scott Fullarton Valuations Pty Ltd, Director Scott Fullarton, FAPI, Certified Practising Valuer, Registered Valuer No. 2144.

There was a change to the valuation process during the reporting period.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

Infrastructure, property, plant and equipment (IPP&E)

Operational Land

This asset class comprises all of Council's land classified as Operational Land under the NSW Local Government Act 1993. The key unobservable input to the valuation is the price per square metre. The last comprehensive valuation was undertaken at 30 June 2018 and was performed by Scott Fullarton Valuations Pty Ltd, Director Scott Fullarton, FAPI, Certified Practising Valuer, Registered Valuer No. 2144. As at 30 June 2020 Scott Fullarton undertook a sample assessment of Council's buildings and a no material differences in value were noted.

Generally, fair value is the most advantageous price reasonably obtainable by the seller and the most advantageous price reasonably obtained by the buyer. This is not necessarily the market selling price of the asset, rather, it is regarded as the maximum value that Council would rationally pay to acquire the asset if it did not hold it, taking into account quoted market price in an active and liquid market, the current market price of the same or similar asset, if management intend to replace the asset, the remaining useful life and condition of the asset; and cash flows from the future use and disposal.

Buildings Non-Specialised

Buildings were valued by Scott Fullarton Valuations Pty Ltd, Director Scott Fullarton, FAPI, Certified Practising Valuer, Registered Valuer No. 2144 in June 2018 using the cost approach. As at 30 June 2020 Scott Fullarton undertook a sample assessment of Council's buildings and a no material differences in value were noted. The approach estimated the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. While all buildings were physically inspected inputs such as estimates of residual value and pattern of consumption required extensive professional judgement and impacted significantly on the final determination of fair value. Non-Specialised buildings were classified as having been valued using Level 2 valuation inputs.

Plant & Equipment, Office Equipment and Furniture & Fittings

Plant & Equipment, Office Equipment and Furniture & Fittings are valued at cost but disclosed at fair value in the notes. The carrying amount of these assets is assumed to approximate fair value due to the nature of the items. Examples of assets within these classes are as follows:

- Plant and Equipment – Trucks, tractors, ride-on mowers, street sweepers, earthmoving equipment, mini vans and motor vehicles
- Office Equipment – Computer equipment, flat screen monitors, whiteboards, refrigerators etc
- Furniture & Fittings – Chairs, desks and display systems

The key unobservable inputs to the valuation are the remaining useful life and the residual value.

Community Land

Valuations of all Council's Community Land and Council managed land were based on either the land values provided by the Valuer-General or an average unit rate based on the land values for similar properties where the Valuer-General did not provide a land value having regard to the highest and best use for this land. As these rates were not considered to be observable market evidence they have been classified as Level 3.

Land Improvements – Depreciable

This asset class comprises land improvements such as gardens, mulched areas, wetlands, streetscaping and landscaping. These assets may be located on parks, reserves and also within road reserves. 'Land Improvements' were valued in-house using the cost approach by experienced Council engineering staff.

The cost approach has been utilised whereby the replacement cost was estimated for each asset by taking into account a range of factors. Inputs such as estimates of pattern of consumption, residual value, asset condition and useful life required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were all classified as having been valued using Level 3 valuation inputs. There has been no change to the valuation process during the reporting period.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

Buildings - Specialised

Buildings were valued by Scott Fullarton Valuations Pty Ltd, Director Scott Fullarton, FAPI, Certified Practising Valuer, Registered Valuer No. 2144 in June 2018 using the cost approach. As at 30 June 2020 Scott Fullarton undertook a sample assessment of Council's buildings and a no material differences in value were noted. The approach estimated the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. While all buildings were physically inspected inputs such as estimates of residual value and pattern of consumption required extensive professional judgement and impacted significantly on the final determination of fair value. Specialised buildings were classified as having been valued using Level 3 valuation inputs. As at 30 June 2020 Scott Fullarton undertook a sample assessment of Council's buildings and a no material differences in value were noted.

Other Structures

This asset class comprises retaining walls, shade structures and filtration system and shed.

The cost approach has been utilised whereby the replacement cost was estimated for each asset by taking into account a range of factors. Inputs such as estimates of pattern of consumption, residual value, asset condition and useful life required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were all classified as having been valued using Level 3 valuation inputs. There has been no change to the valuation process during the reporting period.

Roads

This asset class comprises the Road Carriageway and Suburb Markers. The road carriageway is defined as the trafficable portion of a road, between but not including the kerb and gutter. The 'Cost Approach' using Level 3 inputs was used to value the road carriageway and other road infrastructure. Valuations for the road carriageway, comprising surface, pavement and formation were based on calculations carried out by JRA, Jeff Roorda Associates during 2020, utilising the detailed pavement information residing in Council's Asset Management System - "Assetic System".

The cost approach was utilised with inputs such as estimates pattern of consumption, asset condition and useful life requiring extensive professional judgement which impacted significantly on the final determination of fair value. Additionally due to limitations in the historical records of very long lived assets there some uncertainty regarding the actual design, specifications and dimensions of some assets.

Footpaths and Kerb & Gutter

Footpaths were valued by JRA, Jeff Roorda Associates during 2020 using the cost approach. Footpaths and Kerb & Gutter were segmented to match the adjacent road segment where possible and no further componentisation was undertaken. Footpaths and Kerb & Gutter were originally mapped and condition assessed using a combination of video condition assessment and physical inspection. Condition information is updated as changes in the network are observed through regular inspections.

Other Road assets

This asset class comprises Roundabouts, Speed humps, Traffic calming devices, Street Furniture, Bus Shelters and Fencing, These assets were valued by JRA, Jeff Roorda Associates during 2016 using the cost approach method utilising inputs such as estimated asset condition and useful life requiring extensive professional judgement which impacted significantly on the final determination of fair value.

Drainage Infrastructure

These assets within this class comprise pits, pipes, open channels, headwalls and various types of water quality devices. The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. The Level of componentisation adopted by Council is in accordance with OLG Circular 09-09 and the Institute of Public Works Engineers Australia's International Infrastructure Management Manual (IIMM). Inputs such as estimates of the pattern of consumption, asset condition and useful life required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally due to limitations in the historical records of very long lived assets there is uncertainty regarding the actual design, specifications and dimensions of some assets. The Drainage system was valued by JRA, Jeff Roorda Associates during 2020 using the cost approach.

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

Swimming Pools

Assets within this class comprise Council's Enfield Aquatic Centre. The indoor and outdoor pools at the aquatic centre was valued by Scott Fullarton Valuations Pty Ltd in June 2018 using the cost approach. As at 30 June 2020 Scott Fullarton undertook a sample assessment of Council's buildings and a no material differences in value were noted. The approach estimated the replacement cost for each pool by componentising its significant parts.

Inputs such as estimates of the pattern of consumption, asset condition and useful life required extensive professional judgement which impacted significantly on the final determination of fair value. There has been no change to the valuation process during the reporting period.

Other Open Space/Recreational Assets

Assets within this class comprise tennis courts and fencing, synthetic turf surfaces, barbeques, playground equipment, shade structures and soft fall, park furniture, park lighting, fitness equipment, bocce courts, gazebos and signage which were valued by Jeff Roorda and Associates in June 2016 using the cost approach method.

Inputs such as estimates of the pattern of consumption, asset condition and useful life required extensive professional judgement which impacted significantly on the final determination of fair value.

During the financial year Council received Grant Funding for Blair Park included Flood Lighting, Playground, Picnic Shelters, Fencing and park Seating. Also during the year Council replaced Sports Field Lighting, Cricket Practice Nets, Shelters and BBQ's and Exercise Equipment at Henley Park and one Playground at Sanders Reserve. Costs to build were current costs and the written down values of those assets replaced were written off.

Library Books

Library Books are valued at cost but are disclosed at fair value in the notes. The carrying amount of these assets is assumed to approximate fair value due to the nature of the items.

Council reviews the value of these assets against quoted prices for the gross current replacement cost of similar assets and by taking account of the pattern of consumption, estimated remaining useful life and the residual value. There has been no change to the valuation process during the reporting period.

Other Assets

This asset class comprises all other assets which do not fall into the above asset classes ie, Planter Boxes, Hanging Baskets.

Non-current assets classified as 'held for sale'

Council does not have assets classified as "held for sale".

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

(3) Fair value measurements using significant unobservable inputs (level 3)

a. The following tables present the changes in level 3 fair value asset classes.

\$ '000	Investment property	Plant and Equipment	Operational Land	Community Land	Land Improvement – depreciable
2019					
Opening balance	3,820	6,492	121,430	36,583	12,908
Purchases (GBV)	–	2,204	–	–	219
Disposals (WDV)	–	(397)	–	–	(31)
Depreciation and impairment	–	(1,369)	–	–	(285)
Fair value adjustment	160	–	–	4,728	–
Closing balance	3,980	6,930	121,430	41,311	12,811
2020					
Opening balance	3,980	6,930	121,430	41,312	12,813
Purchases (GBV)	–	14,645	–	1,150	67
Disposals (WDV)	–	(522)	–	–	(18)
Depreciation and impairment	–	(1,463)	–	–	(282)
Fair value adjustment	360	–	–	(6,547)	–
Closing balance	4,340	19,590	121,430	35,915	12,580

\$ '000	Buildings	Other structures	Other road assets	Open Space / Recreational	Roads
2019					
Opening balance	52,296	2,987	6,756	6,807	140,763
Purchases (GBV)	2,141	125	697	1,473	2,205
Disposals (WDV)	(23)	–	(91)	(251)	(568)
Depreciation and impairment	(1,315)	(117)	(207)	(338)	(1,989)
Closing balance	53,099	2,995	7,155	7,691	140,411
2020					
Opening balance	53,099	2,995	7,155	7,691	140,411
Purchases (GBV)	22,457	260	1,151	1,242	1,995
Disposals (WDV)	–	–	(42)	(52)	(350)
Depreciation and impairment	(1,494)	(110)	(223)	(379)	(2,007)
Fair value adjustment	20,783	–	–	–	(26,078)
Closing balance	94,845	3,145	8,041	8,502	113,971

continued on next page ...

Page 78 of 90

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

\$ '000	Footpaths	Drainage	Swimming pool
2019			
Opening balance	37,057	27,848	3,326
Purchases (GBV)	3,396	1,500	11
Disposals (WDV)	(1,290)	(27)	-
Depreciation and impairment	(724)	(671)	(127)
Closing balance	38,439	28,650	3,210
2020			
Opening balance	38,439	28,650	3,209
Purchases (GBV)	2,123	756	-
Disposals (WDV)	(1,004)	(42)	-
Depreciation and impairment	(734)	(677)	(128)
Fair value adjustment	(4,936)	3,306	-
Closing balance	33,888	31,993	3,081
\$ '000	Library books	Other Assets	Total
2019			
Opening balance	344	444	459,861
Transfer to Intangible Assets (Note 11)	-	(269)	(269)
Purchases (GBV)	141	88	14,200
Disposals (WDV)	-	-	(2,678)
Depreciation and impairment	(118)	(27)	(7,287)
Fair value adjustment	-	-	4,888
Closing balance	367	236	468,715
2020			
Opening balance	367	236	468,717
Purchases (GBV)	142	561	46,549
Disposals (WDV)	-	(2)	(2,032)
Depreciation and impairment	(130)	(51)	(7,678)
Fair value adjustment	-	-	(13,112)
Closing balance	379	744	492,444

b. Information relating to the transfers into and out of the level 3 fair valuation hierarchy (as disclosed in the table above) includes:

There are no transfers identified in the above table.

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

c. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 3 asset class fair values.

	Valuation technique/s	Unobservable inputs
Investment properties		
Commercial Office and Retail	Qualified Valuer	<ul style="list-style-type: none"> • Estimated rental value (rate per square metre) • Rental Yield

continued on next page ...

Page 80 of 90

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

	Valuation technique/s	Unobservable inputs
Infrastructure, property, plant and equipment		
Operational Land	Qualified Valuer	• Price per square metre
Buildings – Non Specialised	Qualified Valuer	• Gross Replacement Cost • Asset Condition • Remaining useful life • Residual value
Plant & Equipment, Office Equipment and Furniture & Fittings	Cost approach	• Gross Replacement Cost • Remaining useful life • Residual value
Community Land	Land values obtained from the NSW Valuer General	• Unimproved Capital Value (price per square metre)
Land Improvements – depreciable	Cost approach	• Gross Replacement Cost • Asset Condition • Remaining useful life • Residual value
Buildings - Specialised	Qualified Valuer	• Gross Replacement Cost • Asset Condition • Remaining useful life • Residual value
Other Structures	Cost approach	• Gross Replacement Cost • Asset Condition • Remaining useful life
Roads	Qualified Valuer	• Gross Replacement Cost • Asset Condition • Remaining useful life
Footpaths	Qualified Valuer	• Gross Replacement Cost • Asset Condition • Remaining useful life
Other Road Assets	Qualified Valuer	• Gross Replacement Cost • Asset Condition • Remaining useful life
Drainage Infrastructure	Qualified Valuer	• Gross Replacement Cost • Asset Condition • Remaining useful life
Swimming Pools	Qualified Valuer	• Gross Replacement Cost • Asset Condition • Remaining useful life
Library Books	Cost approach	• Gross Replacement Cost • Asset Condition • Remaining useful life
Other - Open Space / Recreational	Qualified Valuer	• Gross Replacement Cost • Asset Condition • Remaining useful life
Other Assets	Cost approach	• Gross Replacement Cost • Asset Condition • Remaining useful life • Residual value

d. The valuation process for level 3 fair value measurements

Valuation process has been incorporated within 3 above.

(4) Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 25. Related party disclosures

(a) Key management personnel

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

\$ '000	2020	2019
Compensation:		
Short-term benefits	975	1,200
Post-employment benefits	65	145
Other long-term benefits	46	20
Termination benefits	-	446
Total	1,086	1,811

(b) Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed.

There have been no transactions identified through the related party disclosure process indicating to be any significant disclosures from Key Management Persons during the year ended 30 June 2020.

(c) Other related party transactions

There were no other related party transactions identified through the related party disclosure process during the year ended 30 June 2020.

Note 26. Events occurring after the reporting date

Council is unaware of any material or significant 'non-adjusting events' that should be disclosed.

Burwood Council

Financial Statements 2020

Notes to the Financial Statements
for the year ended 30 June 2020
Note 27 . Statement of developer contributions

Under the *Environmental Planning and Assessment Act 1979*, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas.

It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

Summary of contributions and levies

	as at 30/06/19				as at 30/06/20			
	Opening Balance	Contributions received during the year Cash	Non-cash	Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
Traffic facilities	292	-	-	1	(161)	-	132	-
Parking	325	-	-	1	-	-	326	-
Burwood town centre	9,236	4,774	-	46	(8,139)	-	5,917	-
Burwood LGA	774	707	-	5	(347)	-	1,139	-
S7.11 contributions – under a plan	10,627	5,481	-	53	(8,647)	-	7,514	-
Total S7.11 and S7.12 revenue under plans	10,627	5,481	-	53	(8,647)	-	7,514	-
S7.4 planning agreements	8,632	3,869	22,016	45	(2,793)	-	9,753	-
Total contributions	19,259	9,350	22,016	98	(11,440)	-	17,267	-

S7.11 Contributions – under a plan

CONTRIBUTION PLAN NUMBER - 94A New LEP								
Traffic facilities	292	-	-	1	(161)	-	132	-
Parking	325	-	-	1	-	-	326	-
Burwood town centre	9,236	4,774	-	46	(8,139)	-	5,917	-
Burwood LGA	774	707	-	5	(347)	-	1,139	-
Total	10,627	5,481	-	53	(8,647)	-	7,514	-

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 28(a). Statement of performance measures – consolidated results

\$ '000	Amounts 2020	Indicator 2020	2019	Prior periods 2018	2017	Benchmark
1. Operating performance ratio						
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	(4,734)	(9.50)%	3.38%	6.96%	5.58%	>0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	49,839					
2. Own source operating revenue ratio						
Total continuing operating revenue excluding all grants and contributions ¹	46,589	54.93%	77.79%	71.91%	83.95%	>60.00%
Total continuing operating revenue	84,819					
3. Unrestricted current ratio						
Current assets less all external restrictions	42,086	2.96x	4.67x	4.90x	4.43x	>1.50x
Current liabilities less specific purpose liabilities	14,214					
4. Debt service cover ratio						
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	3,702	2.92x	10.16x	13.49x	12.40x	>2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	1,269					
5. Rates, annual charges, interest and extra charges outstanding percentage						
Rates, annual and extra charges outstanding	1,305	4.16%	2.90%	2.61%	2.45%	<5.00%
Rates, annual and extra charges collectible	31,379					
6. Cash expense cover ratio						
Current year's cash and cash equivalents plus all term deposits	36,781	8.34	10.47	10.77	11.40	>3.00
Monthly payments from cash flow of operating and financing activities	4,409	mths	mths	mths	mths	mths

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies

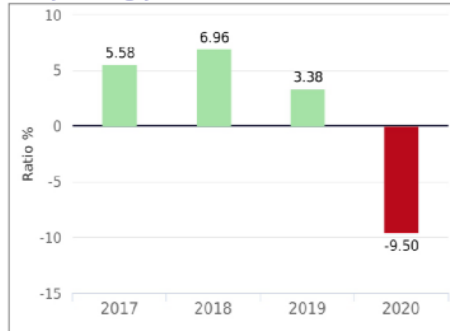
(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

Burwood Council

Notes to the Financial Statements
for the year ended 30 June 2020

Note 28(b). Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio



Purpose of operating performance ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Commentary on 2019/20 result

2019/20 ratio (9.50)%

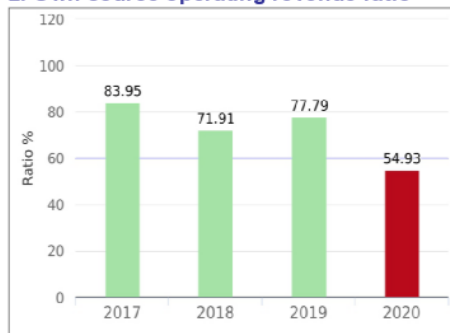
Council's operating performance ratio has reduced substantially during the year due to increased expenditure reliance on consultants and temporary staffing contracts and the effect of Covid 19 on Council's income streams.

Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark
Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary on 2019/20 result

2019/20 ratio 54.93%

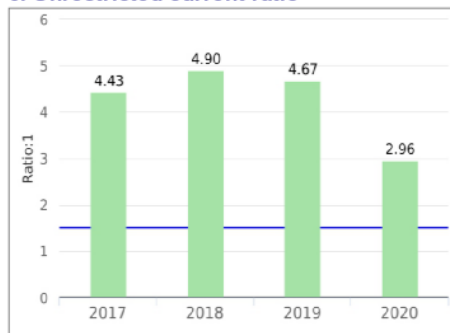
The ratio has fallen due to the large amount of \$7.12 contributions received during the year along with the effects of Covid 19 on Council's income streams over the 4th quarter of the year.

Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark
Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

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

Commentary on 2019/20 result

2019/20 ratio 2.96x

Council's liquidity remains strong and well above the 1.5% benchmark.

Benchmark: — > 1.50x

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

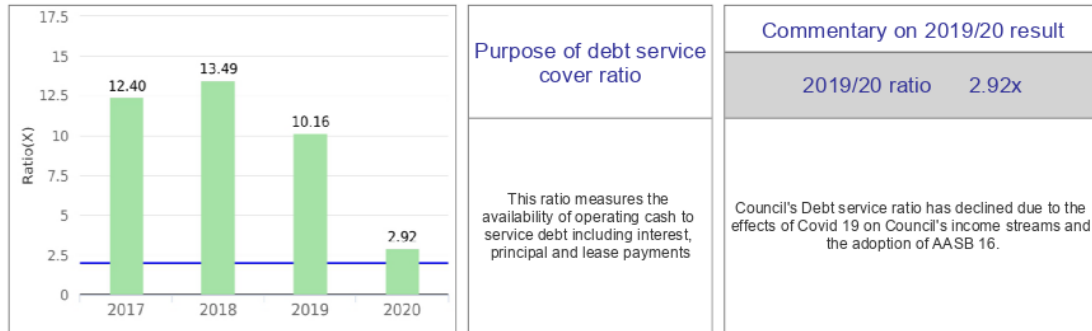
Ratio achieves benchmark
Ratio is outside benchmark

Burwood Council

Notes to the Financial Statements
for the year ended 30 June 2020

Note 28(b). Statement of performance measures – consolidated results (graphs)

4. Debt service cover ratio



Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2019/20 result

2019/20 ratio 2.92x

Council's Debt service ratio has declined due to the effects of Covid 19 on Council's income streams and the adoption of AASB 16.

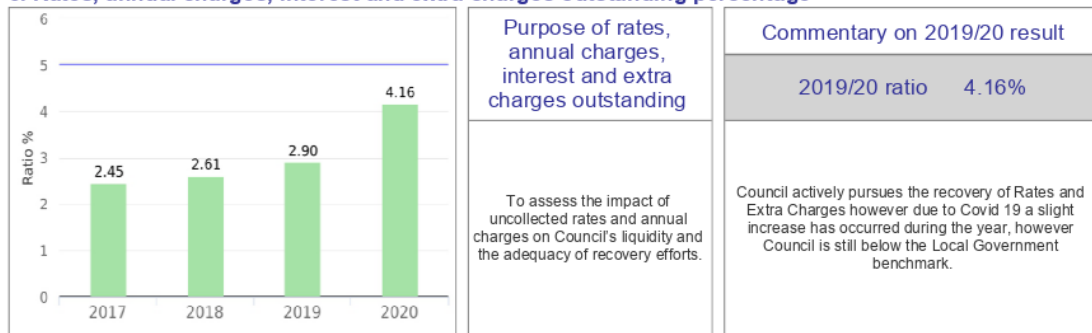
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates, annual charges, interest and extra charges outstanding percentage



Purpose of rates, annual charges, interest and extra charges outstanding

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

Commentary on 2019/20 result

2019/20 ratio 4.16%

Council actively pursues the recovery of Rates and Extra Charges however due to Covid 19 a slight increase has occurred during the year, however Council is still below the Local Government benchmark.

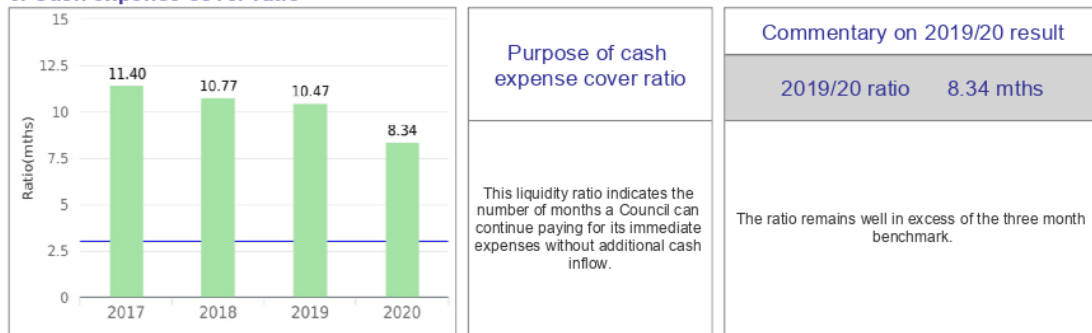
Benchmark: — < 5.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

6. Cash expense cover ratio



Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on 2019/20 result

2019/20 ratio 8.34 mths

The ratio remains well in excess of the three month benchmark.

Benchmark: — > 3.00mths

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

Burwood Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 29. Financial review

\$ '000	2020	2019	2018	2017	2016
Key financial figures of Council over the past 5 years					
Inflows:					
Rates and annual charges revenue	30,448	28,600	26,933	24,927	22,888
User charges revenue	8,453	11,151	11,622	10,235	9,563
Interest and investment revenue (losses)	1,398	1,828	1,392	1,215	2,048
Grants income – operating and capital	3,897	6,949	4,652	4,217	3,786
Total income from continuing operations	85,182	60,681	63,075	49,219	50,962
Sale proceeds from I,PP&E	401	2,293	442	2,357	781
New loan borrowings and advances	–	1,000	1,000	–	–
Outflows:					
Employee benefits and on-cost expenses	20,403	19,649	17,885	17,462	17,634
Borrowing costs	378	345	325	335	354
Materials and contracts expenses	16,882	12,943	11,796	10,201	10,956
Total expenses from continuing operations	56,245	49,312	46,593	42,479	42,815
Total cash purchases of I,PP&E	24,180	13,550	12,994	10,311	17,700
Total loan repayments (incl. finance leases)	908	596	466	444	422
Operating surplus/(deficit) (excl. capital income)	(6,043)	1,367	2,318	2,786	(9)
Financial position figures					
Current assets	62,711	67,176	51,911	48,993	43,690
Current liabilities	22,643	17,791	17,059	17,109	16,588
Net current assets	40,068	49,385	34,852	31,884	27,102
Available working capital (Unrestricted net current assets)	(5,254)	1,012	1,109	(1,552)	(2,081)
Cash and investments – unrestricted	3,173	5,908	5,813	5,274	3,263
Cash and investments – internal restrictions	34,479	33,588	28,701	26,633	21,124
Cash and investments – total	58,031	65,191	57,187	46,077	39,449
Total borrowings outstanding (Loans, advances and finance leases)	6,208	6,898	6,494	5,960	6,404
Total value of I,PP&E (excl. land and earthworks)	568,573	466,495	460,630	449,094	439,889
Total accumulated depreciation	236,891	163,794	161,602	161,432	159,098
Indicative remaining useful life (as a % of GBV)	58%	65%	65%	64%	64%

Source: published audited financial statements of Council (current year and prior year)

Burwood Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 30. Council information and contact details

Principal place of business:2 Conder Street
Burwood NSW 2134**Mailing address:**PO Box 240
Burwood NSW 1805**Telephone:** 02 9911 9911**Facsimile:** 02 9911 9900**Opening hours:**8.30am to 4.45pm
Monday to Friday**Internet:** www.burwood.nsw.gov.au**Email:** council@burwood.nsw.gov.au**Officers****Tommaso Briscese**
General Manager**Wayne Armitage**

Responsible Accounting Officer

Tanya Whitmarsh

Public Officer

AuditorsAudit Office of New South Wales
Level 19, Darling Park Tower 2
201 Sussex Street
Sydney NSW 2000**Elected members**

Councillor Faker

Mayor**Councillors**

Councillor Fumeaux-Cook

Councillor Chan

Councillor Crichton

Councillor Del Duca

Councillor Dixit

Councillor Mannah

Other information**ABN:** 84 362 114 428

Burwood Council

SPECIAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2020

*A well connected, sustainable and safe community that
embraces and celebrates its culture and diversity.*



Burwood Council

Special Purpose Financial Statements 2020

Special Purpose Financial Statements
for the year ended 30 June 2020

Council has no business activities in the context of National Competition Policy

Burwood Council

SPECIAL SCHEDULES
for the year ended 30 June 2020

*A well connected, sustainable and safe community that
embraces and celebrates its culture and diversity.*



Burwood Council

Special Schedules 2020

Special Schedules

for the year ended 30 June 2020

Contents	Page
Special Schedules	
Permissible income for general rates	3
Report on Infrastructure Assets - Values	4

Burwood Council

Special Schedules 2020

Permissible income for general rates

\$ '000	Notes	Calculation 2020/21	Calculation 2019/20
Notional general income calculation ¹			
Last year notional general income yield	a	24,061	22,454
Plus or minus adjustments ²	b	859	588
Notional general income	c = a + b	24,920	23,042
Permissible income calculation			
Special variation percentage ³	d	4.50%	4.70%
Plus special variation amount	h = d x (c + g)	1,121	1,083
Sub-total	k = (c + g + h + i + j)	26,041	24,125
Less valuation objections claimed in the previous year	m	(5)	(69)
Sub-total	n = (l + m)	(5)	(69)
Total permissible income	o = k + n	26,036	24,056
Less notional general income yield	p	26,034	24,061
Catch-up or (excess) result	q = o - p	2	(5)
Plus income lost due to valuation objections claimed ⁴	r	-	5
Carry forward to next year ⁶	t = q + r + s	2	-

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the Valuation of Land Act 1916.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the NSW Government Gazette in accordance with section 512 of the Local Government Act 1993. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.

Burwood Council

Special Schedules 2020

Report on Infrastructure Assets
as at 30 June 2020

Asset Class	Asset Category	Estimated cost to bring assets agreed level of to satisfactory standard \$ '000	Estimated cost to bring assets agreed level of service set by Council maintenance \$ '000	2019/20 Required maintenance \$ '000	2019/20 Actual maintenance \$ '000	Net carrying amount \$ '000	Gross replacement cost (GRC) \$ '000	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
(a) Report on Infrastructure Assets - Values												
Buildings												
	Council Offices / Administration Centre	100	100	200	246	52,124	52,124	100.0%	0.0%	0.0%	0.0%	
	Council Works Depot	600	600	150	147	480	2,390	0.0%	0.0%	100.0%	0.0%	
	Council Public Halls	250	250	160	209	5,896	6,419	70.0%	30.0%	0.0%	0.0%	
	Libraries	-	-	160	311	11,416	13,854	100.0%	0.0%	0.0%	0.0%	
	Other Buildings	230	230	60	127	397	613	80.0%	20.0%	0.0%	0.0%	
	Child Care Centres	50	50	70	18	3,180	5,291	0.0%	100.0%	0.0%	0.0%	
	Amenities Buildings	80	80	80	127	2,826	5,763	20.0%	10.0%	70.0%	0.0%	
	SES	100	100	-	6	208	998	0.0%	0.0%	100.0%	0.0%	
	Council Houses	520	520	70	63	958	4,174	0.0%	17.0%	83.0%	0.0%	
	Car Park	90	90	150	461	17,358	19,341	50.0%	50.0%	0.0%	0.0%	
	Sub-total	2,020	2,020	1,100	1,715	94,845	110,967	73.7%	16.5%	7.7%	2.2%	0.0%
Other structures												
	Other structures	200	200	250	603	3,145	3,179	60.0%	15.0%	15.0%	10.0%	0.0%
	Sub-total	200	200	250	603	3,145	3,179	60.0%	15.0%	15.0%	10.0%	0.0%
Roads												
	Other road assets	-	-	330	338	8,041	9,075	0.0%	11.0%	43.0%	27.0%	19.0%
	Sealed Roads Surface	16,253	16,253	300	430	13,481	45,802	24.0%	26.0%	37.0%	10.0%	3.0%
	Sealed Roads Structure	977	977	318	421	100,488	174,658	7.0%	29.0%	59.0%	5.0%	0.0%
	Footpaths	-	-	594	1,356	16,505	35,164	2.0%	24.0%	73.0%	0.0%	1.0%
	Kerb & Gutter	-	-	232	180	17,383	37,994	2.0%	38.0%	7.0%	17.0%	36.0%
	Sub-total	17,230	17,230	1,774	2,725	155,900	302,693	8.2%	28.6%	50.3%	7.3%	5.7%
Stormwater drainage												
	Stormwater Pipes	7,061	7,061	570	218	24,064	66,205	21.0%	40.0%	8.0%	8.0%	23.0%
	Stormwater Pits and Grates	1,538	1,538	81	81	7,929	15,479	10.0%	28.0%	38.0%	11.0%	13.0%
	Sub-total	8,599	8,599	651	299	31,993	81,684	18.9%	37.7%	13.7%	8.6%	21.1%
Open space / recreational assets												
	Swimming pools	700	700	400	553	3,081	6,018	25.0%	45.0%	30.0%	0.0%	0.0%
	Open space / Recreational	-	-	2,000	2,721	8,502	10,113	52.0%	25.0%	22.0%	1.0%	0.0%
	Sub-total	700	700	2,400	3,274	11,583	16,131	41.9%	32.5%	25.0%	0.6%	0.0%
	TOTAL - ALL ASSETS	28,749	28,749	6,175	8,616	297,466	514,654	25.4%	27.4%	34.3%	6.2%	6.7%

(a) Required maintenance is the amount identified in Council's asset management plans.

continued on next page ...

Burwood Council

Special Schedules 2020

Report on Infrastructure Assets - Values (continued)
as at 30 June 2020

Infrastructure asset condition assessment 'key'

- 1 **Excellent/very good** No work required (normal maintenance)
- 2 **Good** Only minor maintenance work required
- 3 **Satisfactory** Maintenance work required
- 4 **Poor** Renewal required
- 5 **Very poor** Urgent renewal/upgrading required

continued on next page ...

Burwood Council

Report on Infrastructure Assets (continued)

as at 30 June 2020

\$ '000	Amounts 2020	Indicator 2020	2019	Prior periods 2018	2017	Benchmark
Infrastructure asset performance indicators (consolidated) *						
Buildings and infrastructure renewals ratio ¹						
Asset renewals ²	7,049					
Depreciation, amortisation and impairment	5,752	122.55%	152.73%	170.63%	117.71%	>=100.00%
Infrastructure backlog ratio ¹						
Estimated cost to bring assets to a satisfactory standard	28,749					
Net carrying amount of infrastructure assets	297,466	9.66%	6.97%	7.42%	7.28%	<2.00%
Asset maintenance ratio						
Actual asset maintenance	8,616					
Required asset maintenance	6,175	139.53%	119.68%	120.42%	102.59%	>100.00%
Cost to bring assets to agreed service level						
Estimated cost to bring assets to an agreed service level set by Council	28,749	5.59%	4.57%	5.03%	5.16%	
Gross replacement cost	514,654					

(*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Excludes Work In Progress (WIP)

(2) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Burwood Council

Special Schedules 2020

Report on Infrastructure Assets (continued)
as at 30 June 2020

Buildings and infrastructure renewals ratio



Buildings and infrastructure renewals ratio

19/20 ratio 122.55%

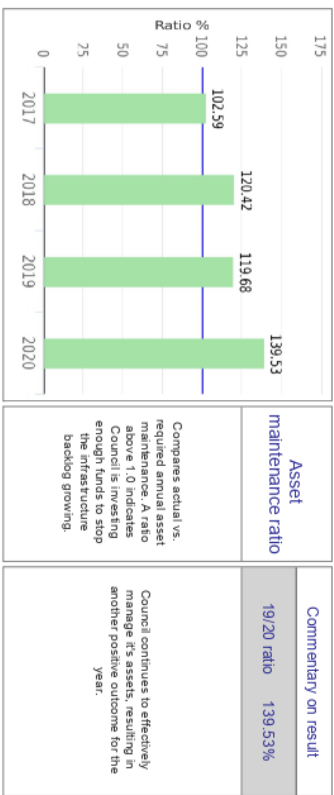
Commentary on result

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

Council continues with its strategic asset management programme delivering another positive result for the year.

Ratio achieves benchmark

Asset maintenance ratio



Asset maintenance ratio

19/20 ratio 139.53%

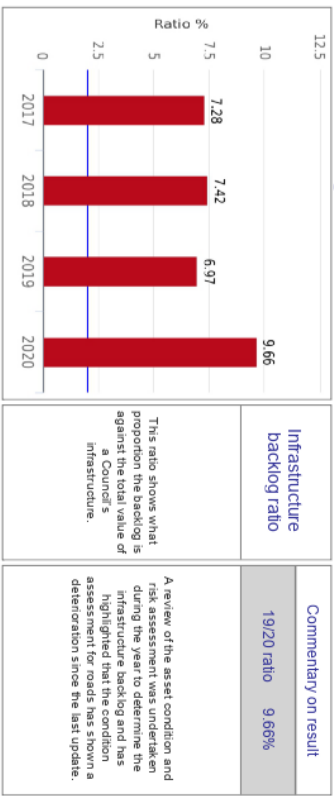
Commentary on result

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

Council continues to effectively manage its assets, resulting in another positive outcome for the year.

Ratio achieves benchmark

Infrastructure backlog ratio



Infrastructure backlog ratio

19/20 ratio 9.66%

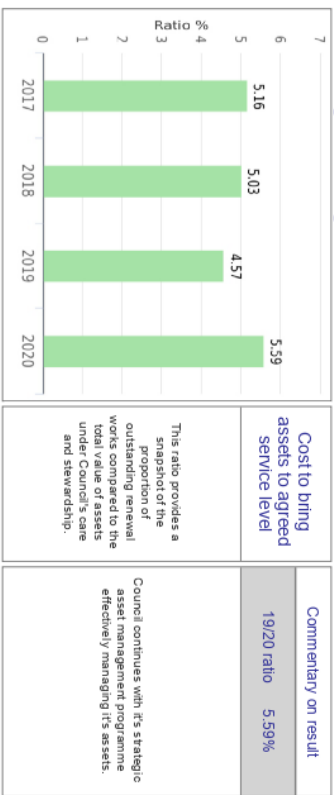
Commentary on result

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

A review of the asset condition and risk assessment was undertaken during the year to determine the infrastructure backlog and has highlighted that the condition assessment for roads has shown a deterioration since the last update.

Ratio is outside benchmark

Cost to bring assets to agreed service level



Cost to bring assets to agreed service level

19/20 ratio 5.59%

Commentary on result

This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.

Council continues with its strategic asset management programme effectively managing its assets.

Ratio is outside benchmark

(ITEM 102/20) INVESTMENT REPORT AS AT 30 SEPTEMBER 2020

File No: 20/45328

REPORT BY GROUP MANAGER FINANCE AND RESOURCE MANAGEMENT

Summary

In accordance with Clause 212 of the *Local Government (General) Regulation 2005*, this report details all money that Council has invested under Section 625 of the *Local Government Act 1993*.

Operational Plan Objective

2.3.1 Identify and maintain additional revenue sources to ensure financial sustainability

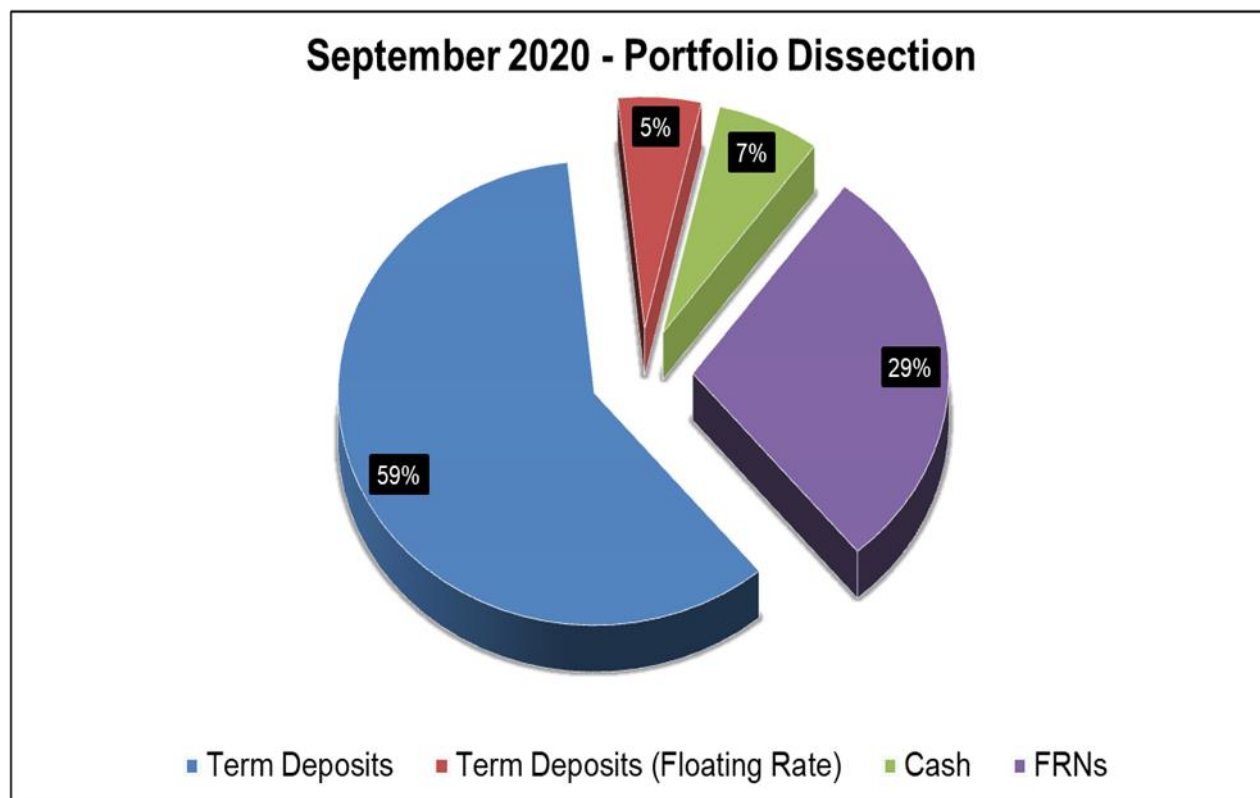
Background

As provided for in Clause 212 of the *Local Government (General) Regulation 2005*, a report listing Council's investments must be presented to Council.

Council's investments are made up of a number of direct investments some of which are managed or advised by external agencies.

Investment Portfolio

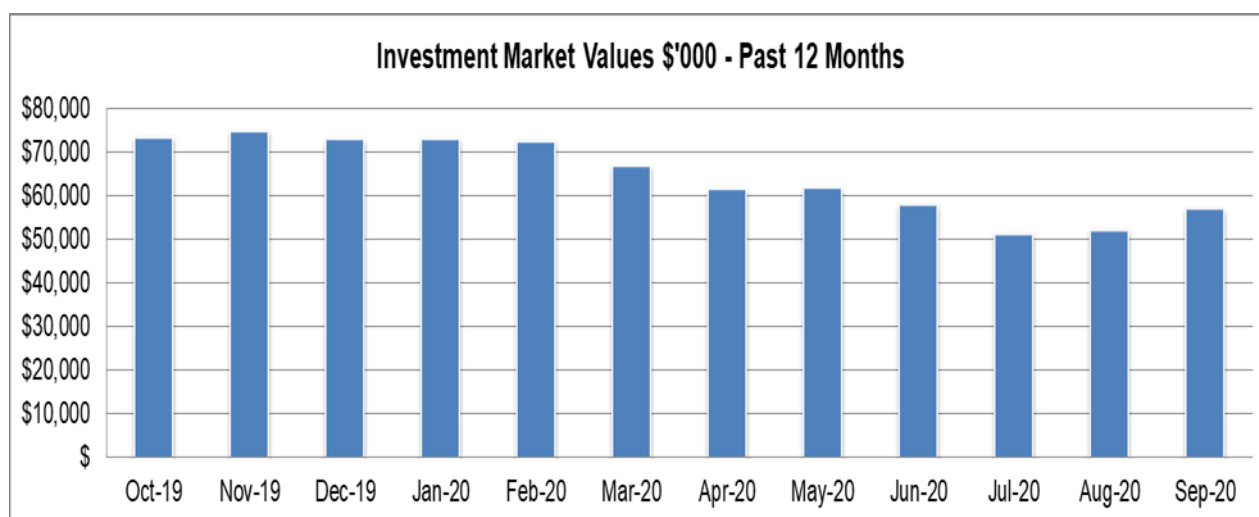
Council has a diversified investment portfolio and has a number of direct investments in term deposits. Its investment portfolio as at 30 September 2020 is:



As at 30 September 2020 Council held the following term deposits:

Purchase Date	Financial Institution	Principal Amount	Interest Rate	Investment Days	Maturity Date
13 May 20	AMP Bank (Imperium)	2,000,000	1.40%	61	13 Jul 20
14 Jul 20	Westpac	4,000,000	0.89%	730	14 Jul 22
14 Jul 20	National Australia Bank	4,000,000	0.90%	730	14 Jul 22
31 Aug 20	Westpac	4,000,000	0.83%	543	25 Feb 22
31 Aug 20	National Australia Bank	3,000,000	0.80%	365	31 Aug 21
31 Aug 20	Westpac	3,000,000	0.78%	365	31 Aug 21
09 Sep 20	Commonwealth Bank	4,000,000	0.64%	271	07 Jun 21
10 Sep 20	National Australia Bank	3,000,000	0.73%	180	09 Mar 21
24 Sep 20	Suncorp-Metway	4,000,000	0.65%	180	23 Mar 21
29 Sep 20	Commonwealth Bank	3,000,000	0.54%	59	27 Nov 20
Total		34,000,000			

The following graph highlights Council's investment balances for the past 12 months:



Council's investment portfolio is recognised at market value and some of its investments are based on the midpoint valuations of the underlying assets and are subject to market conditions that occur over the month.

Council's investment balances as at reporting date and for the previous two months are detailed in Attachment 1. Definitions on the types of investments are detailed in Attachment 2.

Investment Performance and Market Commentary

At the Reserve Bank of Australia (RBA) meeting on the 6 October 2020, the Board decided to maintain the current policy settings, including the targets for the official interest rate at 0.25%. According to the RBA Governor "...The Board took this decision stating that the global economy is gradually recovering after a severe contraction due to the pandemic. However, the recovery is uneven and its continuation is dependent on containment of the virus. While infection rates have declined in some countries, they have increased in others. The recovery is most advanced in China, where conditions have improved substantially over recent months. Globally, inflation remains very low and below central bank targets.

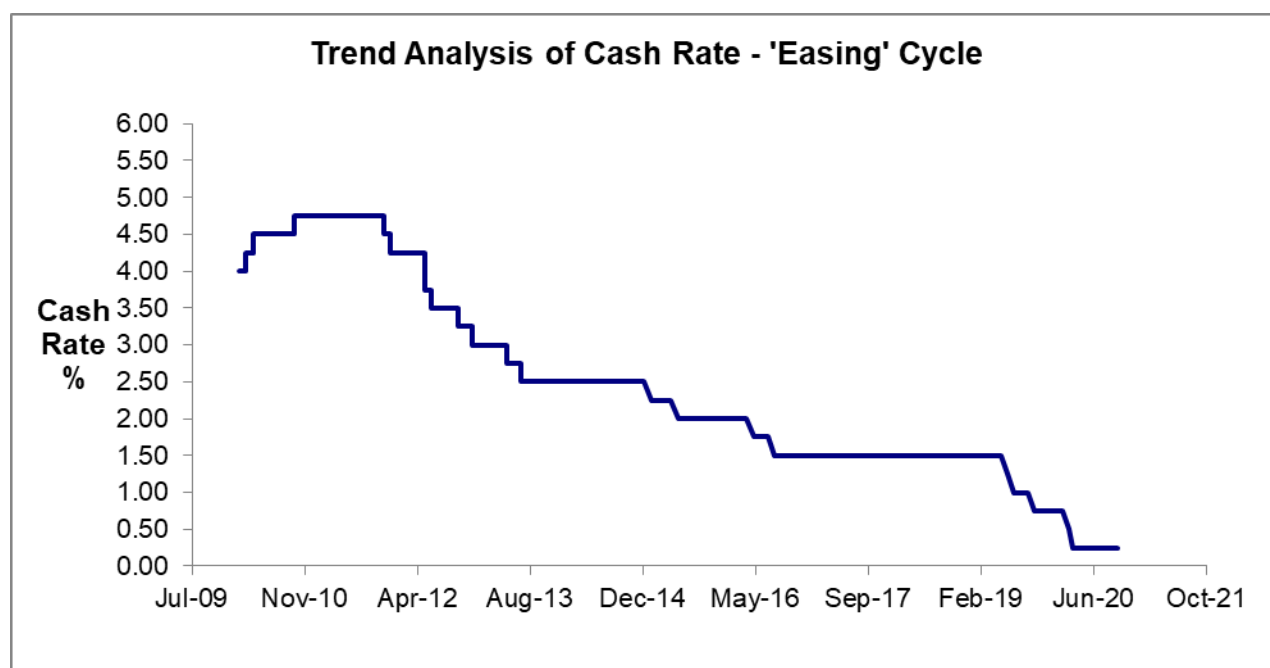
The Australian economy experienced a sharp contraction in the June quarter, with output falling by 7 per cent. As difficult as this was, the decline in output was smaller than in most other countries and smaller than was earlier expected. A recovery is now under way in most of Australia, although the second-wave outbreak in Victoria has resulted in a further contraction in output there. The

national recovery is likely to be bumpy and uneven and it will be some time before the level of output returns to its end 2019 level.

Labour market conditions have improved somewhat over the past few months and the unemployment rate is likely to peak at a lower rate than earlier expected. Even so, unemployment and underemployment are likely to remain high for an extended period. Wage and inflation pressures remain very subdued.

The Board is committed to do what it can to support jobs, incomes and businesses in Australia. Its actions, including last month's decision to expand the Term Funding Facility, are keeping funding costs low and assisting with the supply of credit. The Board views addressing the high rate of unemployment as an important national priority. It will maintain highly accommodative policy settings as long as is required and will not increase the cash rate target until progress is being made towards full employment and it is confident that inflation will be sustainably within the 2–3 per cent target band.” Statement by Philip Lowe, Governor: Monetary Policy Decision – 6 October 2020”.

The following graph provides information on the current RBA monetary policy:



Recommendations(s)

1. That the investment report for 30 September 2020 be received and endorsed.
2. That the Certificate of the Responsible Accounting Officer be received and noted.

Attachments

- 1 [↓](#) Investment Register September 2020 1 Page
- 2 [↓](#) Investment Types 1 Page

ITEM NUMBER 102/20 - ATTACHMENT 1

Investment Register September 2020

BURWOOD COUNCIL
INVESTMENT PORTFOLIO
as at 30 September 2020

Investment Adviser	Issuer	ADI or N-ADI	Investment Name	Type	Rating S&P	Invested Amount	Market Value as at 31/07/2020	Market Value as at 31/08/2020	Market Value as at Reporting Date	% of Total Invested
Cash										6.52
Council	Commonwealth Bank	ADI	Operating Account	Cash	AA-	3,140,233	394,500	1,208,020	3,140,233	5.49
Council	Commonwealth Bank	ADI	Cash Deposit Account	At Call	AA-	529,328	577,819	528,747	529,328	0.93
Council	Commonwealth Bank	ADI	Online Saver	At Call	AA-	34	34	34	34	0.00
Council	AMP Bank Limited	ADI	AMP Business Saver & Notice Account	At Call / Notice 30 days	BBB-	61,794	61,946	61,710	61,794	0.11
	Term Deposits									59.44
Council	Commonwealth Bank	ADI	Commonwealth Bank	Term Deposit	AA-	4,000,000	-	-	4,000,000	6.99
Council	Westpac	ADI	Westpac	Term Deposit	AA-	-	3,000,000	-	-	0.00
Council	National Australia Bank	ADI	National Australia Bank	Term Deposit	AA-	-	3,000,000	3,000,000	-	0.00
Council	National Australia Bank	ADI	National Australia Bank	Term Deposit	AA-	-	3,000,000	-	-	0.00
Council	National Australia Bank	ADI	National Australia Bank	Term Deposit	AA-	3,000,000	-	-	3,000,000	5.24
Council	Westpac	ADI	Westpac	Term Deposit	AA-	4,000,000	4,000,000	4,000,000	4,000,000	6.99
Council	Suncorp-Metway Limited	ADI	Suncorp-Metway Limited	Term Deposit	BBB+	2,000,000	2,000,000	2,000,000	2,000,000	3.50
Council	AMP Bank (Imperium)	ADI	AMP Bank	Term Deposit	BBB+	2,000,000	2,000,000	2,000,000	2,000,000	3.50
Council	National Australia Bank	ADI	National Australia Bank	Term Deposit	AA-	4,000,000	4,000,000	4,000,000	4,000,000	6.99
Council	National Australia Bank	ADI	National Australia Bank	Term Deposit	AA-	4,000,000	4,000,000	4,000,000	4,000,000	6.99
Council	Westpac	ADI	Westpac	Term Deposit	AA-	4,000,000	4,000,000	4,000,000	4,000,000	6.99
Council	ING Bank	ADI	ING Bank	Term Deposit	A-	3,000,000	3,000,000	3,000,000	3,000,000	5.24
Council	Suncorp-Metway Limited	ADI	Suncorp-Metway Limited	Term Deposit	A+	4,000,000	4,000,000	4,000,000	4,000,000	6.99
Council	Commonwealth Bank	ADI	Commonwealth Bank	Term Deposit	AA-	3,000,000	3,000,000	3,000,000	3,000,000	5.24
Council	National Australia Bank	ADI	National Australia Bank	Term Deposit	AA-	3,000,000	3,000,000	3,000,000	3,000,000	5.24
	Term Deposits - Fixed & Floating Rates									5.24
Council	Westpac	ADI	Westpac	Coupon Select Deposit 2 Yr Fixed plus 3 Yr (90 day BBSW + 1.50 bps)	AA-	3,000,000	3,000,000	3,000,000	3,000,000	5.24
	Floating Rate Notes									28.79
Council	Suncorp-Metway Limited	ADI	Suncorp-Metway Limited	Floating Rate Notes (90 day BBSW and +84 bps)	A+	1,500,000	1,517,213	1,517,514	1,516,499	2.65
Council	Bendigo-Adelaide	ADI	Bendigo Bank & Adelaide Bank	Floating Rate Notes (90 day BBSW and +105 bps)	BBB+	1,500,000	1,518,883	1,519,614	1,518,428	2.65
Council	ANZ Group	ADI	ANZ Group	Floating Rate Notes (90 day BBSW and +77 bps)	AA-	2,000,000	2,022,880	2,022,492	2,021,394	3.53
Council	Newcastle Permanent Building Society	ADI	Newcastle Permanent Building Society	Floating Rate Notes (90 day BBSW +140 bps)	BBB	1,250,000	1,268,006	1,269,045	1,267,775	2.22
Council	Members Equity Bank Pty Ltd	ADI	ME Bank	Floating Rate Notes (90 day BBSW and +127 bps)	BBB	2,500,000	2,510,940	2,510,740	2,509,483	4.39
Council	Bank Australia Ltd	ADI	Bank Australia Ltd	Floating Rate Notes (90 day BBSW +130 bps)	BBB	1,500,000	1,509,126	1,508,778	1,508,094	2.64
Council	Commonwealth Bank of Australia	ADI	Commonwealth Bank of Australia	Floating Rate Notes (90 day BBSW +93 bps)	AA-	2,000,000	2,038,410	2,035,192	2,033,374	3.55
Council	Commonwealth Bank of Australia	ADI	Commonwealth Bank of Australia	Floating Rate Notes (90 day BBSW +113 bps)	AA-	4,000,000	4,101,180	4,099,064	4,094,520	7.16
	Grand Total					56,398,138	51,517,657	52,280,950	57,200,903	100.00

Credit Ratings	Description
AAA	Extremely strong capacity to meet financial commitments
AA	Highest Rating
AA	Very strong capacity to meet financial commitments.
A	Strong capacity to meet financial commitments but somewhat susceptible to adverse economic conditions and changes in circumstances.
BBB	Adequate capacity to meet financial commitments, but more subject to adverse economic conditions.
CCC	Currently vulnerable and dependent on favourable business, financial and economic conditions to meet financial commitments
D	Payment default on financial commitments
+	Means that a rating may be raised
-	Means that a rating may be lowered

Certificate of Responsible Accounting Officer

I hereby certify that the investments listed have been made in accordance with Section 825 of the Local Government Act 1993, Clause 212 of the Local Government (General) Regulation 2005 and Council's Investment Policies at the time of their placement.

W. A. Armitage

Wayne Armitage

Chief Finance Officer

Investment Types

Types of Investments

Council's investment portfolio consists of the following types of investment:

1. **Cash and Deposits at Call** – Cash and Deposits at Call accounts are a flexible savings facility providing a competitive rate of interest for funds which are at call (available within 24hours). These accounts enable us to control Council's cashflows along with council's General Fund Bank account. Interest rates are updated in accordance with movements in market rates.

The following investments are classified as Cash and Deposits at Call:

- Commonwealth Bank of Australia – Operating Bank Account AA-
- Commonwealth Bank of Australia – Online Saver AA-
- AMP Business Saver and Notice – At Call/Notice A

2. **Floating Rate Notes (FRN)** - FRNs are a contractual obligation whereby the issuer has an obligation to pay the investor an interest coupon payment which is based on a margin above bank bill. The risk to the investor is the ability of the issuer to meet the obligation.

FRNs are either sub-debt or senior-debt which means that they are guaranteed by the bank that issues them with sub-debt notes rated a notch lower than the bank itself. The reason for this is that the hierarchy for payments of debt in event of default is:

- a. Term Deposits
- b. Global Fixed Income Deposits
- c. Senior Debt
- d. Subordinated Debt
- e. Hybrids
- f. Preference shares
- g. Equity holders

In the case of default, the purchaser of subordinated debt is not paid until the senior debt holders are paid in full. Subordinated debt is therefore more risky than senior debt.

(ITEM 103/20) GIFTS AND BENEFITS POLICY

File No: 20/42654

REPORT BY DIRECTOR CORPORATE SERVICES

Summary

Amended proposal to remake Council policy in relation to gifts and benefits management. Address the need to improve clarity and transparency around Council's policy position in light of contemporary statutory mandates. In particular:

1. The universal relevance of the policy to all classes of Council Officials;
2. Appropriate responses to gift offers; and
3. Proactive public release of information about offers of gifts and the responses to offers.

Operational Plan Objective

- 2.1 Community confidence in Council's decision making
- 2.5 Leaders in the Local Government sector

Background

Council considered a draft Gifts and Benefits Policy at its ordinary meeting convened on 25 August 2020 and resolved to defer action so that advice on hospitality offered to council officials in the course of their duties was made clearer. Inclusion of an additional policy option on disposal of gifts that are received was also sought.

Relevant adjustments have now been made to the draft policy to cover the concerns raised at the August meeting of Council. Additional changes have also been made to enhance document readability. The revised draft with amendments highlighted in red text appears as Attachment 1 to this report.

Context

The proposed Gifts and Benefits Policy is a subordinate policy instrument to the revised Burwood Council Code of Conduct (the Code) that was adopted by Council at its meeting of 25 August 2020. Section 440 of the *Local Government Act 1993* provides for the adoption of the Code. It must be consistent with the Model Code issued by the NSW Office of Local Government.

The Code recently adopted by Council varied from the Model Code with respect to the cap on the value of what can be classed as a gift of token value. The revised 2020 version of the Model Code recast the cap up to \$100. Instead of adopting the new cap, Council elected to reduce its local cap to \$30. This variation from the Model Code is permissible as it sets a higher standard that remains consistent with the intent of the Model Code. It sends a strong message to Council officials and citizens alike about the ethical standards to which Burwood Council aspires.

A Gifts and Benefits Policy to supplement provisions under Part 6 in the Code of Conduct ("Personal Benefit") provides more detailed policy direction than the Code and is tailored around specific requirements for dealing with offers of gifts and benefits matters. As with all subordinate policy, there must be sound policy alignment between the subordinate policy and its parent policy.

Discussion

Community engagement with councillors through hospitality based events is a well-established norm. Councillors frequently represent Council at local social, cultural, sporting or charity fund

raising events that are designed to benefit the local community. Councillors are also regularly afforded other types of opportunities that feature hospitality e.g. workshops and conferences.

Section 6.2 f) of the Code makes it clear that the hospitality offered at various events does not constitute an offer for personal use and enjoyment if a councillor is attending as part of performing their civic duties. Therefore such offers do not trigger any provisions under the proposed Gifts and Benefits Policy or Part 6 of the Code.

On the other hand, there may be occasions where a councillor or someone personally associated with them receives an invitation to an event where the councillor would not be attending in an official capacity, even though their status as a councillor may be acknowledged. Offers of hospitality not associated with the performance of civic duties are offers of gifts or benefits for personal gain and must be declared as such.

Given the significance of Section 6.2 of the Code, wording from that section has been incorporated into the revised draft of the Gifts and Benefits Policy. It appears within the definitions section of the document under a new umbrella definition of *gifts and benefits*. This treatment provides a critical nexus with the parent policy and puts the following definitions concerning *gifts and benefits of token value* and *gifts and benefits of more than token value* into sharper context.

Section 5 of the original draft policy prescribed a standard approach to dealing with gifts sent to the Mayor or other councillors. It now includes an option for donation of gifts to a local charity or organisation as an alternative to returning the gift to its source. Each of the two options involves a letter of thanks to the source of the gift. Where a gift has been donated rather than returned, a confirmation of receipt is to be sought from the receiving organisation so that this may be referenced in the letter of thanks.

Implementation

Gifts and benefits management is an integral component of Code of Conduct compliance and training. As reported to Council in August 2020, details of the Gifts and Benefits Policy are to be:

1. Promoted concurrently with the new Fraud and Corruption Policy adopted at the August 2020 ordinary meeting of Council
2. Promulgated widely via internal email and internal leadership meetings
3. Publicised and discussed at business unit team meetings throughout Council (and confirmation of action and feedback on discussion sought)
4. Included as a core resource in information packages and orientation sessions for on-boarding of new recruits
5. Given a high profile within the new Council intranet as soon as that capability is enhanced
6. Featured in the next round of Code of Conduct training planned for councillors
7. Covered as a staple within mandatory training programs for all councillors, staff and others falling within the definition of Council officials

Consultation

The initial draft of the policy was endorsed by the General Manager and Council's Policy, Corporate Practice and Procedures Panel as well as the Audit, Risk & Improvement Committee. Subsequent consultation on amendments has occurred between Council governance and probity specialists and the Executive Team further to feedback from councillors at the ordinary meeting of Council convened on 25 August 2020.

Financial Implications

No budgetary implications are associated with this policy remaking initiative.

Conclusion

The Community Strategic Plan emphasises transparency and accountability along with a commitment to strong leadership in the local government sector. Maintaining high standards of probity and behaviour under policies such as the Gifts and Benefits Policy underscore Council's commitment to the community in these strategically important areas.

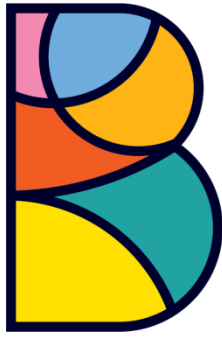
Recommendation(s)

That Council:

1. retires the current Receipt of Gifts and Benefits Policy;
2. adopts the draft Gifts and Benefits Policy as shown in the attachment to this report; and
3. delegates authority to the General Manager to make minor administrative changes to the Gifts and Benefits Policy as may be required.

Attachments

1 [↓](#) Revised draft Gifts and Benefits Policy_202009



Burwood Inc.1874

Burwood . Burwood Heights . Croydon . Croydon Park . Enfield . Strathfield

GIFTS AND BENEFITS POLICY

PO Box 240, BURWOOD NSW 1805
2 Conder Street, BURWOOD NSW 2134
Phone: 9911-9911 Fax: 9911-9900
Email: council@burwood.nsw.gov.au
Website: www.burwood.nsw.gov.au

Public Document

Adopted by Council: <Date> Minute No. xx/20

Ref. No.: 20/35460

Version No.: 1.0

< This policy supersedes Receipt of Gifts and Benefits Policy v.6.1 >

Ownership: Governance

1. Purpose

Provide clear guidance to council officials on what to do if they are offered a gift or benefit and thus protect themselves from being compromised, or giving rise to the perception of being compromised, in the course of their duties.

2. Scope

This policy applies to all **council officials** as defined in this document.

3. Definitions

Bribe - Money or favour given or promised in order to influence the judgment or conduct of a council official.

Ceremonial gifts - Gifts that are offered by one agency to another, generally when conducting official business with delegates from another organisation.

Council officials - Councillors, employees, volunteers, consultants and contractors.

Gifts and benefits - Are things or various forms of goodwill offered to or received by a council official, or someone personally associated with them, for their personal use and enjoyment. For the purposes of this policy they **do not include**:

- a) items with a value of \$10 or less
- b) a political donation for the purposes of the *Electoral Funding Act 2018*
- c) a gift provided to the council as part of a cultural exchange or sister-city relationship that is not converted for the personal use or enjoyment of any individual council official or someone personally associated with them
- d) a benefit or facility provided by the council to an employee or councillor
- e) attendance by a council official at a work-related event or function for the purposes of performing their official duties, or
- f) free or subsidised meals, beverages or refreshments provided to council officials in conjunction with the performance of their official duties such as, but not limited to:
 - i) the discussion of official business
 - ii) work-related events such as council-sponsored or community events, training, education sessions or workshops
 - iii) conferences
 - iv) council functions or events
 - v) social functions organised by groups, such as council committees and community organisations.

Gifts and benefits of token value - One or more gifts or benefits received from a person or organisation over a 12-month period that, when aggregated, do not exceed a value of \$30. They include, but are not limited to:

- a) invitations to and attendance at social, cultural or sporting events (including charity fundraisers) with a ticket value that does not exceed \$30

- b) gifts of alcohol that do not exceed a value of \$30
- c) ties, scarves, coasters, tie pins, diaries, chocolates or flowers or the like
- d) prizes or awards that do not exceed \$30 in value.

Gifts and benefits of more than token value - These include, but are not limited to, tickets to major sporting events (such as international matches or matches in national sporting codes) with a ticket value that exceeds \$30, corporate hospitality at a corporate facility at major sporting events, free or discounted products or services for personal use provided on terms that are not available to the general public or a broad class of persons, the use of holiday homes, artworks, and free or discounted travel.

4. Gifts and Benefits

All gifts or benefits that are offered must be recorded in Council's Gift Register. Details of the gift or benefit must be provided on the Gifts and Benefits Registration Form (Appendix 1), lodged in Council's document management system and actioned to Governance for inclusion in the Gifts Register. The Gifts and Benefits Registration Form must be completed and lodged within two weeks of being offered the gift or benefit.

4.1 Where a gift or benefit is offered to a council official

- a) Consider whether the gift or benefit is of less than token value (i.e. \$30 or less) and if it is of more than token value it must be refused.
- b) Consider whether the gift or benefit is being offered in order to influence you in the course of your duties - if is then it must be refused.
- c) Consider whether the gift or benefit is cash or a cash-like gift (such as a gift voucher or lottery tickets) - if it is then it must be refused
- d) Consider whether the gift or benefit is being offered by a supplier or a company that is in the process of becoming a supplier to Council - if it is then it must be refused.
- e) Consider whether you are **involved in the determination of development applications** - if you are you **must refuse all offers** of gifts or benefits.
- f) After consideration of all of the issues above you may determine to decline the gift, accept and keep the gift or accept and surrender the gift to Governance.
- g) **In all cases you must complete the Gifts and Benefits Registration Form** at Appendix 1, lodge it in Council's records management system and action it to Governance for inclusion in the Gifts Register.

4.2 Where a bribe is offered to a Council Official

- a) If you have been offered a bribe, or think that you have been offered a bribe, you must advise the General Manager and Internal Ombudsman immediately.
- b) If you are a member of the staff of Council, to avoid a perception of influence, you must refer all future contact with the person offering or suspected of offering you the bribe to your supervisor.
- c) The General Manager will advise the Independent Commission Against Corruption.

4.3 Ceremonial Gifts

- a) Ceremonial gifts are generally provided to a host agency when conducting official business with delegates from another organisation and are considered to be for the agency and not for the personal benefit of any particular individual.

- b) Ceremonial gifts may have a value that exceeds token value (\$30) and may be accepted but must be surrendered to Governance with a completed Gifts and Benefits Registration Form (Appendix 1). The Manager Governance, in conjunction with the General Manager, will determine what to do with any ceremonial gift.

4.4 Work-related functions

- a) There is no requirement to declare the receipt of modest hospitality that is provided by another agency or individual as part of normal work-related activities including interviews, business meetings and conferences and seminars where hospitality is provided to all participants.
- b) However, if the hospitality is significantly more than what Council would offer in similar circumstances, or if there is any suggestion or perception that an attempt is being made to influence you in the course of your duties, it must be refused and declared by completing the Gifts and Benefits Registration Form (Appendix 1), lodging it in Council's document management system and actioning it to Governance for inclusion in the Gifts Register.
- c) Any offer of free or subsidised travel and accommodation to attend a meeting or conference either as a participant or presenter should be declared and approved by the General Manager.

4.5 Prizes

- a) Any gift or benefit (such as lucky door prizes or raffles) that is won as a result of engaging in official duties at an external event must be declared by completing the Gifts and Benefits Registration Form (Appendix 1), lodging it in Council's document management system and actioning it to Governance for inclusion in the Gifts Register.
- b) If Council has a business relationship with the organisation that provided the prize or has, or is likely to, exercise any of its regulatory powers in relation to that organisation, then the prize must be declined.
- c) If the prize is of more than token value (i.e. greater than \$30) then it must be declined.

4.6 Competitions

Council Officials are prohibited from entering any competitions run by suppliers where eligibility to participate is dependent on being a customer of the supplier.

5. Mayor and Other Councillors

The Mayor and other councillors may find themselves in situations where they are offered gifts and benefits by residents and other stakeholders or at community events. If the gifts or benefits offered are of more than token value (i.e. greater than \$30) they must be refused in accordance with the requirements of the **Burwood Council** Code of Conduct.

If the gift has been sent to the Mayor or other councillor it is to be:

- a. returned with a letter of gratitude suggesting a list of charities to which the gift could be given instead; **or**
- b. **donated to a local charity or organisation from whom a receipt is requested, and then the notice of receipt is to be copied to the giver with a letter of gratitude.**

6. Disposal of Gifts and Benefits

Gifts which have been handed in to Governance by a council official **other than a councillor** will be disposed of by the Manager Governance by one of the following means and details recorded accordingly:

- returned to the giver;
- donated to a charity **operating** within the Burwood local government area;
- shared amongst staff; or
- retained and used as part of Council's operations.

7. Gifts Register

Governance is responsible for maintaining a Gifts Register as a record of all gifts and benefits offered to council officials and any gift disposal arrangements. An up-to-date version of the Gifts Register is to be proactively released to the public via publication on the Council website.

8. Related Information / Glossary

- Burwood Council Code of Conduct

9. Review

Within the first 12 months of the term of each incoming Council.

10. Contact

Manager Governance – Approval of gifts, policy advice and gift register - call 9911 9910

Internal Ombudsman – Reporting of a bribe or inducement – call 9911 9808

Appendix 1



Burwood
Inc.1874

GIFTS AND BENEFITS REGISTRATION FORM

NAME _____

DATE _____

POSITION _____

Date Gift Received	Giver (Individual/Organisation)	Relationship to Council/Council Official	Description of gift/benefit	Estimated Value (\$)	Recipient's Signature	Manager's Signature

ACTION *(circle one)*

Declined

Accepted and Surrendered

Accepted and Kept

(ITEM 104/20) DRAFT VOLUNTARY PLANNING AGREEMENT FOR 1 LYONS STREET STRATHFIELD

File No: 20/45783

REPORT BY DIRECTOR CITY STRATEGY

Applicant: UrbanLink Pty Ltd
Developer: Prospect Road Pty Ltd
Company Director: Mr Kanaan Kanaan

Operational Plan Objective

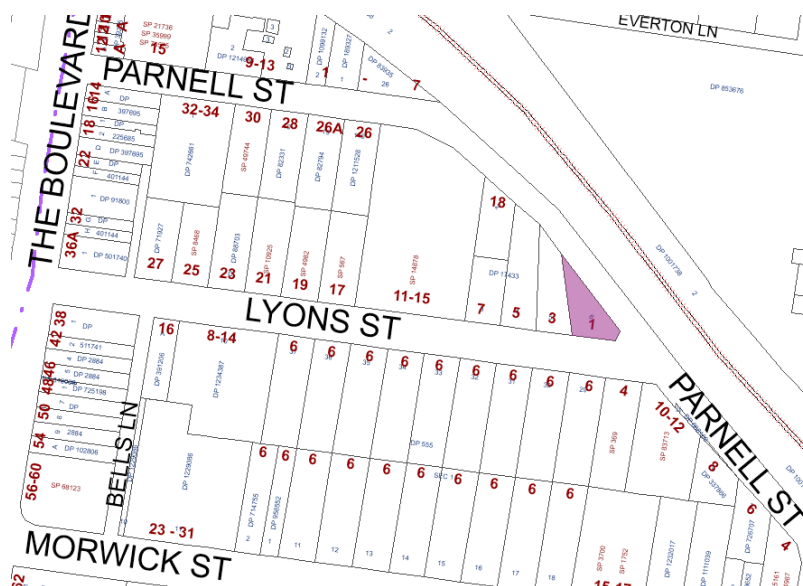
1.2.1 Inform the community of Council’s activities, facilities and services using accessible communication.

Summary

A draft Voluntary Planning Agreement (VPA) and Explanatory Note (EN) prepared in connection with a modification application to modify an existing Consent No. 101/2015, involving a change of use of part of the ground floor parking area to a café within the boarding house development on the site have been publicly notified in accordance with the relevant legislation. Under the draft VPA the developer would pay a monetary contribution of \$260,050 to Council in lieu of five on-site parking spaces. Council’s endorsement is sought to enter into the VPA after the granting of the modification application. It is further recommended that the General Manager investigate the possibility of seeking expressions of interest from land owners and/or developers to undertake new development within the Strathfield Town Centre to include public parking spaces in the development additional to the requirements of the BDCP.

Background

The subject site is located on the corner of Lyons and Parnell Streets within the Strathfield Town Centre, shown below:



A draft VPA has been proposed in conjunction with a modification application to modify an existing Consent No. 101/2015, involving a change of use of part of the ground floor parking area to a café within the boarding house development on the site.

Under the draft VPA, the developer would pay Council \$260,050 as a monetary contribution in lieu of five deficient parking spaces on site, based on provisions in the Burwood Development Control Plan (BDPC) and Council's Fees and Charges Schedule.

Consultation

The draft VPA and EN were publicly notified for a period of 28 days from 11 September 2020 to 9 October 2020. The exhibition notice and material were placed on Council's website. The notice included a link to the NSW Planning Portal where the draft VPA and EN were also available for public viewing. This exhibition arrangement was in line with the NSW Government's emergency measures as a result of the COVID-19 pandemic. No submission has been received.

Planning or Policy Implications

Council has a *Planning Agreements Policy*. The Policy stipulates the matters that Council should consider when determining whether or not to enter into a VPA. The draft VPA is assessed against these matters, as outlined below:

1. The VPA is directed towards a proper planning purpose. The planning purpose of the VPA is to provide funds to Council to provide additional car parking to redress the parking shortfall within the development. The VPA is generally consistent with Council's DCP in allowing monetary contributions in lieu of the on-site parking provision for Burwood and Strathfield Town Centres.
2. The VPA would result in a public benefit. The VPA would seek to provide public car parking, being made available to the general public, in place of parking within a private development.
3. The VPA provides a reasonable means of achieving the relevant purpose. The VPA provides for the monetary contribution in exchange for the parking shortfall within the development. Council will utilise the funds provided for public car parking that will ultimately be more beneficial to the community.
4. The VPA would produce outcomes that meet the general values and expectations of the community, and protect the overall public interest. The provision of safe and practical public parking by Council is an expectation of the community. The VPA provides Council with the financial resources to assist in this provision.
5. The VPA would help achieve the outcomes sought by Council from the use of planning agreements, which are:
 - (a) Provide an enhanced and more flexible system of contributions by developments towards the provision of public benefits, related to the impacts of development.
 - (b) Enable community awareness of and input to the public benefits of particular developments, related to the impacts of the developments.
6. The VPA conforms to the fundamental principles governing the Council's use of planning agreements as set out in Clause 2.1 of the Planning Agreements Policy, particularly:
 - *Principle 'a'* – *planning decisions may not be bought or sold through planning agreements*. Council is not obliged to support the modification application and instead, each application must be considered on its merits.
 - *Principle 'e'* – *Council will not use planning agreements for any purpose other than a proper planning purpose*. The manner in which the VPA is proposed to be used is generally in accordance with Council's DCP.

Provision of Public Car Parking in Strathfield Town Centre

The Addendum (adopted by Council in 2012) to the *Planning Agreements Policy* states that:

Council will expend the funds received through one or both of the following actions:

1. *Embellish or expand an existing public parking area, for example by adding an additional floor or floors of parking.*
2. *Advertise for expressions of interest from parties intending to undertake new development in the Town Centre to include public parking spaces in the development additional to the requirements of the BDCP. Council will indicate criteria for proposals responding to the call for expressions of interest, including number of spaces, location, access, and signage. Negotiations will finalise these matters, the cost contribution from Council and the management arrangements.*

Council's Traffic and Transport team has advised that there is no capacity to provide additional off street public car parking in the Parnell Street car park located within the Strathfield Town Centre through Option 1 above given the constraints of the site, and that Option 2 has not been explored to date.

Financial Implications

The VPA would provide for a monetary contribution of \$260,050 to Council towards the provision of public car parking within the Strathfield Town Centre. Council would be obliged under legislation to allocate the contributions and any return on its investment to the provision of, or the recoupment of the cost of providing public car parking.

The provision of public parking by Council would not coincide with the completion of the subject development and would be undertaken at a time determined by Council at its discretion.

Conclusion

The BDCP has provisions for developers to pay a monetary contribution to Council in lieu of parking that is required, but cannot be provided on site within the Strathfield Town Centre. The draft VPA has been assessed against the *Planning Agreements Policy*.

It is recommended that Council endorse entering into the VPA for 1 Lyons Street Strathfield, and that arrangement be made for the execution of the VPA by Council authorising the signing of the agreement, after the granting of the modification application but prior to the issue of a Construction Certificate for the proposed cafe. The development consent would include a condition requiring that the VPA be entered into prior to the issue of the Construction Certificate.

It is further recommended that the General Manager investigate the possibility of seeking expressions of interest from land owners and/or developers to undertake new development within the Strathfield Town Centre to include public parking spaces in the development additional to the requirements of the BDCP. This requires collaboration of the Traffic & Transport team and the Strategic Planning team. Legal advice would also be required.

Recommendation(s)

1. That Council enter into the VPA for 1 Lyons Street Strathfield for the provision of a monetary contribution of \$260,050 towards public car parking after the granting of the modification application for Consent No. 101/2015, which would include a condition requiring that the VPA be entered into prior to the issue of any Construction Certificate for the proposed cafe.
2. That Council authorise the General Manager to sign the VPA and any related documentation

under his Power of Attorney.

3. That Council authorise the General Manager to endorse the minor revisions of the VPA documents prior to execution.
4. That the General Manager investigate the possibility of seeking expressions of interest from land owners and/or developers to undertake new development within the Strathfield Town Centre to include public parking spaces in the development additional to the requirements of the BDCP.

Attachments

- 1 [↓](#) Draft VPA for 1 Lyons Street Strathfield as exhibited
- 2 [↓](#) Explanatory Note as exhibited

PLANNING AGREEMENT

PARTIES

Burwood Council of Suite 1, Level 2, 1-17 Elsie Street Burwood in the State of New South Wales (Council)

and

Prospect Road Pty Ltd ACN 604768210 of 9 Ada Avenue, Strathfield in the State of New South Wales (Developer).

Background

- A. The Developer is the registered proprietor of the Land
- B. On 20 November 2019, the Developer submitted a Section 4.55 Modification Application, DA.2015.101.4, to the Council for Development Consent to carry out the Development on the Land.
- C. The Development Application was accompanied by an offer by the Developer to enter into this Agreement to make Development Contributions towards the Public Facilities if the Development Consent was granted.

Operative Provisions

1. Planning Agreement under the Act

The Parties agree that this Agreement is a planning agreement governed by Subdivision 2 of Division 7.1 of Part 7 of the Act.

2. Application of this Agreement

This Agreement applies to both the Land and the Development.

3. Operation of this Agreement

This Agreement shall operate from the date of the approval by the Council of the Section 4.55 Modification Development Application DA.2015.101.4.

Any approval given by the Council for Development Consent for DA.2015.101.4 shall not come into effect until this Agreement is executed.

4. Definitions and interpretation

4.1 In this Agreement the following definitions apply:

Act means the *Environmental Planning and Assessment Act 1979 (NSW)*

Dealing in relation to the Land, means, without limitation, selling, transferring, assigning, mortgaging, charging, encumbering or otherwise dealing with the Land.

Development means DA.2015.101.4 issued by the Council in respect of the property known as No.1 Lyons Street, Strathfield.

Development Application has the same meaning as in the Act.

Development Consent has the same meaning as in the Act.

Development Contribution means a monetary contribution, the dedication of land free of cost or the provision of a material public benefit.

GST has the same meaning as in the GST Law.

GST Law has the meaning given to that term in *A New Tax System (Goods and Services Tax) Act 1999* (Cth) and any other Act or regulation relating to the imposition or administration of the GST.

Land means Lot 6 in Deposited Plan 17433, known as No.1 Lyons Street, Strathfield.

Monetary Contribution means \$260,050.00

Party means a party to this Agreement, including their successors and assigns.

Public Facility means car parking within the Burwood Town Centre for use by the public.

Regulation means the *Environmental Planning and Assessment Regulation 2000*.

4.2 In the interpretation of this Agreement, the following provisions apply unless the context otherwise requires:

- (a) Headings are inserted for convenience only and do not affect the interpretation of this Agreement.
- (b) A reference in this Agreement to a business day means a day other than a Saturday or Sunday on which banks are open for business generally in Sydney.
- (c) If the day on which any act, matter or thing is to be done under this Agreement is not a business day, the act, matter or thing must be done on the next business day.
- (d) A reference in this Agreement to dollars or \$ means Australian dollars and all amounts payable under this Agreement are payable in Australian dollars.
- (e) A reference in this Agreement to any law, legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision.
- (f) A reference in this Agreement to any agreement, deed or document is to that agreement, deed or document as amended, novated, supplemented or replaced.
- (g) A reference to a clause, part, schedule or attachment is a reference to a clause, part, schedule or attachment of or to this Agreement.
- (h) An expression importing a natural person including any company, trust, partnership, joint venture, association, body corporate or governmental agency.

- (i) Where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning.
- (j) A word which denotes the singular denotes the plural, a word which denotes the plural denotes the singular, and reference to any gender denotes the other genders.
- (k) References to the word 'include' or 'including' are to be construed without limitation.
- (l) A reference to this Agreement includes the agreement recorded in this Agreement.
- (m) A reference to a party to this Agreement includes a reference to the servants, agents and contractors of the party, and the party's successors and assigns.
- (n) Any schedules and attachments form part of this Agreement.

5. Development Contributions to be made under this Agreement

- 5.1 The Developer will pay to the Council a monetary contribution at the sum of Two Hundred Sixty Thousand and Fifty dollars on the date of the execution of this Agreement.
- 5.2 The Developer must deliver to Council a bank cheque in a form acceptable to the Council for the amount of the monetary contribution on the date of the execution of this Agreement, which shall occur prior to the issue of any Construction Certificate with respect to the Development.
- 5.3 The Developer and the Proprietor each covenant and agree with the Council not to make an application for the issue of any Construction Certificate until the payments required to be made to the Council hereunder have been paid.

6. Application of the Development Contributions

- 6.1 The monetary contributions paid by the Proprietor and/or the Developer under this Agreement will be used by Council to develop Public Facilities.
- 6.2 The Public Facilities will:
 - (a) not be provided to coincide with the conduct or completion of the Development;
 - (b) be constructed at a time determined by Council at its absolute discretion;
 - (c) be available for use by the general public and will not be restricted for use by patrons of the Development.

7. Application of and section 7.11 and section 7.12 of the Act to the Development.

This Agreement does not exclude the application of or sections 7.11 or section 7.12 of the Act to the Development. Benefits under the Planning Agreement are not to be taken into 7.24 of the Act.

8. Registration of this Agreement

- 8.1 The Proprietor and the Developer each further covenant with the Council:
 - (a) that prior to the issue of any Construction Certificate for the Development, or within such further time as the parties hereto agree, they shall do all things reasonably necessary to obtain the consent to the registration of this Agreement over the title to the Land pursuant to section 7.6 of the Act from all persons who have an interest in the Land;
 - (b) that forthwith after receiving the consents specified in subclause (a) hereof they shall cause this Agreement to be registered on the title of the Land;
 - (c) that if this Agreement is not registered on the title to the Land, and if the Proprietor should propose to sell the Land or any part thereof then it shall:
 - (i) within seven (7) days of listing the Land or any part thereof for sale, either through an agent or privately, notify the Council of such intention;
 - (ii) as a condition of any sale, require that the incoming purchaser enter into with Council a like agreement to this present Agreement in which substantially the same covenants as set out herein shall apply;
 - (iii) within seven (7) days of exchange of contracts, notify the Council of the sale and provide the Council with a copy of the contract;
 - (iv) within twenty one (21) days of receipt from the Council of a replacement agreement between the Council and the purchaser substantially in the form of this Agreement, have it executed by the purchaser and return it to the Council;
 - (v) that if this Agreement is not registered on the title to the Land, and if the Proprietor should propose otherwise than by sale to transfer or assign its interest in the Land or any part thereof to a transferee or assignee, then it shall before effecting such assignment or transfer have the incoming transferee or assignee enter into an agreement with the Council substantially in the form of this Agreement insofar as concerns the interest assigned or transferred and shall provide same to the Council.

8.2 The Proprietor and the Developer further covenant and agree with the Council that pending the registration of this Agreement on the title of the Land as required by clause 8.1, the Council shall be entitled to register a caveat at Land and Property Management Authority over the title to the Land to protect its interest therein pursuant to this Agreement

9. Acknowledgements

9.1 The Developer and the Proprietor acknowledge that Council may include a notation on Planning Certificates under section 10.7(2) and 10.7(5) of the Act in relation to this Agreement

9.2 The parties acknowledge that Council is a consent authority with statutory rights and obligations pursuant to the terms of the Act and other legislation.

10. Dispute resolution

- 10.1 If a party believes that there is a dispute in respect of this Agreement then:
 - (a) the party must give notice in writing to the other party stating that there is a dispute (the Dispute Notice); and

- (b) the Dispute Notice must outline:
 - (i) what the party believes the dispute to be;
 - (ii) what the party wants to achieve;
 - (iii) what the party believes will settle the dispute; and
 - (iv) who will be the party's representative to negotiate the dispute.

10.2 Within fifteen (15) business days of a Dispute Notice served, the representatives of each of the parties must meet in order to resolve the dispute.

10.3 Both parties must adhere to the dispute resolution procedure set out in this Agreement. The only time that either party may depart from the dispute resolution procedure set out in this clause is when urgent interlocutory relief is required to restrain a breach or threatened breach of this Agreement.

10.4 If the parties cannot resolve the dispute after adhering to the dispute resolution procedure set out in this Agreement then either party may seek any other avenues available to it in order to resolve the dispute.

11. Enforcement

11.1 This Agreement may be otherwise enforced by either party in any court of competent jurisdiction.

11.2 For the avoidance of doubt, nothing in this Agreement prevents:

- (a) a party from bringing proceedings in the Land and Environment Court to enforce any aspect of this Agreement or any matter to which this Agreement relates; and
- (b) the Council from exercising any function under the Act or law relating to the enforcement of any aspect of this Agreement or any matter to which this Agreement relates.

11.3 The rights of the Council expressly provided for herein are cumulative and in addition to and not exclusive of the rights of the Council existing at law or which the Council would otherwise have available to it.

12. Notices

12.1 Any notice, consent, information, application or request that must or may be given or made to a Party under this Agreement is only given or made if it is in writing and sent in one of the following ways:

- (a) Delivered or posted to that Party at its address set out below.
- (b) Faxed to that Party at its fax number set out below.
- (c) Email to that Party at its email address set out below.

Council

Attention: The General Manager
Address: Suite 1, Level 2, 1-17 Elsie Street Burwood 2134
Post: PO Box 240, Burwood NSW 1805
Fax Number: 9911 9900
Email: council@burwood.nsw.gov.au

Developer

Attention: Kanaan Kanaan
Address: 9 Ada Avenue Strathfield NSW 2135
Email: Kanaan@kompleteconstruction.com.au

- 12.2 If a party gives the other Party three (3) business days' notice of a change of its address or fax number or email, any notice, consent, information, application or request is only given or made by that other Party if it is delivered, posted or faxed to the latest address, fax number or email address.
- 12.3 Any notice, consent, information, application or request is to be treated as given or made at the following time:
- (a) If it is delivered, when it is left at the relevant address.
 - (b) If it is sent by post, two (2) business days after it is posted.
 - (c) If it is sent by fax, as soon as the sender receives from the sender's fax machines a report of an error-free transmission to the correct fax number.
 - (d) If it is sent by email, at the time it is sent.
- 12.4 If any notice, consent, information, application or request is delivered, or an error-free transmission report in relation to it is received, on a day that is not a business day, or if on a business day, after 5.00pm on that day on the place of the Party to whom it is sent, it is to be treated as having been given or made at the beginning of the next business day.

13. Approvals and consent

Except as otherwise set out in this Agreement, and subject to any statutory obligations, a Party may give or withhold an approval or consent to be given under this Agreement in that Party's absolute discretion and subject to any conditions determined by the Party. A Party is not obligated to give its reasons for giving or withholding consent or for giving consent subject to conditions.

14. Assignment and dealings

The Proprietor and the Developer agree that this Agreement shall be binding upon the Proprietor and the Developer and upon their respective transferees, assignees or successors.

15. **Costs**

The Proprietor and/or the Developer shall bear the Council's costs directly related, and incidental, to negotiating, preparing, executing, stamping and registering the Agreement, including any costs of lodging/removing caveats on the title to the Land.

16. **Entire Agreement**

This Agreement contains everything to which the Parties have agreed in relation to the matters it deals with. No Party can rely on an earlier document, or anything said or done by another party, or by a director, officer, agent or employee of that Party, before this Agreement was executed, except as permitted by law.

17. **Further acts**

Each Party must promptly execute all documents and do all things that another Party from time to time reasonably requests to affect, perfect or complete this Agreement and all transactions incidental to it.

18. **Governing law and jurisdiction**

This Agreement is governed by the law of New South Wales. The Parties submit to the non-exclusive jurisdiction of its courts and courts of appeal from them. The Parties will not object to the exercise of jurisdiction by those courts on any basis.

19. **Joint and individual liability and benefits**

Except as otherwise set out in this Agreement, any agreement, covenant, representation or warranty under this Agreement by two (2) or more persons binds them jointly and each of them individually, and any benefit in favour of two (2) or more persons is for the benefit of them jointly and each of them individually.

20. **No fetter**

Nothing in this Agreement shall be construed as requiring Council to do anything that would cause it to be in breach of any of its obligations at law, and without limitation, nothing shall be constructed as limiting or fettering in any way the exercise of any statutory discretion or duty.

21. **Representations and warranties**

The Parties represent and warrant that they have power to enter into this Agreement and comply with their obligations under the Agreement and that entry into this Agreement will not result in the breach of any law.

22. **Severability**

If a clause or part of a clause of this Agreement can be read in a way that makes it illegal, unenforceable or invalid, but can also be read in a way that makes it legal, enforceable and valid, it must be read in the latter way. If any clause or part of a clause is illegal, unenforceable or invalid, that clause or part is to be treated as removed from this Agreement, but the rest of this Agreement is not affected.

23. **Modification**

No modification of this Agreement will be of any force or effect unless it is in writing and signed by the Parties to this Agreement.

24. Waiver

The fact that a Party fails to do, or delays in doing, something the Party is entitled to do under this Agreement, does not amount to a waiver of any obligations of, or breach of obligations by, another Party. A waiver by a Party is only effective if it is in writing. A written waiver by a Party is only effective in relation to the particular obligation or breach in respect of which it is given. It is not to be taken as an implied waiver of any other obligation or breach or as an implied waiver of that obligation or breach in relation to any other occasion.

25. The explanatory note put on exhibition with this Planning Agreement is not to be used in construing the terms of this Planning Agreement.

26. Goods and Services Tax (GST)

26.1 All words in this clause which are also defined in the A New Tax System (Goods and Services Tax) Act 1999 (Cth) ("the GST Act") have a corresponding meaning to that in the GST Act.

26.2 The consideration for any supply under this Planning Agreement excludes GST.

26.3 Where a party to this Planning Agreement is taken to have made a supply to another party, the recipient of that supply must, in addition to the consideration payable for the supply and when paying the consideration for the supply, also pay to the maker of the supply an amount equal to the GST payable in respect of that supply. The recipient of a supply must also pay the GST payable in respect of a supply for which no monetary consideration is payable when the maker of the supply demands payment.

26.4 The maker of a supply must give the recipient a tax invoice in the form required by the GST Act at the same time it receives payment from the recipient of the GST payable for that supply;

26.5 Despite any other provision of this Agreement, any amount payable under this Agreement, which is calculated by reference to an amount paid or incurred by a party to this Planning Agreement, is reduced by the amount of any input tax credit to which that party or a member of its GST Group is entitled in respect of that amount.

27. Confidentiality

The terms of this Agreement are not confidential and this agreement may be treated as a public document and exhibited or reported without restriction by any party.

28. Once the Council is satisfied that the Proprietor and Developer have fully complied with all of their obligations under this Planning Agreement, the Council agrees to provide a full release and discharge of this Planning Agreement with respect of the whole of the Land. In such circumstances Council will do all things reasonably necessary, including the execution of any documents to enable the Proprietor to remove any caveat and the notation of this Planning Agreement on the title to the Land.

EXECUTED AS AN AGREEMENT

Signed for and on behalf of Burwood Council by)
its attorney, Tommaso Briscese, under power)
of attorney dated 29 May 2019 registered)
book 4760 number 381, in the presence of:)
)
)

Signature of Witness

Signature of Attorney

(Print) Full Name of Witness

Tommaso Briscese
(Print) Full Name of Attorney

Date

Level 2, 1 - 17 Elsie Street, Burwood, New South
Wales, 2134
(Print) Address

By executing this document, the attorney certifies
that he has not received notification of revocation
of the power of attorney.

On behalf of Prospect Road Pty Ltd

Prospect Road Pty Ltd (ACN 604768210) executed this agreement pursuant to section 127 of the
Corporations Act in the presence of:

.....
Signature of Director/Secretary

.....
Signature of Director

.....
(Print) Name of Director/Secretary

.....
(Print) Name of Director

.....
Date



PLANNING AGREEMENT - Explanatory Note

Environmental Planning and Assessment Regulation 2000 (Clause 25E)

Planning Agreement for the provision of monetary contribution in lieu of Visitor Parking spaces at 1 Lyons Street, Strathfield

Under Section 7.4 of the Environmental Planning and Assessment (EP&A) Act 1979

1. Parties

The parties to the Planning Agreement are:

- (1) Burwood Council (**Council**)
- (2) Prospect Road Pty Ltd (**Proprietor**)
- (3) Prospect Road Pty Ltd (**Developer**)

2. Description of Subject Land

The land to which the Planning Agreement relates is as follows:

Folio Identifiers: Lot 6 DP 17433

Location: 1 Lyons Street, Strathfield

3. Description of Proposed Change to Development

The Developer has lodged a S4.55 Modification Application (being DA.2015.101.4) which provides a shortfall of five (5) Lodger Parking spaces.

4. Summary of Objectives, Nature and Effect of the Planning Agreement

[Section 25E(1)(a) of the EP&A Regulation 2000]

The offer made by the **Proprietor** and **Developer** as set out in the Planning Agreement is based on the parking provision of Burwood Council's Development Control Plan and is consistent with that provision.

The intent of the Planning Agreement is to ensure that the parking needs of the incoming population into the Burwood local government area are met.

Council's Fees and Charges Schedule identifies the monetary contributions in lieu of on-site parking as being \$52,010.00 (no GST) per parking space.

As such, the monetary contributions to be provided by the **Proprietor** and **Developer** under the Planning Agreement is an amount of \$260,050.00 (being a contribution for 5 spaces) payable on the date of execution of the agreement and before issue of any Construction Certificate.

5. Assessment of the Merits of the Planning Agreement

[Section 25E(1)(b) of the EP&A Regulation 2000]

Impact on the public or any relevant section of the public:

The Agreement has a positive impact on the public, and in particular, the residents of the Strathfield community. This is because the Agreement provides an opportunity to facilitate:

- (a) Active street frontage within the B4 Zone;
- (b) The promotion of public transport usage within a highly accessible area;
- (c) Additional affordable accommodation;
- (d) Local employment opportunities
- (e) An increase in the provision of local commercial services in the form of space for retail, café and restaurant use or similar



PLANNING INGENUITY

Suite 710, 531-533 Kingsway
Miranda NSW 2228
P 02 9531 2555

Suite 6, 65-67 Burrell St
Woolongong NSW 2500
P 02 4254 5319



There may be some relatively minor impacts on the public in connection with the works required to construct the development and the improvements to the public domain. However, these impacts will be offset by the longer-term benefits that those works are intended to bring about and would occur regardless if the development was fully compliant.

5.1 The planning purposes served by the Planning Agreement

[Section 25E(2)(e) of the EP&A Regulation 2000]

The Planning Agreement will serve a planning purpose by enhancing the public domain by enabling the provision of an active street frontage within the B4 mixed use zone. In addition it will make a contribution to local infrastructure, reflecting the changing nature of the area and the needs of the anticipated incoming population.

The monetary contributions paid by the **Proprietor** and **Developer** under this Planning Agreement will be used by **Council** to develop public car parking facilities within the Strathfield Town Centre.

The planning provision enabling monetary contributions in lieu of parking on-site is contained within Burwood Development Control Plan, a publically exhibited document which was initially adopted by Council on 12 February 2013. The mechanism allows the aggregation of funds by Council for the provision of efficient and sensitively located public car parking facilities.

5.2 Promotion of the public interest

[Section 25E(2)(a) of the EP&A Regulation 2000]

How the Planning Agreement promotes the public interest and one or more of the objects of the Act:

The Planning Agreement promotes the objects of the Act, in particular the following Objects:

- (c) to promote the orderly and economic use and development of land,
- (d) to promote the delivery and maintenance of affordable housing,
- (g) to promote good design and amenity of the built environment

The agreement will provide a contribution towards community infrastructure which will support and service the existing and future population and will contribute to greater amenity and infrastructure of those areas.

5.3 Promotion of the Council's charter

[Section 25E(2)(d) of the EP&A Regulation 2000]

The Planning Agreement promotes one or more of the elements of Council's charter under Section 8 of the Local Government Act 1993 as follows [italicised sections come directly from the Charter]:

Council undertakes to provide *adequate, equitable and appropriate services for the community*. The Planning Agreement provides the monetary resources for Council to assist in the provision of additional public car parking and ensure that those *facilities are managed efficiently and effectively*. Council is the *custodian and trustee of public assets* and has a responsibility to *effectively plan for, account for, and manage the assets*.

Council undertakes to involve *councillors, members of the public, users of facilities and services, and council staff* in its activities. The Planning Agreement process provides an opportunity for the community and stakeholders to be involved and interested people are invited to make comment during the exhibition period. The public exhibition and the consideration of this matter at Council meetings are intended to *keep the local community informed*.

Council seeks to ensure that it *acts consistently and without bias*, which is why Council's provisions for Planning Agreements which allow for contributions in lieu of parking is set out in its Development Control Plan.

5.4 Capital Works Program

[Section 25E(2)(f) of the EP&A Regulation 2000]

Whether Council has a capital works program, and if so, whether the Planning Agreement conforms with that capital works program:

Council has in place a capital works program, but the program does not, to date, identify additional public car parking facilities within the Strathfield Town Centre. The capital works program is subject to annual review and any proposal for additional public car parking would be initiated where sufficient funds are available.



(ITEM 105/20) DISCLOSURE OF INTEREST RETURNS - COUNCILLORS AND DESIGNATED PERSONS

File No: 20/46222

REPORT BY DIRECTOR CORPORATE SERVICES

Summary

The General Manager is required under the *Local Government Act 1993* and supporting instruments to table written returns of interests for councillors and designated persons at a meeting of Council. Annual returns for the period 2019/20 are now due to be formally received and noted.

Operational Plan Objective

2.1.3 Ensure transparency and accountability in decision making

Background

Sections 440AAA and 440AAB of the *Local Government Act 1993* establish the framework for disclosures of interest that must be completed by councillors and designated persons. The returns are fundamental transparency and accountability documents and as such must be retained as part of a publicly accessible register. Section 6(2) of the *Government Information (Public Access) Act 2009* stipulates that certain open access information must be made publicly accessible on the Council website. Returns of interests of councillors, designated persons and delegates are classed under Schedule 1 of the *Government Information (Public Access) Regulation 2018* as open access information for the purposes of website publication.

Discussion

Specific requirements for preparation and lodgement of returns is contained the Model Code of Conduct which is required under the *Local Government Act 1993*. The Model Code is the basis of the Burwood Council Code of Conduct. All councillors and designated persons must lodge disclosure of interest returns within 3 months of:

- a) becoming a councillor or designated person (first time return)
- b) 30 June each year
- c) the councillor or designated person becoming aware of an interest they are required to disclose under Schedule 1 of the Burwood Council Code of Conduct that has not been previously disclosed in a return lodged in a first time return or an annual return

A 'designated person' is described in clause 4.8 of the Burwood Code of Conduct as:

- a) the general manager
- b) other senior staff of the council
- c) a person (other than a member of the senior staff of the council) who is a member of staff of the council or a delegate of the council and who holds a position identified by the council as the position of a designated person because it involves the exercise of functions under the LGA or any other Act (such as regulatory functions or contractual functions) that, in their exercise, could give rise to a conflict between the person's duty as a member of staff or delegate and the person's private interest
- d) a person who is a member of a committee of the council identified by the council as a committee whose members are designated persons because the functions of the committee involve the exercise of the council's functions (such as regulatory functions or contractual

functions) that, in their exercise, could give rise to a conflict between the member's duty as a member of the committee and the member's private interest.

Preparation and proactive release of disclosure of interest returns are important elements in promoting public accountability of Council. They help to protect the integrity of Council decision making processes by allowing scrutiny of potential conflicts of interest that could arise where councillors or other key council officials participate in decision making from which they or their close associates may derive (or be perceived to derive) personal or financial benefit.

The relevant officer positions for the purposes of identifying designated persons were confirmed by the General Manager in July 2020. All councillors and designated persons, other than one officer who is out of contact on extended leave, have lodged their returns within the prescribed format by the due date of 30 September 2020. The returns have already been published on the Council website in line with statutory requirements.

Conclusion

Pursuant to Section 440AAB of the *Local Government Act 1993*, the returns for the period ended 30 June 2020 as per the summary of returns appearing as Attachment 1 to this report are formally tabled for information.

Recommendation(s)

That the report and tabled disclosure of interest returns by councillors and designated persons for 2019/20 are received and noted.

Attachments

1 [↓](#) Summary of Annual Disclosure of Interest Returns for 2019-20

ITEM NUMBER 105/20 - ATTACHMENT 1

Summary of Annual Disclosure of Interest Returns for 2019-20

Annual Disclosure of Interest Returns - 2019/20	
Councillors and Designated Persons	
<i>For statutory disclosures of interests required under Section 4.21 under the Burwood Council Code of Conduct</i>	
Position Title	Incumbent
Mayor	John Faker
Deputy Mayor	Ernest Chan
Councillor	Heather Crichton
Councillor	Joseph Del Duca
Councillor	Raj Dixit
Councillor	Furneaux-Cook
Councillor	George Mannah
General Manager	Tommaso Briscese
A/Director City Strategy	Peter Brown*
Director Corporate Services	Fab Zincone
Director People & Performance	Patricia Hatzigiannis
A/Group Manager Information Technology	Shisir Manandhar
A/Group Manager Strategic Planning, Heritage & Place Planning	Noni Ruker*
Area Building Surveyor	Nelson Silva
Chief Financial Officer	Wayne Armitage
Consultant Governance Specialist <i>[temporary delegate for Manager Governance]</i>	Tanya Whitmarsh*
Development Assessment Officer	Emily May
Executive Planner	Robert Toohey
Executive Strategic Planner - Heritage Advisor	Marianna Kucic
Group Manager Assets & Infrastructure	John Inglese
Group Manager Building & Development	Brian Olsen
Group Manager Community Library & Aquatic Services	Simon Fox
Group Manager Compliance	Martin Jenner
Group Manager Corporate Planning & Communications	Lawrence Hennessy
Group Manager Customer Service & Records	Julie Mockett
Group Manager Operations	Michael Limnos
Group Manager Property & Building Services	Robert Teo
Group Manager, Environment & Health	Harry Gavrilis
Internal Ombudsman <i>[temporary delegate]</i>	Elizabeth Wall*
Procurement Officer	Prudence Pinto
Senior Strategic Planner	Diwei Luo
Senior Town Planner	Emma Buttress-Grove
Special Projects Officer (Building & Development)	Mark Ranieri
Strategic Planner	Ryan King

* First return

(ITEM 106/20) ADOPTION OF COUNCIL'S COMMUNICATIONS POLICY, SOCIAL MEDIA POLICY AND MEDIA POLICY

File No: 20/44972

REPORT BY DIRECTOR PEOPLE AND PERFORMANCE

Summary

The draft Communications Policy, draft Social Media Policy and draft Media Policy was endorsed by Council at the February Council Meeting and placed on public exhibition in accordance with *Section 160 of the Local Government Act 1993* for a period of 28 days. This report seeks Council's adoption of the three policies following the conclusion of the public consultation period.

Operational Plan Objective

- 1.2.1 Inform the community of Council's activities, facilities and services using accessible communication
- 1.2.2 Modernise and enhance access to information on services
- 1.4.1 Celebrate the achievements of the local community
- 1.4.2 Engage with culturally and linguistically diverse community

Background

The draft Communications Policy, draft Social Media Policy and draft Media Policy was endorsed by Council at the February Council Meeting and placed on public exhibition in accordance with *Section 160 of the Local Government Act 1993* for a period of 28 days.

Proposal

The draft policies' community consultation period has expired with no submissions. It is proposed that they be adopted by Council.

Consultation

Upon endorsement by Council, the documents were placed on public exhibition for a period of 28 days ending 14 March 2020. The documents were made available to the public at:

Council's website: www.burwood.nsw.gov.au

Customer Service Centre: Suite 1, Level 2, 1-17 Elsie Street Burwood

The exhibition was promoted on Council's social media channels – Facebook and Twitter, included in the Council column in the Inner West Courier and advertised in the Inner West Courier.

No submissions were received at any time during this period.

The Policy has been endorsed by the General Manager and Council's Policy, Corporate Practice and Procedures Panel.

Planning or Policy Implications

No Planning or Policy implications.

Financial Implications

No Financial implications.

Options

NA

Conclusion

With the conclusion of the community consultation period and having not received any submissions, the Communications Policy, Social Media Policy and Media Policy should be adopted.

Recommendation(s)

That Council adopt the Communications Policy, Social Media Policy and Media Policy.

Attachments

- 1 [↓](#) Communications Policy - Adopted 27 October 2020
- 2 [↓](#) Social Media Policy - Adopted 27 October 2020
- 3 [↓](#) Media Policy - Adopted 27 October 2020



Burwood

Inc.1874

COMMUNICATIONS POLICY

PO Box 240, BURWOOD NSW 1805
2 Conder Street, BURWOOD NSW 2134
Phone: 9911-9911
Email: council@burwood.nsw.gov.au
Website: www.burwood.nsw.gov.au

- Public Document
- Approved by Council: 27 October 2020
- Content Manager No.: 20/46769
- Version No. 1

Team Responsible: Communications

Purpose

This Policy outlines Council's established frameworks and procedures for managing communication between Council and the public to ensure that Councillors and Council Officers utilise best practice when engaging with internal and external stakeholders.

In addition, the Policy formalises Council's commitment to providing communication in a transparent, professional and accurate manner in line with Council's community and corporate strategies.

Scope

The Policy applies to all Council Officers and Councillors.

Policy

- Communication should be clear and simple – avoid jargon and technical information, keep to the facts and ensure the information is clear, concise and in plain English
- Use a diverse range of communication tools in a variety of ways to engage with the community
- Where appropriate, ensure that information is accessible and easy to understand for all members of the community including seniors, people with a disability and Cultural and Linguistically Diverse (CALD) residents
- Advice should be sought from the Media and Communications Team on any communication undertaken which impacts on the Community framework provided in the Community Engagement Strategy
- All forms of communication must adhere to Council's Internal Communication Corporate Practice
- The Media Policy outlines the scope for communication with the media
- The Social Media Policy outlines the scope for communication made online and on social media
- The Internal Communication Corporate Practice provides clear guidelines to ensure Council's Corporate Identity is used with consistency and is always applied correctly

Related Information/Glossary

Legislation:

- *Defamation Act 2005*
- *Local Government Act 1993*
- *Protected Disclosures Act 1994*

Burwood Council Documents:

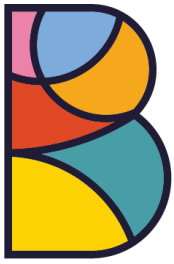
- *Public Interest Disclosure Act 1994* – Internal Reporting Policy 2015
- Code of Conduct
- Customer Service Charter
- Councillors' Manual
- Employee's Handbook
- Community Engagement Policy
- Community Engagement Strategy
- Internal Communication Corporate Practice
- Media Policy
- Social Media Policy

Review

This Policy will be reviewed every four years

Contact

Media and Communications Officer on 9911 9819



Burwood
Inc.1874

SOCIAL MEDIA POLICY

PO Box 240, BURWOOD NSW 1805
2 Conder Street, BURWOOD NSW 2134
Phone: 9911-9911
Email: council@burwood.nsw.gov.au
Website: www.burwood.nsw.gov.au

Corporate Document
Approved by Council: 27 October 2020
Content Manager : 20/46772
Version No.: 1
Ownership: Communications

TABLE OF CONTENTS

Purpose 3
Background..... 3
Scope 3
Definitions 3
Policy Guidelines 3
Administrative Responsibilities 4
Legal..... 5
General Enquiries and Complaints..... 5
Media Enquiries through Social Media 5
Personal Use of Social Media 5
Privacy..... 6
Related Information..... 6
Record Keeping 6
Review 6
Contact 6

Purpose

To outline the formal process to ensure that communication carried out by Burwood Council on social media is managed professionally and appropriately.

Background

Social media is used to engage with the greater community and provide a two way communication flow. The key objective of Burwood Council's use of social media is to promote a positive public image in line with Council's corporate objectives. This is achieved through an informal, 'personal' voice directly targeted at the community.

Social media allows Council to manage and control what information is distributed to the public, bypassing traditional methods of communication. Social media allows greater access to information for residents and shows transparency in operations. Other uses include providing feedback and promotion of events and initiatives in a timely manner.

For this purpose, the Council has identified the Media and Communications Team as having the expertise and programs in place to facilitate the above.

Scope

This Policy applies to Councillors, Council officers, volunteers, consultants and contractors.

Definitions

Social Media

In this policy "social media" refers to (but not limited to):

- Social networking services e.g. Facebook
- Video and photo sharing websites e.g. YouTube, Instagram
- Micro-blogging sites e.g. Twitter
- Blogging sites e.g. Wordpress, Tumblr
- Forums and discussion boards e.g. Yahoo! Groups
- Social media management sites e.g. HootSuite
- Mobile social apps e.g. WeChat
- Survey, petition and competition websites e.g. Survey Monkey, Go Petition
- Online encyclopedias e.g. Wikipedia
- Any other web site or online application which allows individuals, users or organisations to publish material

Terms

- "**Publication**" and other derivatives of the word refer to any item which has been made public online
- "**Platform**" is used to refer to specific forms of social media
- "**Post**", "**upload**", "**share**", "**like**" and "**comment**" are platform specific terms used for publishing material online
- "**Administration**" and other variations of the term refer to the account operator of a social platform who publishes content
- "**Block**" refers to removing or denying a user access to Council's social media platforms

Policy

Users of social media must abide by the policy listed below:

- Published material should be positive and unifying, creating an image of Burwood Council to the community that is encouraging, professional and strong.
- Burwood Council will provide accurate responses to all social media matters which are of public interest in a timely manner.
- Communication must remain professional and appropriate.
- The publication of any inappropriate content may breach Burwood Council's *Code of Conduct* and could therefore be considered as a serious offence. Inappropriate content on social media includes:
 - Profane language or content
 - Material which discriminates against a person or group (*Anti-Discrimination Act 1977*)
 - Defamatory or contemptuous material
 - Illegal content
 - Content obtained illegally
 - Content which violates copyright or legal ownership of a third party
 - Content which discloses personal information without the person's consent
 - Content which is graphic or sexually explicit
 - Content which solicits finance
 - Unrelated content e.g. spam, advertising, comments which do not relate to the topic of discussion
 - Frequent interaction with any person or group who do not share Council values
 - Outright attacks on other Councils, organisations or individuals
 - Negative material, bullying or content which has an aggressive tone
 - Content promoting or opposing any person/party campaigning for election to a political office
- Communication may not be made on behalf of the Mayor or Councillors through Burwood Council social media platforms without their authorisation.
- Communication may not be made by Council Officers on behalf of the Mayor or Councillors on their personal social media platforms.
- Social media sites should be maintained and updated on a regular basis and are constantly monitored.
- Records of all information which are published on social media platforms should not be deleted.

Administrative Responsibilities

Authorised Users

- Authorised users are determined by the Group Manager Corporate Strategy and Communications
- Authorised users must be trained in use of social media by the Media and Communications Officer
- Authorised users must adhere to the Terms of Use of social media platforms
- Authorised users comment only on their area of expertise and authority
- Councillors are entitled to create, maintain and update their personal social media

pages, subject to the information outlined in this policy

Administrative Voice

- To engage with social media users, Council communication may be less business like however should not include messaging abbreviations
- Staff may not publish any personal material on Council's social media platforms
- Administrator and other authorised users must disclose they are an employee of council if the social media platform requires identification but they may not provide any personal details publicly

Published Material

- As one of Council's social media objectives is to give transparency in its operations, any negative comments published on a Council platform should not be deleted if they are not deemed to be inappropriate (refer to policy).

Content Removal

- Council reserves the right to remove content which is in violation of the Policy
- Council should remove any inappropriate content within 24 hours of publication or at the soonest time possible
- Council will inform the author of the content why the content was removed in a prompt manner as appropriate

Legal

Information published on social media forms part of the public sphere and is therefore subject to defamation (*Defamation Act 2005*) and contempt.

The authorised users should exercise caution when publishing material which they deem may be defamatory or contemptuous. This includes personal or private messages.

In the event that the item must be published and the administrator is uncertain of the potential legal ramifications, legal advice should be sought prior to any action being taken.

General Enquiries and Complaints

Social media provides residents with a direct point of contact to Council. Due to its accessibility, many residents use social media to lodge an enquiry or complaint and thus bypass Customer Service.

As social media is an informal channel of communication, Council is unable to respond to formal complaints and service requests online, however, comments of this nature will be forwarded to the relevant department. A task will be forwarded to the appropriate department, the administrator should inform the resident that the comment has been forwarded to the relevant officer.

It must be noted that the fast paced nature of social media means that users expect an immediate response from Council. Therefore, responses should be made in a timely manner, in line with Council's *Customer Service Charter*.

In the event that a user persistently posts inappropriate comments (refer to the policy) or Council receives comments from a user who has been classified as an unreasonable and persistent

complainant, Council reserves the right to block the user from Council's social media pages. This action will be considered as a final resort following the issue of a warning notice to the user.

Media Enquiries through Social Media

Council must treat media enquiries made through social media as a legitimate media request. If contact details are not provided by the enquirer, Council must request contact details prior to providing any information to communicate off line.

Authorised users should refer any media enquiry to the Media and Communications Team.

Personal Use of Social Media

Council does not intend to restrict personal use of social media. This Policy does not apply to personal use of social media when no reference or inference is made to Council or related issues.

There is no such thing as a 'private' social media platform, regardless of the privacy settings. Any comment about Council on social media is considered public comment. Council employees and Councillors have the right to enter public debates and comment on political, social or any other issues. However any comment made must avoid any reference to employment at Council. If individuals choose to identify themselves as Council employees either directly or as part of a user profile, they are commenting as representatives of Council. Employees and Councillors are personally responsible for the use of social media in a personal capacity, including the content they publish.

Any content which reflects negatively on Council's public image can have significant consequences for the organisation and may lead to disciplinary action under Burwood Council's Code of Conduct. This includes any discriminatory content published regarding employees, Councillors, Council or any content which undermines the public's perception of Council.

Council supports any promotion of Council initiatives or events on personal social media platforms, provided they are positive and unifying.

For personal use of social media during work hours refer to Council's Use and Monitoring of Network, Email and Internet Corporate Practice.

Privacy

Council respects the privacy of social media users. Personal details of users will only be kept when necessary i.e. when an enquiry or request is made, or if the policy is breached, in order to assist Council in its operations.

The disclosure of personal information, use and security of confidential information and general conduct obligations are outlined in Burwood Council's *Code of Conduct*. Under no circumstance can staff or Councillors publicise Council material online which is sensitive or confidential.

Users should be aware of the privacy guidelines of specific social media platforms prior to engaging in social media as the terms of use vary from platform to platform.

Related Information

Related Legislation and Policies:

- *Anti-Discrimination Act 1977*
- *Archives Act 1983*
- Burwood Council Code of Conduct

ITEM NUMBER 106/20 - ATTACHMENT 2

Social Media Policy - Adopted 27 October 2020

- Burwood Council Employee's Handbook
- Burwood Council Media Policy 2019
- Burwood Council Communications Policy 2019
- Burwood Council Community Engagement Policy 2012
- Burwood Council Customer Service Charter
- *Defamation Act 2005*
- *Government Information (Public Access) Act 2009 (GIPA)*
- *Local Government Act 1993*
- NSW Ombudsman's Managing Unreasonable Complainant Conduct Manual 2012
- *Privacy Act 1988*
- *Privacy and Personal Information Protection Act 1998*
- Burwood Council Use and Monitoring of Network, Email and Internet Corporate Practice
- Web Content Accessibility Guidelines V2.0
- *Work Health and Safety Act 2011 (WHS)*

Record Keeping

Specific inquiries or complaints made via a Council social media platform will be entered into Content Manager.

Review

Policy to be reviewed every four years.

Contact

Media and Communications Officer - 9911 9819



Burwood
Inc.1874

MEDIA POLICY

PO Box 240, BURWOOD NSW 1805
2 Conder Street, BURWOOD NSW 2134
Phone: 9911-9911
[Email: council@burwood.nsw.gov.au](mailto:council@burwood.nsw.gov.au)
Website: www.burwood.nsw.gov.au

Corporate Document Approved
by Council: 27 October 2020
Content Manager No.: 20/46770
Version No. 1
Ownership: Communications

Purpose

This policy outlines a formal process to ensure all media releases, statements and inquiries regarding Burwood Council issues are managed professionally and appropriately.

For this purpose, the Council has identified the **Media and Communications Team** as having the expertise and programmes in place to facilitate the above.

Scope

Applies to all Council Officers and Councillors.

Policy

1. For Burwood Council to provide prompt, accurate responses to all media on matters which are of public interest.
2. The key objective is to provide Burwood Council with a positive public image in line with its corporate objectives and mission statement through presentation of press releases, media liaison, promotional literature, official speeches, interviews, social media and other internal and external communications strategies.
3. To clearly indicate Council's authorised spokespersons.
4. To limit the possibility of miscommunication and to maximise the effectiveness of Council Officers by ensuring comments to the media are made only through authorised people.
5. To establish guidelines for effectively communicating and publicising news about Burwood Council with the media.

Method

The Mayor, General Manager, Group Manager Corporate Planning and Communications and Media and Communications Officer are Council's official spokespersons on all matters involving the media.

Issuing of media releases and responses to media inquiries, the Media and Communications Officer is the official spokesperson for Council on all matters of policy and external relations.

No Council Officers has any authority to talk to the media on any Council matter, unless delegated by the General Manager.

Council Officers are required to direct all media inquiries to the Media and Communications Officer. The Media and Communications Officer will then liaise with the General Manager and Council Officers to prepare a response to the inquiry. If the inquiry is of a simple nature, the Media and Communications Officer may deal with the issue and provide answers attributable to a "Council spokesperson".

The General Manager should make themselves available to answer inquiries from the media where such inquiries affect immediate areas of operations.

As a matter of policy, the General Manager should remain the ultimate authority in question of doubt on handling any media issue.

Information given to the media of a controversial, legal or ethical nature requires the approval of the General Manager and the Mayor (example Council's Media Releases).

Journalists may on occasions contact Council Officers directly. No Council Officer, other than those authorised above, are to handle the inquiry from the media. Council Officer should immediately contact the Media and Communications Officer if they have been contacted by a journalist.

Council Officers should be reminded of this policy during their induction program shortly after they are employed.

Role of Councillors

It is common practice for the media to ask Councillors to comment on Council policy or decisions. Only the Mayor, General Manager, Group Manager Corporate Planning and Communications and Media and Communications Officer or at the request of the Mayor, the Deputy Mayor, are permitted to speak on behalf of Council.

Individual Councillors remain free to provide personal comments to the media, but not to speak on Council's behalf.

Individual Councillors speaking to the media on their own behalf must clearly convey this to the media and avoid any perception that their views are necessarily those of Council.

The Mayor and Councillors may, as a courtesy, inform the Media and Communications Officer of any media contact relating to Council business and may copy the Media and Communications Officer on any personal media releases.

Defamation law covers Councillors as it does all Council Officers. It could be considered defamatory to harm another person's reputation verbally or through written word.

Councillors are reminded of this policy at their Councillor Induction Program shortly after they are elected and is included in the Councillors' Manual.

Media Strategies

When Council is faced with a significant media interest on a specific event, the Media and Communications Officer is responsible for the preparation of a strategy to manage all inquiries and requests. The strategy should include responses to the media, advice to Council Officers, responsibility for making official Council comments and development of press releases. In certain circumstances an external agency or consultant may be used to ensure consistency in Council's message.

Record Keeping

The Media and Communications Officer and the Media Team will maintain records of media inquiries and responses, copies of media releases and background information. Media releases are also published on Council's website for public view.

Related Information/Glossary

Possible matters to consider:

- Burwood Council Code of Conduct
- Burwood Council Customer Service Charter
- Burwood Council Councillors' Manual
- Burwood Council Employee's Handbook
- Community Engagement Policy 2012
- Community Engagement Strategy 2015
- *Defamation Act 2005*

- *Local Government Act 1993*
- *Protected Disclosures Act 1994*
- *Public Interest Disclosure Act 1994* – Internal Reporting Policy 2015
- Social Media Policy 2013

Review

Policy to be reviewed every four years

Contact

Media and Communications Officer – 9911 9819

(ITEM 107/20) CONCESSION DAYS - CHRISTMAS & NEW YEAR 2020-2021

File No: 20/45898

REPORT BY DIRECTOR PEOPLE AND PERFORMANCE

Summary

This report outlines the proposed staffing levels for the 2020-2021 Christmas and New Year holiday period to ensure that an appropriate level of service to the Burwood Council community is maintained.

Operational Plan Objective

2.3.2 Ensure the organisation is well led, staff can carry out their roles efficiently and effectively in line with the community's vision

Background

Council has regularly maintained appropriate staffing levels to meet the community's needs over the Christmas and New Year holiday period, particularly in the Operations and Aquatic Services.

These service areas have customised hours of work at this time, as per the attached schedule.

Traditionally, Council has closed its other offices for a period of three days between Christmas and New Year. Council provides its eligible employees with an additional three paid leave (concession) days to cover this period in addition to employee *Local Government (State) 2020 Award* entitlements.

As this is not an automatic entitlement and does not form part of the employees' terms and conditions of employment, it requires a Council resolution.

Employees who are required to work during this period have previously received three times in lieu days to take at a later date, pro rata for part time employees.

Proposal

That approval be granted for Council to be closed on Tuesday 29, Wednesday 30 and Thursday 31 December 2020, in addition to the Public Holidays, providing eligible employees with three days of additional leave (concession days). Approval of the concession days will also form recognition of the continued service delivery throughout the COVID-19 period.

As detailed in Attachment 1, Council will adjust its services and facilities opening hours for the Christmas and New Year period.

During the closing time of the Customer Service Centre, all calls will be diverted to the After-Hours Call Centre. Council's Community Safety Team will be rostered on over the period to respond to complaints, compliance and parking matters. Community facilities will be closed for bookings from Thursday 24 December 2020 until 2 January 2021 as general maintenance works will be conducted at this time.

Waste and recycling collections will be carried out on the regular collection days over the Christmas and New Year period. Any enquiries or complaints will be directed to Council's After-Hours Call Centre where they will be dealt with by Council's contractor within the agreed service standard times.

The Enfield Aquatic Centre adjusted opening hours are based on a review of the previous Summer Season visitor numbers. Attendance numbers and the impact of COVID-19 Public Health Orders will continue to be monitored over the Summer Season.

Consultation

Council will provide suitable notification to the community of the operational hours for Council services and facilities during the 2020-2021 holiday period through its website and appropriate signage at all of its Service Centres.

Community notification provisions for development applications over the Christmas period will be managed in accordance with Section 7.2, *Notification of Applications* of the *Burwood Development Control Plan*.

The provisions indicate that:

- Where the final Calendar Day of the exhibition period falls on a weekend or public holiday, the period will be extended to the next working day.
- The exhibition period may be extended to take into account School Holidays or some other major public event.
- Where an exhibition period for a development application finishes after 24 December 2020, normal practice is to extend the notification period until at least the middle of January depending on when the DA was first notified.
- Council is to note similar provisions will be followed in the event that a planning proposal is to be notified during this holiday period.

Planning or Policy Implications

No Planning or Policy implications.

Financial Implications

Current payroll estimates indicate a cost of \$60,000 per day, with a total of \$180,000 for three days. A budget allocation is available to cover these costs.

Conclusion

This proposal is in line with the traditional practices of Council and any service delivery impact will be adequately managed through suitable notification to the community.

Recommendation(s)

1. That the Council receive and note the information pertaining to the operational hours for Council services and facilities over the Christmas and New Year holiday period as detailed in the report, which will provide an appropriate level of service to the Burwood community during the 2020-2021 festive period.
2. That the Council endorse the three concession leave days during the Christmas and New Year holiday period as identified in this report.
3. That the General Manager ensures suitable notification is provided to the community of the operational hours for Council services and facilities during the 2020-2021 holiday period.

Attachments

1 [↓](#) Concession Days - Christmas & New Year 2020-2021

ITEM NUMBER 107/20 - ATTACHMENT 1

Concession Days - Christmas & New Year 2020-2021

CONCESSION DAYS – CHRISTMAS & NEW YEAR 2020-2021

CUSTOMER SERVICE CENTRE *

Thursday 24 December 2020	8.30am – 3.00pm
Friday 25 December 2020	Closed (Public Holiday)
Saturday 26 December 2020	Closed (Public Holiday)
Sunday 27 December 2020	Closed
Monday 28 December 2020	Closed (Public Holiday)
Tuesday 29 December 2020	Closed
Wednesday 30 December 2020	Closed
Thursday 31 December 2020	Closed
Friday 1 January 2021	Closed (Public Holiday)
Saturday 2 January 2021	Closed
Sunday 3 January 2021	Closed
Monday 4 January 2021	Normal operating hours recommence

* Council's after-hours service will provide additional hours of service during this period.

LIBRARY

Thursday 24 December 2020	9.00am – 3.00pm
Friday 25 December 2020	Closed (Public Holiday)
Saturday 26 December 2020	Closed (Public Holiday)
Sunday 27 December 2020	Closed
Monday 28 December 2020	Closed (Public Holiday)
Tuesday 29 December 2020	Closed
Wednesday 30 December 2020	Closed
Thursday 31 December 2020	Closed
Friday 1 January 2021	Closed (Public Holiday)
Saturday 2 January 2021	Closed
Sunday 3 January 2021	Closed
Monday 4 January 2021	Normal operating hours recommence

ENFIELD AQUATIC CENTRE

Thursday 24 December 2020	6.00am – 4.00pm**
Friday 25 December 2020	Closed (Public Holiday)
Saturday 26 December 2020	8.00am – 4.00pm (Public Holiday)
Sunday 27 December 2020	7.00am – 6.00pm
Monday 28 December 2020	8.00am – 4.00pm (Public Holiday)
Tuesday 29 December 2020	6.00am – 8.00pm
Wednesday 30 December 2020	6.00am – 8.00pm
Thursday 31 December 2020	6.00am – 8.00pm
Friday 1 January 2021	8.00am – 4.00pm (Public Holiday)
Saturday 2 January 2021	7.00am – 6.00pm
Sunday 3 January 2021	7.00am – 6.00pm
Monday 4 January 2021	Normal operating hours recommence

**Proposing to close four hours early.

ITEM NUMBER 107/20 - ATTACHMENT 1

Concession Days - Christmas & New Year 2020-2021

WASTE & CLEANSING

Thursday 24 December 2020	Normal Operating Hours
Friday 25 December 2020	Public Holiday Roster B-Tidy: 1.45am - 5.45am CBD Street Sweeping: 3.00am - 7.00am
Saturday 26 December 2020	Weekend Roster B-Tidy 1.45am - 5.45am CBD Street Sweeping: 3.00am - 7.00am Afternoon Shift 10:00am - 6:30pm
Sunday 27 December 2020	B-Tidy 1.45am - 5.45am CBD Street Sweeping 3.00am - 7.00am Afternoon Shift 10.00am - 6.30pm
Monday 28 December 2020	Public Holiday Roster B-Tidy 1.45am - 5.45am CBD Street Sweeping 3.00am - 7.00am
Tuesday 29 December 2020	Normal Operating Hours
Wednesday 30 December 2020	Normal Operating Hours
Thursday 31 December 2020	Normal Operating Hours
Friday 1 January 2021	Public Holiday B-Tidy 1.45am - 5.45 am CBD Street Sweeping 3.00am - 7.00am 10.00am - 2.00pm
Saturday 2 January 2021	Weekend Roster B-Tidy 1.45am - 5.45am CBD Street Sweeping 3.00am - 7.00am 10.00am - 6.30pm
Sunday 3 January 2021	Weekend Roster B-Tidy 1.45am - 5.45am CBD Street Sweeping 3.00am - 7.00am 10.00am - 6.30pm
Monday 4 January 2021	Normal Operating Hours

Waste Operations

Waste & Cleansing Crews will focus on the CBD areas only on Public Holidays. Weekend rosters apply on all weekends as they would normally. Normal Waste & Cleansing operations are scheduled for the concession days for continuation of services, including street sweeping and booked clean-ups. Employees' rosters are then staggered through the next month to take the time off limiting disruption to services.

(ITEM RC4/20) BURWOOD LOCAL TRAFFIC COMMITTEE - OCTOBER 2020

File No: 20/46139

REPORT BY DIRECTOR CITY ASSETS

Summary

Attached are the Minutes of the Burwood Local Traffic Committee from its meeting of October 2020. The Minutes are hereby submitted to the Ordinary Council Meeting for consideration and adoption by Council.

Operational Plan Objective

4.1.5 - Work with RMS and Transport NSW in the development of integrated transport plans.

Recommendations

That the minutes of the Burwood Local Traffic Committee of October 2020 be noted and the recommendations of the Committee as detailed below be adopted as a resolution of the Council.

(ITEM LTC23/20) PARK ROAD, BURWOOD - TRAFFIC AND PARKING MANAGEMENT

Recommendations

1. That Council approve the installation of 'No Left Turn' restrictions for vehicles exiting Parramatta Road onto Park Road.
2. That Council approve the installation of 'No Stopping 8.00am-9.30am and 2.30pm-4.00pm School Days Only' restrictions of Park Road in the existing unrestricted parking areas along the MLC frontage.

(ITEM LTC24/20) MCDONALD CRESCENT STRATHFIELD - PROPOSED NO PARKING RESTRICTION

Recommendation

That Council approve the installation of 'No Parking' restrictions along the eastern end of the cul-de-sac in McDonald Crescent Strathfield per the plan in the report.

(ITEM LTC25/20) BROOKLYN STREET, BURWOOD - EXTENSION OF 1P PARKING RESTRICTIONS

Recommendation

That Council approve the installation of '1P 8.00am – 6.00pm Monday – Friday and 8.00am – 1.00pm Saturday Permit Holders Excepted Area 5' parking restrictions for a length of 6 meters on the northern side of Brooklyn Street Burwood per the plan in the report.

(ITEM LTC26/20) 2020-2021 AUSTRALIAN GOVERNMENT BLACK SPOT FUNDING PROGRAM SUBMISSIONS

Recommendation

That Council approve the construction of the four successful Black Spot Program projects, as per the plans in the report.

Attachments

- 1 [↓](#) Burwood Local Traffic Committee - Agenda October 2020
- 2 [↓](#) Burwood Local Traffic Committee - Minutes October 2020



NOTICE OF BURWOOD LOCAL TRAFFIC COMMITTEE MEETING

The October 2020 meeting of the Burwood Local Traffic Committee will be held electronically with the Agenda emailed to Members for review. The minutes from the August 2020 meeting have also been emailed to members for confirmation. All comments are requested to be returned to Council by 9.30 am Friday 2 October 2020.

Tommaso Briscese
GENERAL MANAGER

Our Mission

**Burwood Council will create a quality lifestyle for its citizens
by promoting harmony and excellence in the delivery of its services**

Suite 1, Level 2, 1-17 Elsie Street, Burwood NSW 2134, PO Box 240 Burwood NSW 1805
phone: 9911 9911 facsimile: 9911 9900
email: council@burwood.nsw.gov.au
website: www.burwood.nsw.gov.au

AGENDA

APOLOGIES/LEAVE OF ABSENCES

CONFIRMATION OF MINUTES

Recommendation

That the Minutes of the August 2020 Meeting of Burwood Local Traffic Committee as typed and circulated, be confirmed and signed as a true record of the proceedings of that meeting.

GENERAL BUSINESS

(ITEM LTC23/20)	PARK ROAD, BURWOOD - TRAFFIC AND PARKING MANAGEMENT.....	3
(ITEM LTC24/20)	MCDONALD CRESCENT STRATHFIELD - PROPOSED NO PARKING RESTRICTION.....	9
(ITEM LTC25/20)	BROOKLYN STREET, BURWOOD - EXTENSION OF 1P PARKING RESTRICTIONS.....	11
(ITEM LTC26/20)	2020-2021 AUSTRALIAN GOVERNMENT BLACK SPOT FUNDING PROGRAM SUBMISSIONS	13

(ITEM LTC23/20) PARK ROAD, BURWOOD - TRAFFIC AND PARKING MANAGEMENT

File No: 20/43358

REPORT BY MANAGER TRAFFIC & TRANSPORT

Summary

A review of traffic and parking within Park Road between Parramatta Road and Rowley Street has been undertaken to address traffic congestion issues experienced during school peak times.

Background

Park Road is an unclassified local road which connects Parramatta Road to Railway Crescent. The section between Parramatta Road and Rowley Street provides access to a number of residential properties as well as MLC at the southern end and Uber Greenlight Hub at the northern end.

Traffic counts undertaken in 2018 between Parramatta Road and Rowley Street show an average annual daily traffic volume of 1,129 vehicles. A breakdown of this traffic shows that 30% are traveling north while 70% travel south.

This section of Park Road has a kerb to kerb carriageway width of 6.1m. Given this narrow width the street is effectively two lanes. Road widening is currently not an option however may be something considered as a long term objective.

'No Stopping' restrictions are in place along the entire eastern side of the street. Pockets of parking are permitted on the western side with a combination of 10 x unrestricted and 10 x '1P' parking restrictions. There are also pockets of 'No Stopping' and 'No Parking' restrictions along the western side which are in place adjacent to the pedestrian crossing as well as in strategic locations to allow opposing traffic to pass one another. The below plan shows the existing parking restrictions within the street.



This configuration of parking restrictions and the moderate demand for parking results in one parking lane and one travel lane within the street. This creates conflict when opposing traffic attempt to pass one another. During periods of low traffic, opposing traffic is able to pass one another by utilising sections of 'No Stopping', 'No Parking' or driveways on the western side of the street. During periods of high traffic volumes congestion occurs within the street with opposing traffic unable to pass. This has resulted in south bound traffic mounting the kerb and partially driving along the footpath which presents a clear safety concern for pedestrians.

A review of crash data recorded by the NSW Police Force and compiled by the Centre for Road Safety has been undertaken for Park Road between Parramatta Road and Rowley Street. Between July 2014 to June 2019 there have been two recorded accidents. The first in 2015 occurred at 8.00pm when a south bound vehicle ran into a parked vehicle. The second accident occurred in 2016 at 5.15am when a southbound vehicle left the roadway and crashed through the front fence of the two properties. The driver of the vehicle suffered severe injuries at the scene and unfortunately passed away. Both accidents were attributed to fatigue.

Proposal

In order to address this issue five options were considered.

1. **Convert Park Road to One-Way northbound** – This would prevent traffic from entering at Parramatta Road at all times. All traffic within the street would be forced to head north towards Parramatta Road, including residents exiting their driveways.

This would impact motorist exiting properties within Park Road who are wanting to head south by forcing them to loop around via Parramatta Road and back via Grantham Street or Wentworth Road.

2. **Install 'No Left Turn' restrictions into Park Road from Parramatta Road** – This would prevent traffic travelling west along Parramatta Road from entering Park Road at all times. Residents/Motorists wanting to exit their properties on Park Road would be permitted to do so by heading south towards Rowley Street and not forced to exit the street via Parramatta Road.

Given the low volume of traffic generated by vehicles exiting driveways within Park Road conflict between north and south bound traffic would be minimal and would be able to be managed in conjunction with north bound traffic.

3. **Install timed 'No Left Turn' restrictions into Park Road from Parramatta Road** – This would prevent traffic traveling west along Parramatta Road from entering Park Road during set times only. Based upon the traffic data from 2018 the peak times would be between 8am – 7pm. Residents/Motorists exiting Park Road properties would be permitted to head south towards Rowley Street and not forced to exit the street via Parramatta Road.

As with Option 2 the limited number of south bound trips generated from vehicles exiting driveways within Park Road is expected to be manageable.

4. **Restrict all parking within the street during peak times** – This would ensure the free flow of traffic within the street by converting the parking lane to a second travel lane. Given the limited off-street parking of properties within Park Road this is likely to be met with strong objections from residents.
5. **Remove unrestricted parking areas during school peak times** – Converting the 10 unrestricted parking area to 'No Stopping' during school peak times of 8.00am-9.30am and 2.30pm-4.00pm School Days Only will help create additional capacity within the street for opposing traffic. The parking area would need to be converted to 'No Stopping' as opposed to 'No Parking' as this would prevent the area from becoming a pick up and drop off area for students.

It is proposed to proceed with option 2 and 5 as they are believed to address the issues with minimal impact to stakeholders.

Consultation

Community consultation has been undertaken via a letter and survey sent to all properties within Park Road and Grantham Street between Parramatta Road and Rowley Street, as well as the properties on the corner of Parramatta Road and Park Road. Feedback on options 2 and 5 only have been requested as providing too many options often leads to a divisive response and any solution implemented may then not have the support of a majority of stakeholders.

In total there were 95 surveys sent out including MLC, Uber Hub, St John of God Hospital and other businesses along Grantham Street and Parramatta Road. Four responses were received all from residents of Park Road. All responses were strongly in favour of the proposals with multiple responses requesting additional enforcement of parking restrictions within Park Road.

The attached Traffic Management Plan has been prepared for review and approval by Transport for NSW.

Financial Implications

The proposed parking signage amendments are estimated to cost \$750.00 and will be funded from the 2020/21 Traffic Facilities Budget.

Recommendations

1. That Council approve the installation of 'No Left Turn' restrictions for vehicles exiting Parramatta Road onto Park Road.
2. That Council approve the installation of 'No Stopping 8.00am-9.30am and 2.30pm-4.00pm School Days Only' restrictions of Park Road in the existing unrestricted parking areas along the MLC frontage.

Attachments

- 1 TMP – Left Turn Ban Parramatta Road into Park Road, Burwood

ITEM NUMBER LTC23/20 - ATTACHMENT 1

TMP – Left Turn Ban Parramatta Road into Park Road, Burwood

TMP – Left Turn Ban Parramatta Road into Park Road, Burwood

A. Description or detailed plan of proposed measures.

Park Road is an unclassified local road which connects Parramatta Road to Railway Crescent. The section between Parramatta Road and Rowley Street provides access to a number of residential properties as well as MLC at the southern end and Uber Greenlight Hub at the northern end.

This section of Park Road has a kerb to kerb carriageway width of 6.1m. Given this narrow width the street is effectively two lanes. Road widening is currently not an option however may be something considered as a long term objective.

'No Stopping' restrictions are in place along the entire eastern side of the street. Pockets of parking are permitted on the western side with a combination of 10 x unrestricted and 10 x '1P' parking restrictions. There are also pockets of 'No Stopping' and 'No Parking' restrictions along the western side which are in place adjacent to the pedestrian crossing as well as in strategic locations to allow opposing traffic to pass one another. The below plan shows parking restrictions within the street.

This configuration of parking restrictions and the moderate demand for parking results in one parking lane and one travel lane within the street. This creates conflict when opposing traffic attempt to pass one another. During periods of low traffic, opposing traffic is able to pass one another by utilising sections of 'No Stopping', 'No Parking' or driveways on the western side of the street. During periods of high traffic volumes congestion occurs within the street with opposing traffic unable to pass. This has resulted in south bound traffic mounting the kerb and partially driving along the footpath which presents a clear safety concern for pedestrians.

A review of crash data recorded by the NSW Police Force and compiled by the Centre for Road Safety has been undertaken for Park Road between Parramatta Road and Rowley Street. Between July 2014 to June 2019 there have been two recorded accidents. The first in 2015 occurred at 8.00pm when a south bound vehicle ran into a parked vehicle. The second accident occurred in 2016 at 5.15am when a southbound vehicle left the roadway and crashed through the front fence of the two properties. The driver of the vehicle suffered severe injuries at the scene and unfortunately passed away. Both accidents were attributed to fatigue.

In order to address this issue it is proposed to install 'No Left Turn' restrictions from Parramatta Road into Park Road. This would prevent traffic travelling west along Parramatta Road from entering Park Road at all times. Residents/Motorists wanting to exit their properties on Park Road would be permitted to do so by heading south towards Rowley Street and not forced to exit the street via Parramatta Road. In addition to this it is proposed to remove unrestricted parking areas along the western side of Park Road during school peak times of 8.00am-9.30am and 2.30pm-4.00pm. Converting the 10 unrestricted parking area to 'No Stopping' during school peak times will help create additional capacity within the street for opposing traffic. The parking area would need to be converted to 'No Stopping' as opposed to 'No Parking' as this would prevent the area from becoming a pick up and drop off area for students.

ITEM NUMBER LTC23/20 - ATTACHMENT 1
TMP – Left Turn Ban Parramatta Road into Park Road, Burwood

B. Identification and assessment of impact of proposed measures.

Traffic counts undertaken in 2018 between Parramatta Road and Rowley Street show an average annual daily traffic volume of 1,129 vehicles. A breakdown of this traffic shows that 30% are traveling north while 70% travel south.

Vehicles currently making the left turn from Parramatta Road into Park Road will be diverted to making a left turn from Parramatta Road into Grantham Street followed by a left turn into Rowley Street. This route is considered just as safe and only slightly longer distance.

C. Measures to ameliorate the impact of re-assigned traffic.

The number of vehicles that will be diverted is negligible and is not expected to impact traffic within Grantham Street which is wider and easily able to accommodate two way traffic for its entire length. No further measures are proposed to ameliorate the impact of re-assigned traffic.

D. Assessment of Public Transport services Affected.

Public Transport will not be impacted as this section of park Road does not form a bus route and neither does Grantham Street.

E. Details of Provisions made for Emergency vehicles, heavy vehicles, cyclists and pedestrians.

Heavy Vehicles – Heavy Vehicles will be redirected as per general traffic, utilising Grantham Street and Park Road. Noting the existing narrow carriageway within Park Road it is difficult for heavy vehicles to enter the street from Parramatta Road and so heavy vehicles are not expected to be heavily impacted by the proposal.

Emergency Vehicles – Emergency vehicles will be redirected as per other vehicles. If necessary the emergency vehicle will be able to make the left turn at Parramatta Road/Park Road.

Cyclists – Cyclists will be redirected as per other vehicles. It is noted that Council's cycleway network does not utilise any section of Park Road.

Pedestrians – pedestrians will not be affected by the proposal and will be provided with improved amenity and safety by reduction of traffic and congestion within Park Road.

F. Assessment of effect on existing and future developments with transport implications in the vicinity of proposed measure

There are no future developments in close proximity to the intersection.

G. Assessment of effect of proposed measures on traffic movements in adjoining Council Areas.

There is no impact on adjoining Council areas.

ITEM NUMBER LTC23/20 - ATTACHMENT 1
TMP – Left Turn Ban Parramatta Road into Park Road, Burwood

H. Public Consultation Process

Consultation was undertaken via a letter and survey sent to all properties within Park Road and Grantham Street between Parramatta Road and Rowley Street, as well as the properties on the corner of Parramatta Road and Park Road. No responses were received.

In total there were 95 surveys sent out including MLC, Uber Hub, St John of God Hospital and other businesses along Grantham Street and Parramatta Road. Four responses were received all from residents of Park Road. All responses were strongly in favour of the proposals with multiple responses requesting additional enforcement of parking restrictions within Park Road.

(ITEM LTC24/20) MCDONALD CRESCENT STRATHFIELD - PROPOSED NO PARKING RESTRICTION

File No: 20/43932

REPORT BY TRAFFIC ENGINEERING OFFICER

Summary

A review of parking restrictions in the cul-de-sac end of McDonald Crescent has been undertaken to help ensure adequate maneuvering space and unobstructed access to properties.

Background

Issues were raised by a resident of McDonald Crescent who identified a number of concerns in relation to the current parking arrangement within the eastern end of the cul-de-sac.

McDonald Crescent is a local road with a road width of 7.1 metres and only provides access to residential properties. Currently, time restricted '2P' kerb side parking is available on both sides of McDonald Crescent with unrestricted parking within the cul-de-sac dead end.

It has been observed by Council Officers that when vehicles are parked with the unrestricted section of the cul-de-sac it effectively limits safe vehicle ingress and egress out of residential properties. Parking in this area also impacts vehicles ability to turn around especially for larger vehicles such as waste collection and emergency services.

Proposal

It is proposed to install 'No Parking' restrictions between property #4 to #7 to provide sufficient space for all vehicles to manoeuvre within the cul-de-sac safely. This will result in the loss of two on-street parking spaces.



The 'No Parking' restriction will allow motorists to pull up for 2 minutes provided the driver stays within the vicinity of their vehicle, but does not allow vehicles to be parked indefinitely. This will ensure enough space for all vehicles to manoeuvre around the cul-de-sac safely.

Consultation

Residential consultation was conducted with all the affected residents along the eastern end of the cul-de-sac. No responses were received.

Financial Implications

The installation of new 'No Parking' signage is estimated to cost \$200 and will be funded from the 2020/21 Traffic Facilities Budget.

Recommendation

That Council approves the installation of 'No Parking' restrictions along the eastern end of the cul-de-sac in McDonald Crescent Strathfield per the plan in the report.

Attachments

There are no attachments for this report.

(ITEM LTC25/20) BROOKLYN STREET, BURWOOD - EXTENSION OF 1P PARKING RESTRICTIONS

File No: 20/35935

REPORT BY TRAFFIC ENGINEERING OFFICER

Summary

A review of parking restrictions in Brooklyn Street Burwood has been undertaken with a view of providing more on-street parking.

Background

Council has received a request from the property owner at #88 Shaftesbury Road to assess the possibility of extending the parking restrictions along the northern side of Brooklyn Street to provide additional parking for carers and visitors throughout the day.

Brooklyn Street is a local street which connects Shaftesbury Road to Charles Street and runs in an east-west direction. Brooklyn Street is an unclassified local road, meaning that it carries a low vehicle capacity that serves to access residential properties. The road is 6.4m wide and has a combination of time restricted '1P' parking with permit holders excepted and 'No Parking' restrictions on the northern side with 'No Parking' restrictions along the southern side.

Parking occupancy audits undertaken within the street confirmed a high demand for parking. The audit also showed that the 'No Stopping' restrictions on the northern side of the street alongside #88 Shaftesbury Road extend for a length of 36m from the intersection which is longer than required given the low volume of traffic within the street.

Proposal

It is proposed to extend the '1P 8.00am – 6.00pm Monday – Friday and 8.00am – 1.00pm Saturday' parking restrictions with permit holders excepted for a length of 6 meters west towards Shaftesbury Road. The existing 'No Parking' restrictions across the driveways of #17 and #19 will remain.



The proposal will retain 26m of 'No Stopping' restrictions from the intersection of Shaftesbury Road, maintaining a 10m clearance for vehicle thoroughfare from the double centre line. Access and egress from the adjacent properties will also be maintained when vehicles are parked on the northern side of Brooklyn Street.

Consultation

The resident at property 88 Shaftesbury Road has requested Council to investigate additional parking within Brooklyn Street fronting the side of her property.

After further consultation with neighbouring properties, the resident at #24 Brooklyn Street was 'Strongly Against' parking being permitted opposite their driveway. The proposed 1P parking restrictions will not permit parking opposite the driveway of #24 Brooklyn Street therefore there will be no changes to access or egress from the driveway.

Financial Implications

The cost of modifying and installing signs is estimated to be \$400.00 and will be funded from the 2020/21 Traffic Facilities budget.

Recommendation

That Council approves the installation of '1P 8.00am – 6.00pm Monday – Friday and 8.00am – 1.00pm Saturday Permit Holders Excepted Area 5' parking restrictions for a length of 6 meters on the northern side of Brooklyn Street Burwood per the plan in the report.

Attachments

There are no attachments for this report.

(ITEM LTC26/20) 2020-2021 AUSTRALIAN GOVERNMENT BLACK SPOT FUNDING PROGRAM SUBMISSIONS

File No: 20/44061

REPORT BY ENGINEER TRAFFIC & DESIGN

Summary

This is a report concerning the outcome of Council's submission of projects for the 2020-2021 Australian Government Black Spot Program.

Background

The Australian Government's Black Spot Program targets specific road locations where crashes are occurring by funding measures such as traffic signals, roundabouts, raised thresholds and concrete kerb blisters to reduce the risk of further crashes occurring.

The Black Spot Program makes an important contribution in reducing the national road toll under the National Road Safety Strategy and Action Plan.

For a project to be eligible for consideration, it needs to meet the following criteria:

- a) For Black Spot Sites (e.g. an intersection, mid-block or short road section) the minimum eligibility criterion is at least three casualty (injury) crashes over the past five year period;
- b) For Black Length Sites (a length of road that is longer than 3 km) the minimum eligibility criterion is an average of 0.2 casualty (injury) crashes per kilometre per annum over the length in question, measured over five years;
- c) Works are to have a benefit/cost ratio (BCR) of greater than 2.0;
- d) Projects can receive up to a maximum of \$2.0 million with local governments able to contribute additional funds (the BCR calculations must be based on the total project cost including any additional funds provided by Council).

Proposal

Council nominated four locations as part of the 2020-2021 submissions that met the programs eligibility criterion under its Black Spot Site benchmark and submitted the required applications through the online management portal. The online portal is managed by Transport for New South Wales (TfNSW) who is administering the program on behalf of the Australian Government.

The locations submitted by Council for potential funding were:

1. Gladstone Street, Burwood
2. Nicholson Street / Wentworth Road, Burwood
3. Norwood Street, Burwood
4. Woodside Avenue, Burwood

In early April 2020, Council received confirmation that all four nominated projects were successful in obtaining 100% funding.

The table below outlines the funding approvals for the projects nominated. A copy of each projects design is attached as part of this report.

2020-2021 BLACK SPOT PROGRAM PROJECTS					
PROJECT LOCATION	TREATMENT	TREATMENT OBJECTIVE	BENEFIT-COST RATIO	FUNDING AMOUNT	FUNDING SUCCESSFUL
Gladstone Street, Burwood	Install midblock raised thresholds and concrete kerb blisters from Wentworth Road to Park Road. Upgrade Give Way controls at Mt Pleasant Avenue, Gordon Street and Carilla Street to Stop controls. Install new centre lines and edge lines for entire length of street.	To reduce speeds in Gladstone Street and improve sightlines out of side streets	4.81	\$179,250	YES (100% funded)
Nicholson Street / Wentworth Road, Burwood	Install speed cushions on all four approaches to existing roundabout.	To reduce speed of vehicles on approach to potential conflict points with pedestrians at existing pedestrian refuge/splitter islands	8.23	\$40,000	YES (100% funded)
Norwood Street, Burwood	Install midblock raised thresholds and painted kerb extensions from Wentworth Road to Conder Street.	To reduce speeds in Norwood Street and improve sightlines out of side streets	3.74	\$92,150	YES (100% funded)
Woodside Avenue, Burwood	Install speed cushions on approach and departure sides of existing roundabout at Wentworth Road.	To reduce speeds in Woodside Avenue and improve sightlines	10.33	\$50,550	YES (100% funded)
TOTAL COST				\$361,950	(100% Government Funded)

Consultation

All properties directly affected by the above proposals were notified via a survey package which included a letter, copy of the design plans as well as a survey with the option of providing feedback on the proposals. The below table summarises the results of the consultation.

Project Location	Surveys Sent	Responses Received	In Favour	Against
Gladstone Street, Burwood	69	3 (4%)	1	2
Nicholson Street / Wentworth Road, Burwood	8	0 (0%)	0	0
Norwood Street, Burwood	68	3 (4%)	3	0
Woodside Avenue, Burwood	7	2 (29%)	2	0

Comments received by residents objecting to the traffic calming devices in Gladstone Street include thresholds being damaging to cars, prefer to see roundabouts and the locations of the thresholds and kerb blisters.

The treatment types and locations have been selected as they address the types and locations of accidents which have been recorded within the street. This is evident by the benefit cost ratio of 4.81 despite the total project cost of \$179,250. All devices are designed in accordance with Australian Standards and Transport for NSW technical directions and guidelines. No changes to the designs are required based upon the feedback received.

It should be noted that the introduction of many new traffic facilities are at times met some degree of resistance by local residents however over time, the facility often becomes accepted which is usually attributed to motorists becoming familiar with the treatment.

Financial Implications

The Black Spot Program is 100% funded by the Australian Government and administered by Transport for New South Wales. The combined total cost of the four successful projects is \$361,350. It is not expected to have any impact on Council's capital and operational budgets.

Recommendation

That Council approve the construction of the four successful Black Spot Program projects, as per the plans in the report.

Attachments

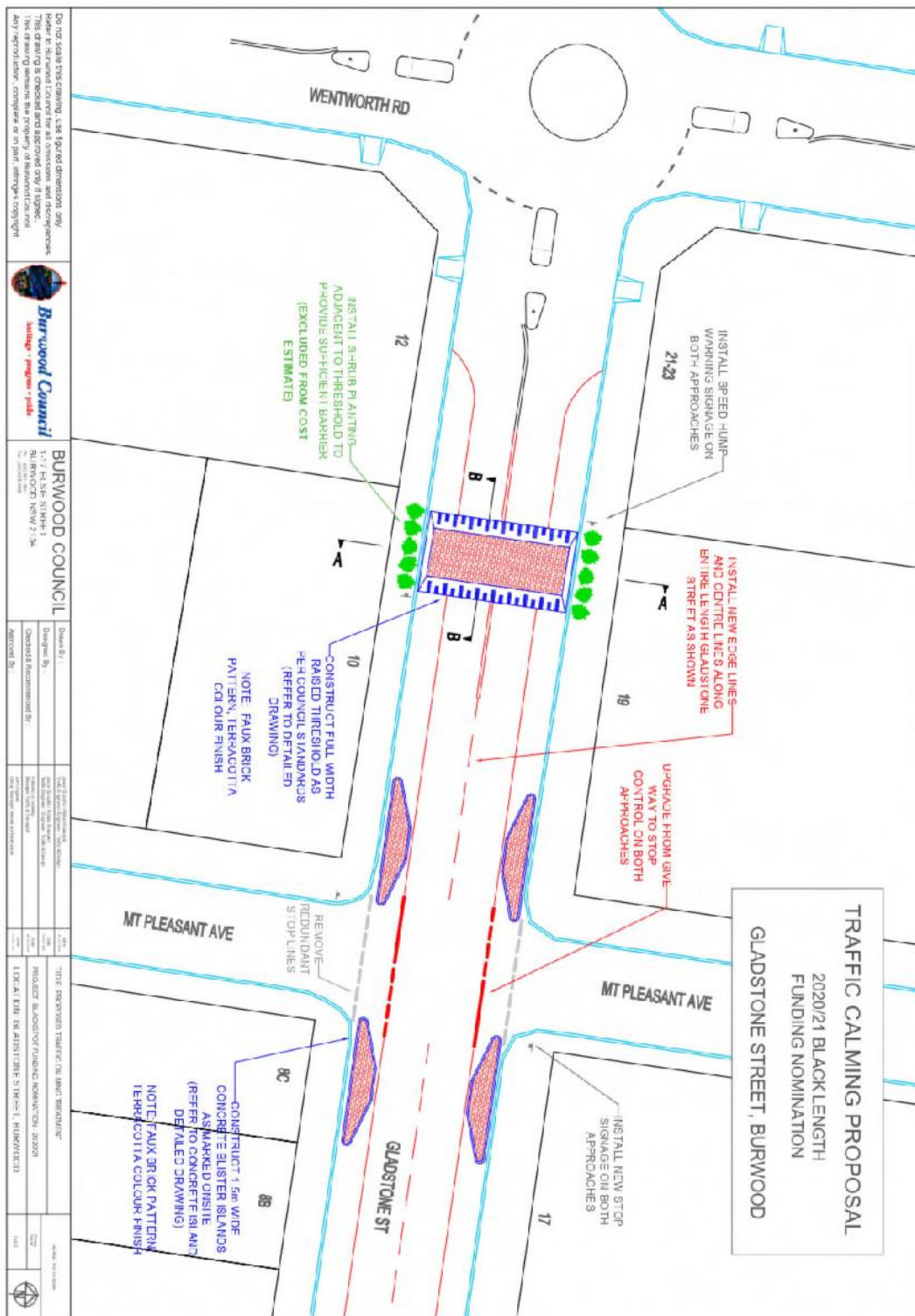
- 1 Gladstone St, Burwood - Traffic Calming Proposal
- 2 Nicholson St & Wentworth Rd - Traffic Calming Proposal
- 3 Norwood St, Burwood - Traffic Calming Proposal
- 4 Woodside Ave, Burwood - Traffic Calming Proposal

ITEM NUMBER RC4/20 - ATTACHMENT 1

Burwood Local Traffic Committee - Agenda October 2020

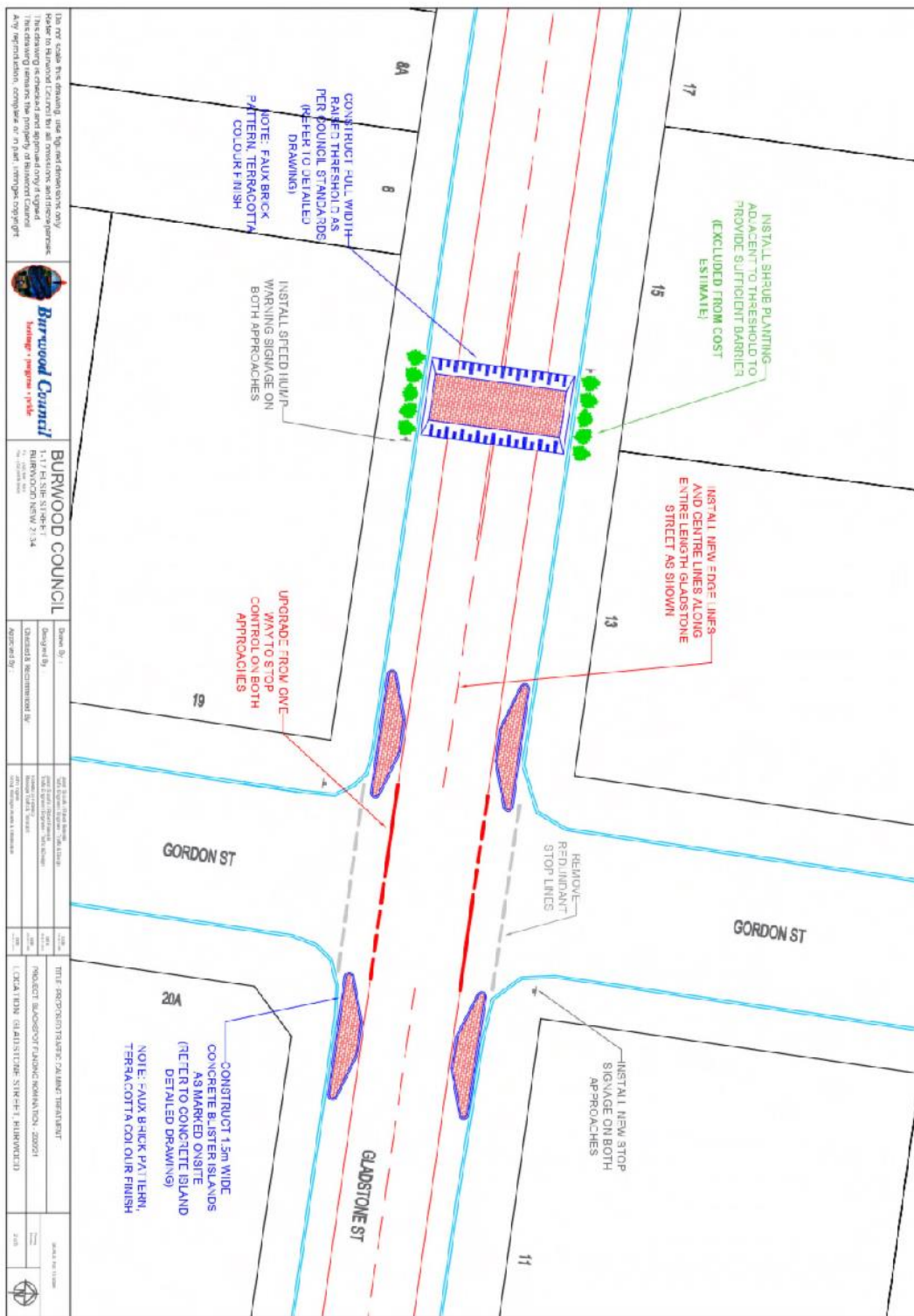
ITEM NUMBER LTC26/20 - ATTACHMENT 1

Gladstone St, Burwood - Traffic Calming Proposal



ITEM NUMBER LTC26/20 - ATTACHMENT 1

Gladstone St, Burwood - Traffic Calming Proposal



This plan shows the proposed layout of the road and does not constitute a contract for the works shown. It is for information only. The drawing is checked and approved only if signed by the Council Engineer. Any reproduction, copying or in part, without copyright.



BURWOOD COUNCIL
 100 KINGSWAY
 BURWOOD VIC 3113
 Tel: 03 9594 1000
 Fax: 03 9594 1001
 Email: council@burwood.vic.gov.au

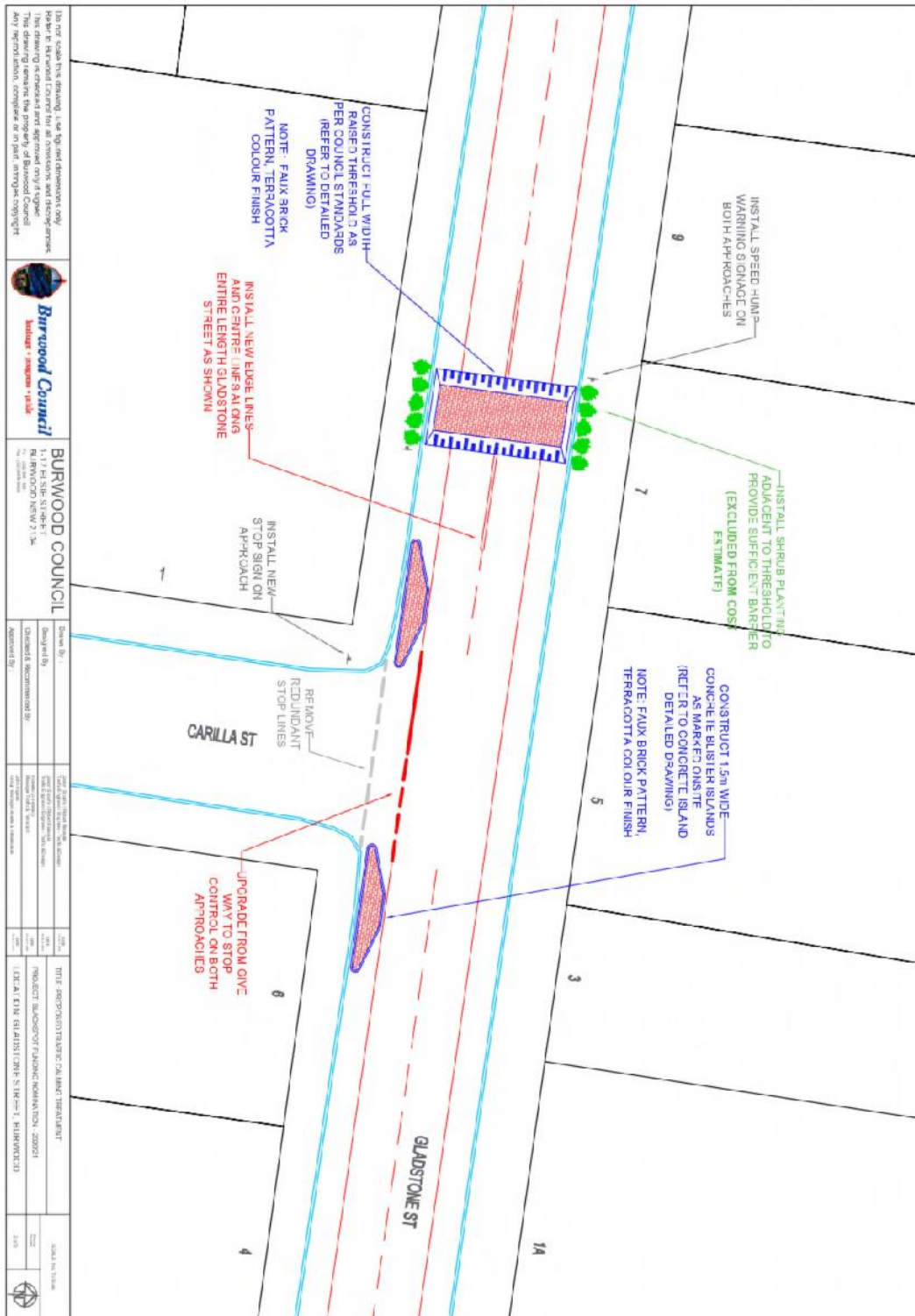
Drawn By: [Name]
 Checked Recommended By: [Name]
 Approved By: [Name]

DATE: [Date]
 PROJECT: [Project Name]
 SHEET: [Sheet Number]

DATE: 10/10/20
 PROJECT: BURWOOD LOCAL TRAFFIC COMMITTEE - 2020/21
 SHEET: (LOCAL TRAFFIC COMMITTEE - BURWOOD)

ITEM NUMBER LTC26/20 - ATTACHMENT 1

Gladstone St, Burwood - Traffic Calming Proposal



This not a scale drawing. Use the dimensions and refer to the Council's standard for all dimensions and requirements. This drawing is intended for approval only. Any reproduction, complete or in part, without copyright.



BURWOOD COUNCIL
141 RICHIE STREET
BURWOOD NSW 1515
Tel: 02 9390 1000
Fax: 02 9390 1001
www.burwood.nsw.gov.au

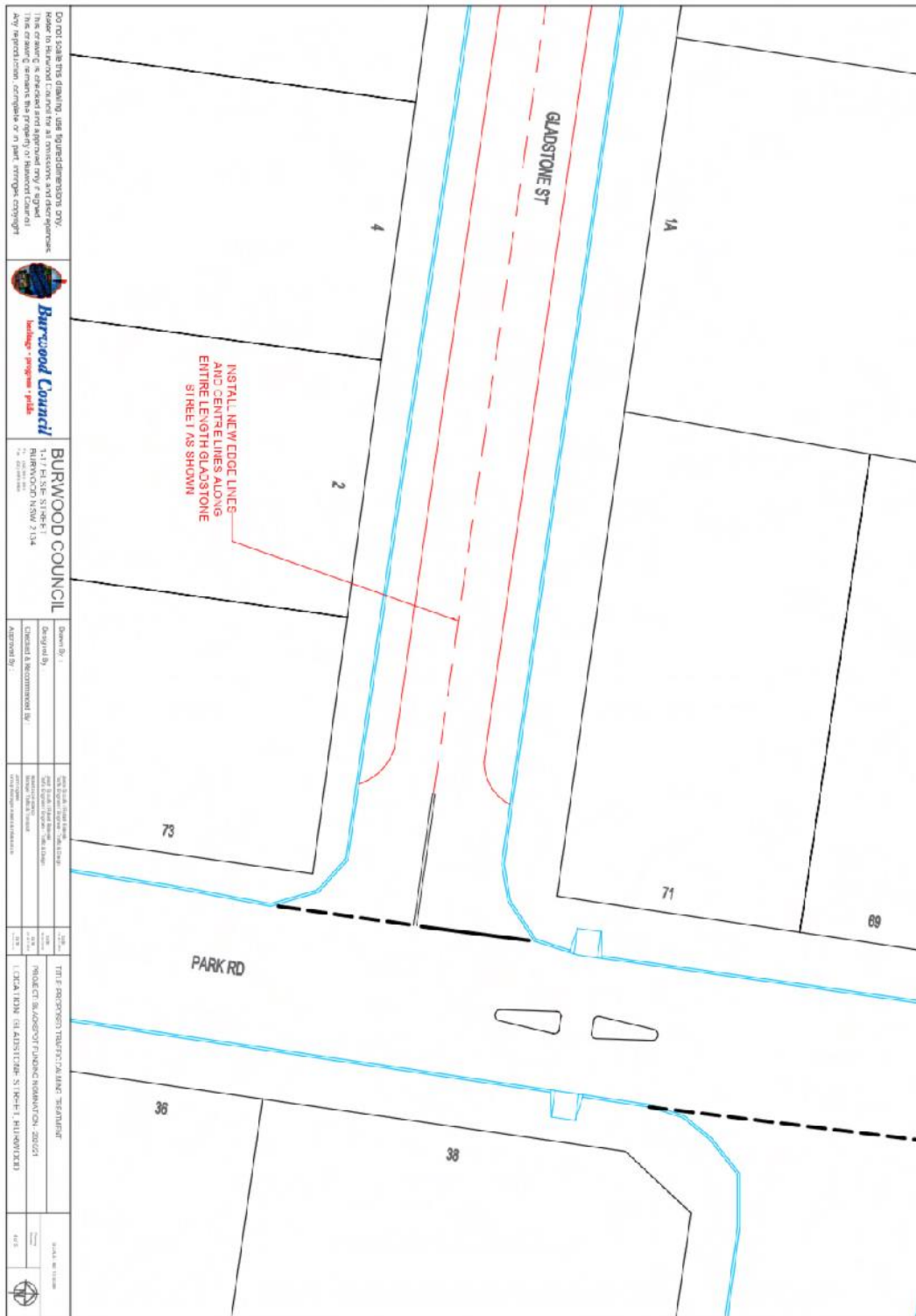
Drawn by:	Checked by:	Approved by:
Design by:	Checked recommended by:	Approved by:

DATE	DESCRIPTION
2020	TRIP PROPOSAL TRAFFIC CALMING TREATMENT
2020	PROJECT SUBMITTED FOR APPROVAL - 2020/01
2020	LEGAL TITLE ENLIGHTENING SERVICES - BURWOOD/20



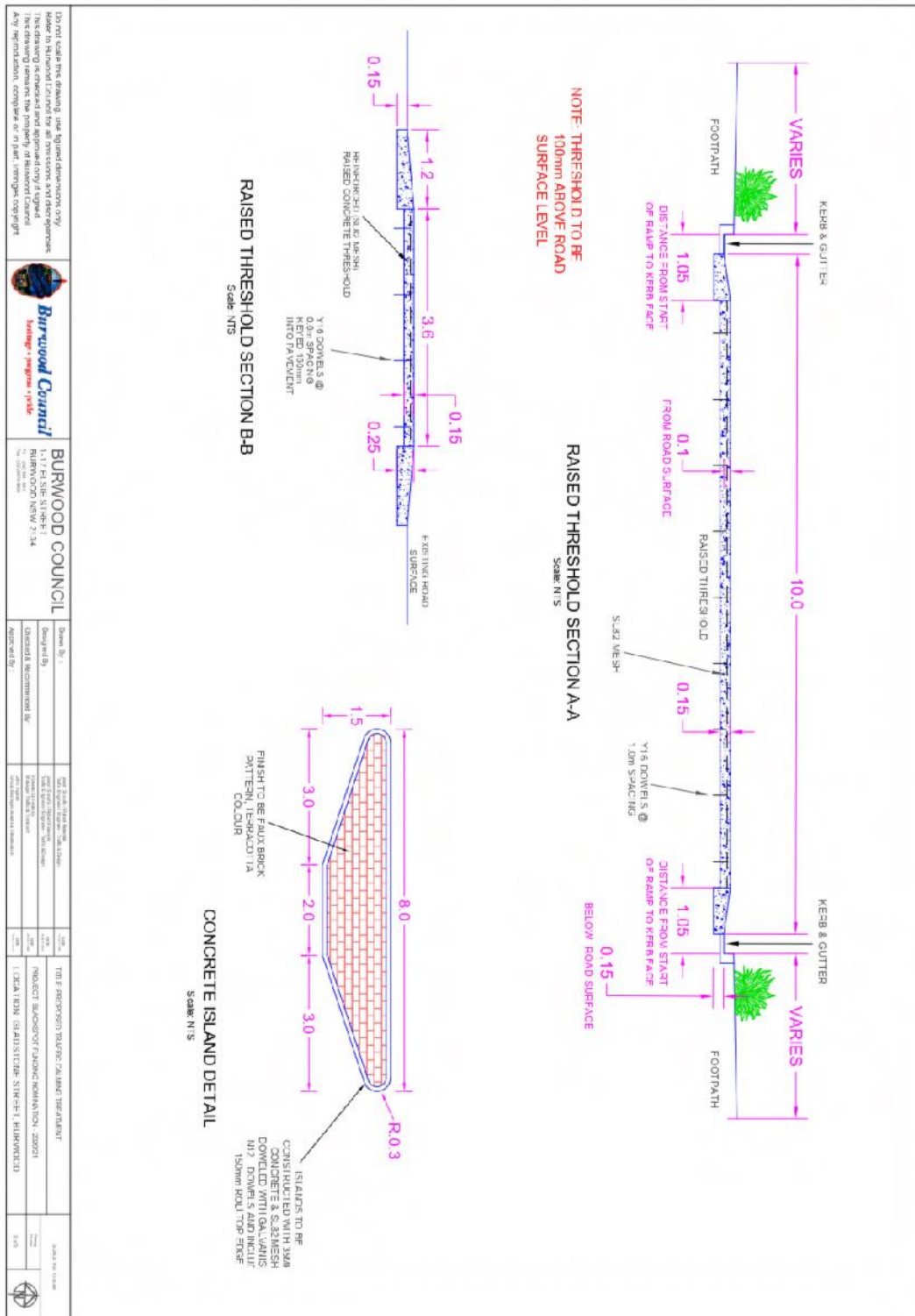
ITEM NUMBER LTC26/20 - ATTACHMENT 1

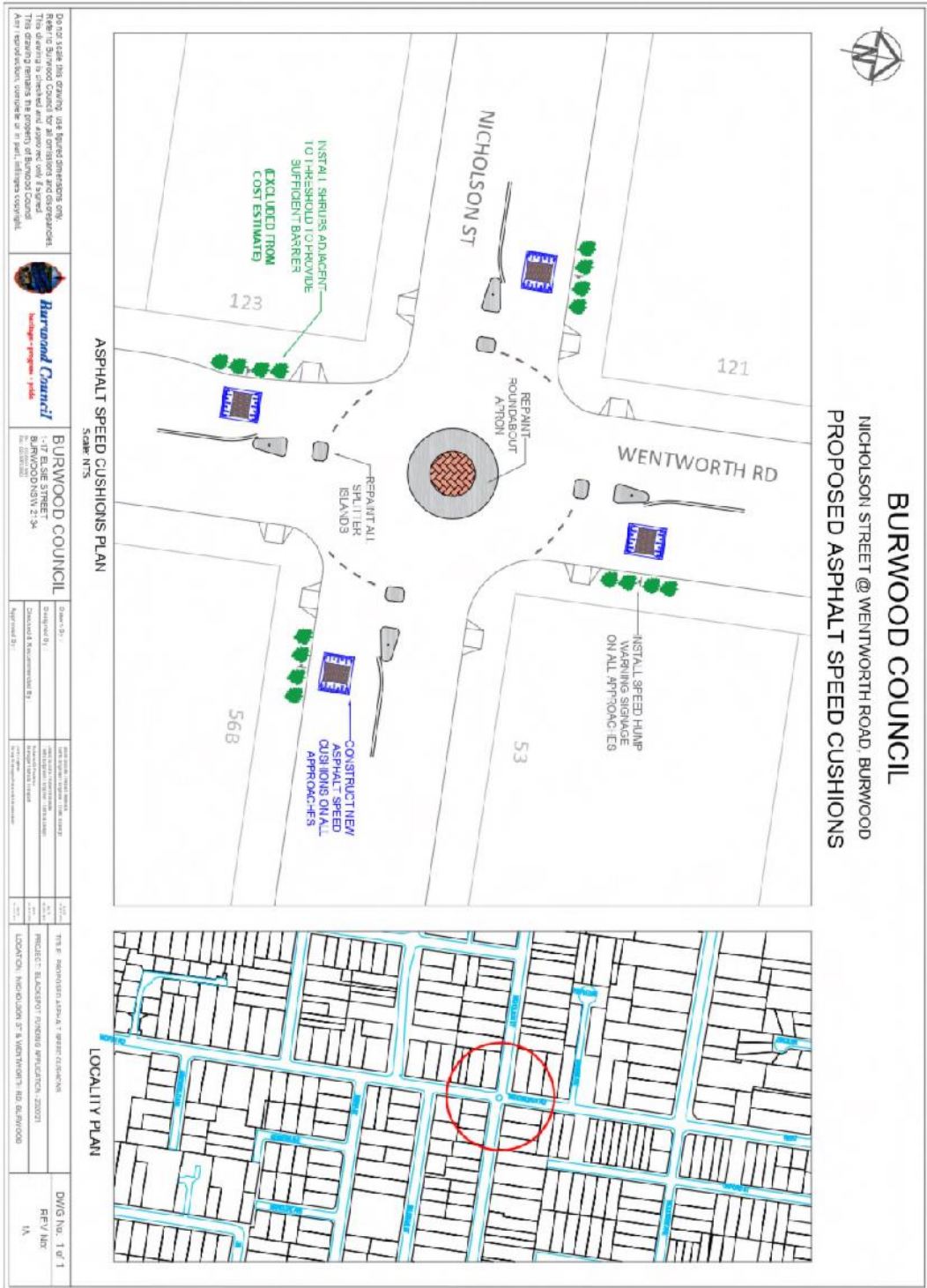
Gladstone St, Burwood - Traffic Calming Proposal



ITEM NUMBER LTC26/20 - ATTACHMENT 1

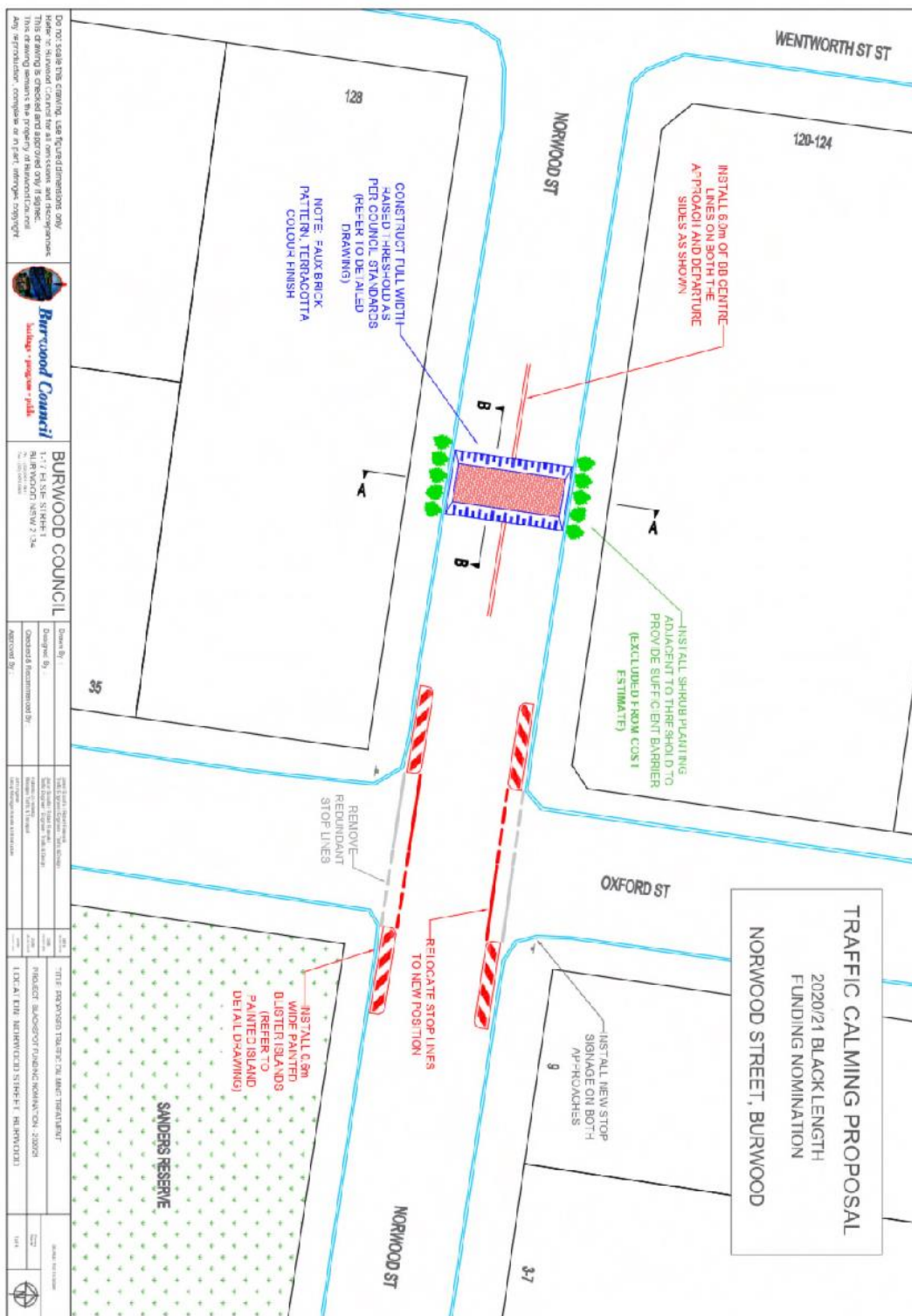
Gladstone St, Burwood - Traffic Calming Proposal





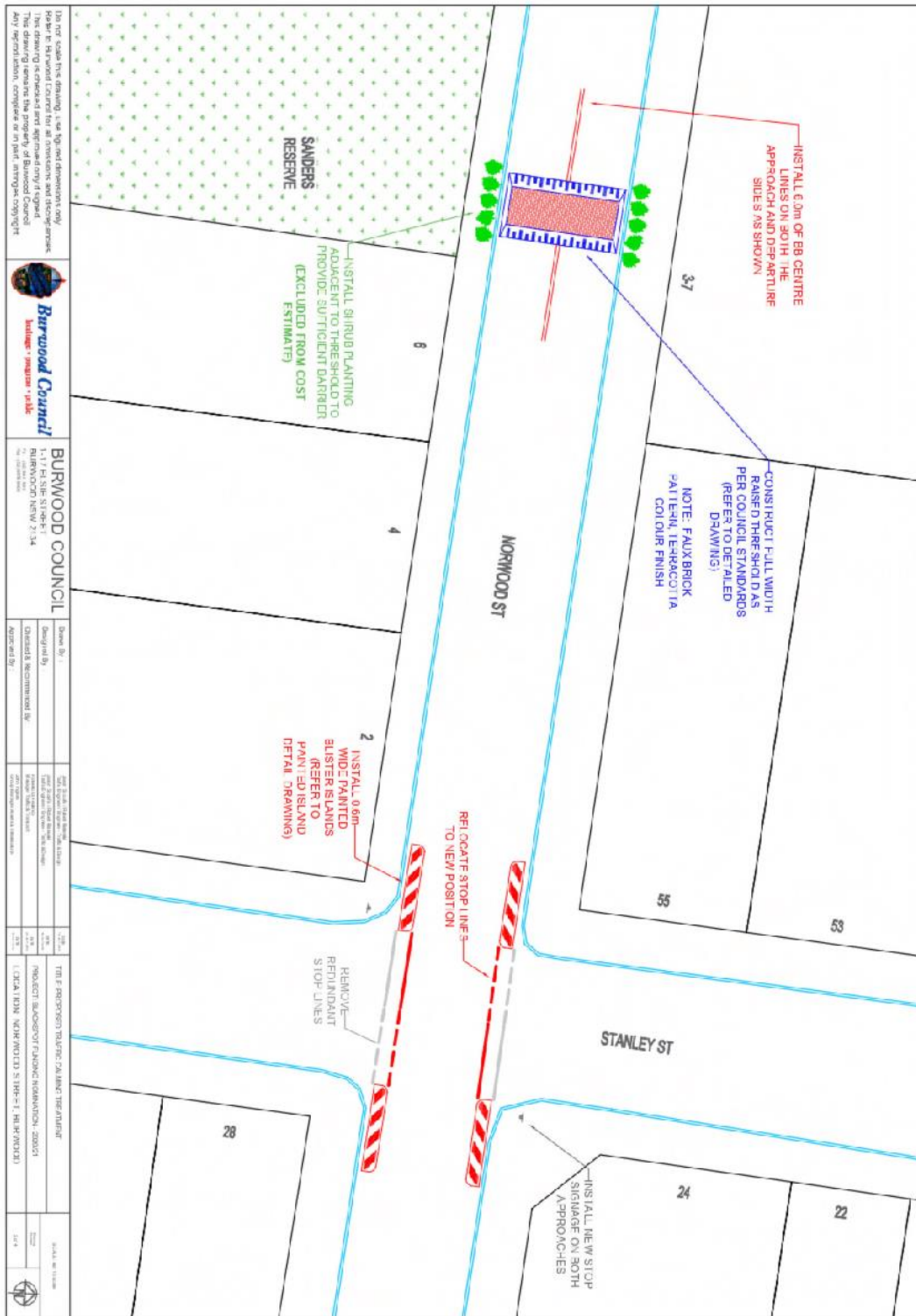
ITEM NUMBER LTC26/20 - ATTACHMENT 3

Norwood St, Burwood - Traffic Calming Proposal



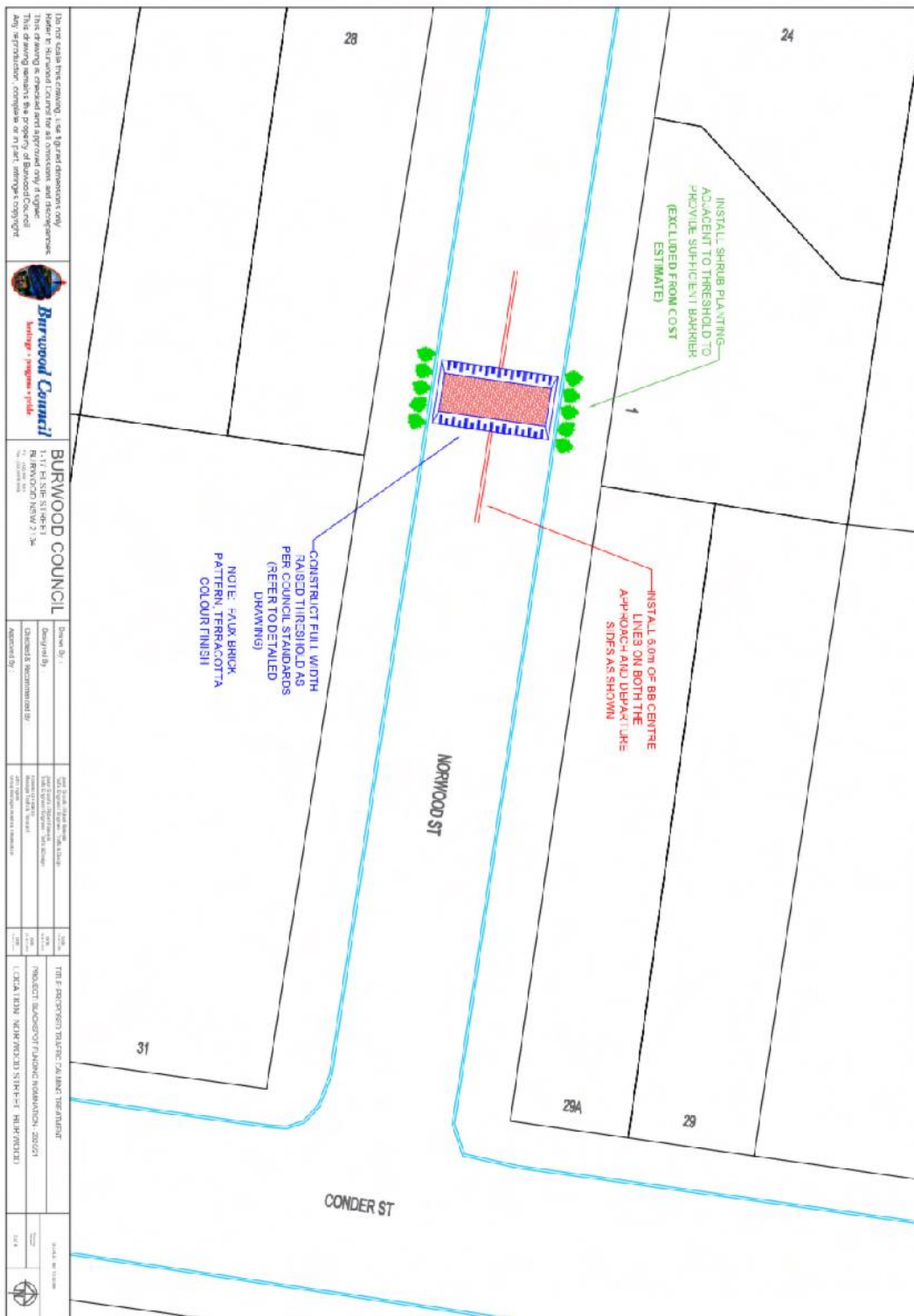
ITEM NUMBER LTC26/20 - ATTACHMENT 3

Norwood St, Burwood - Traffic Calming Proposal



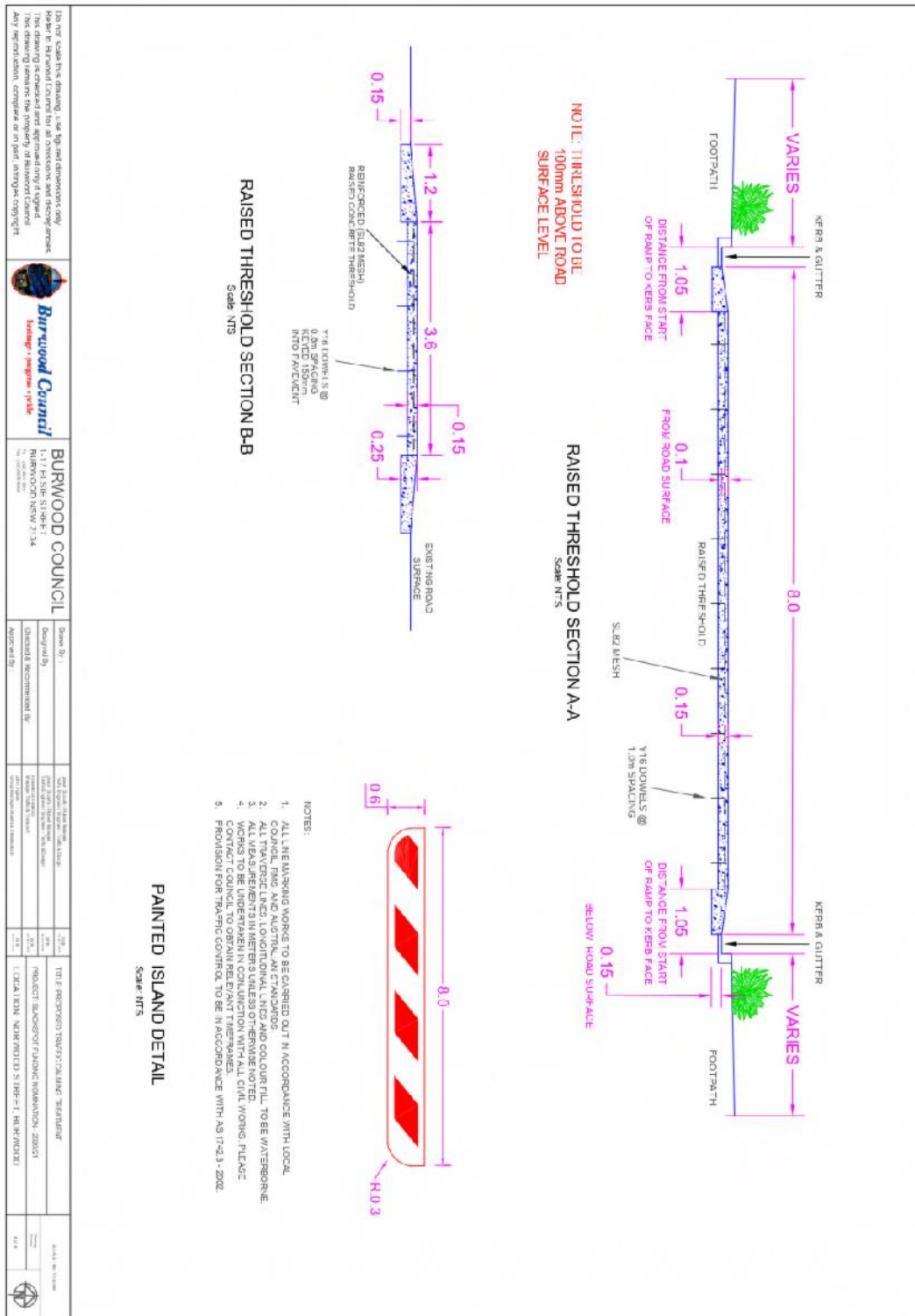
ITEM NUMBER LTC26/20 - ATTACHMENT 3

Norwood St, Burwood - Traffic Calming Proposal



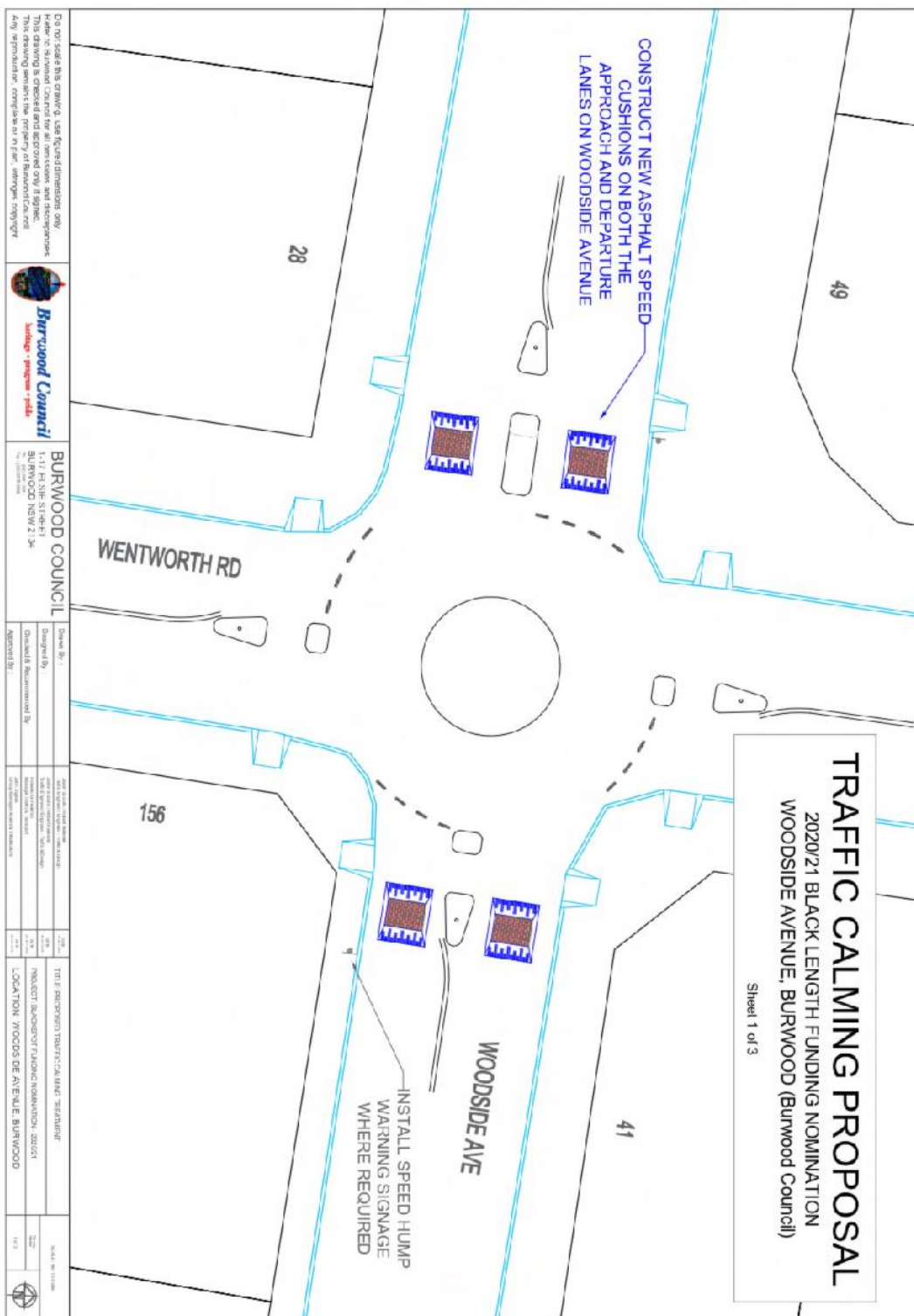
ITEM NUMBER LTC26/20 - ATTACHMENT 3

Norwood St, Burwood - Traffic Calming Proposal



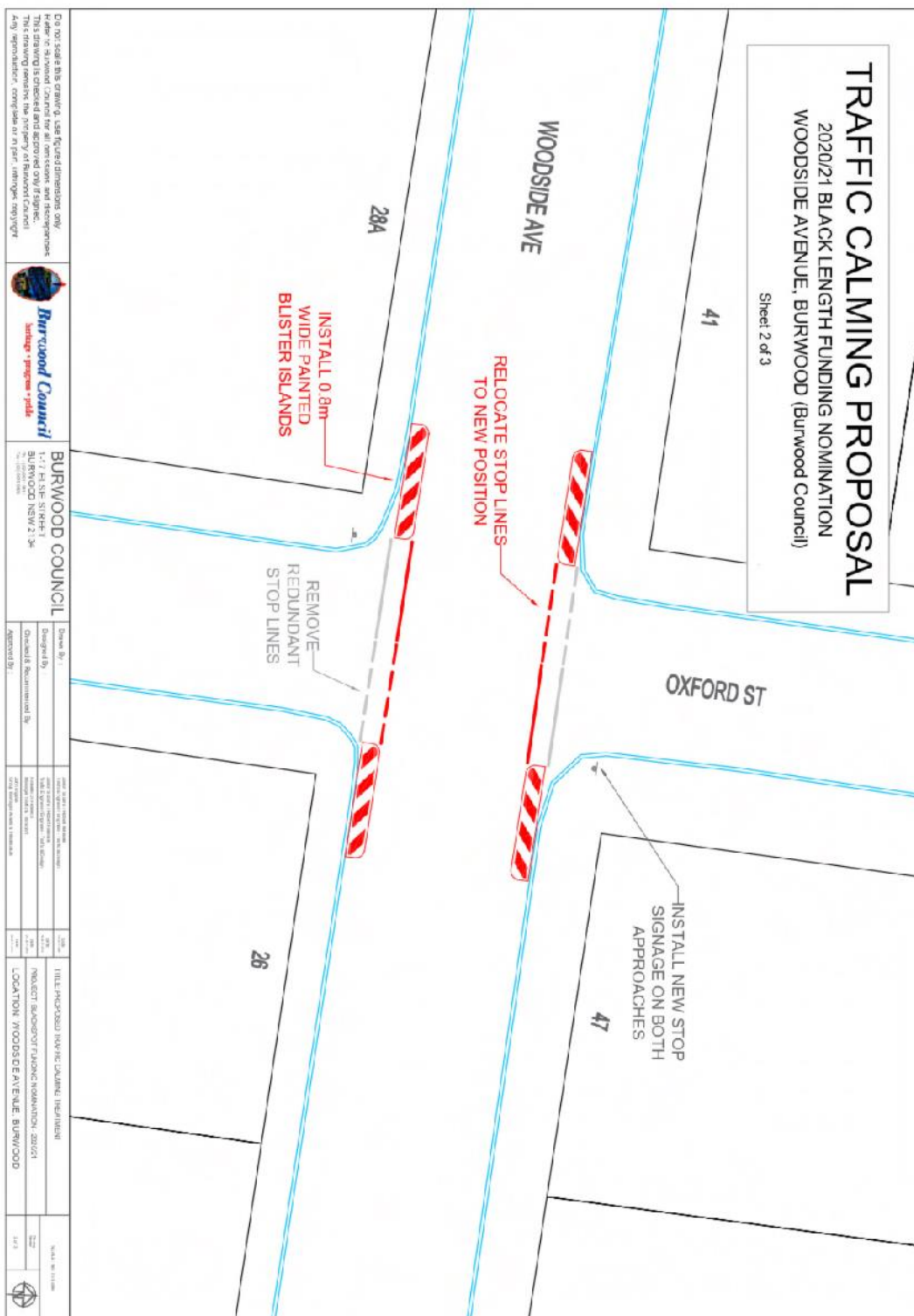
ITEM NUMBER LTC26/20 - ATTACHMENT 4

Woodside Ave, Burwood - Traffic Calming Proposal



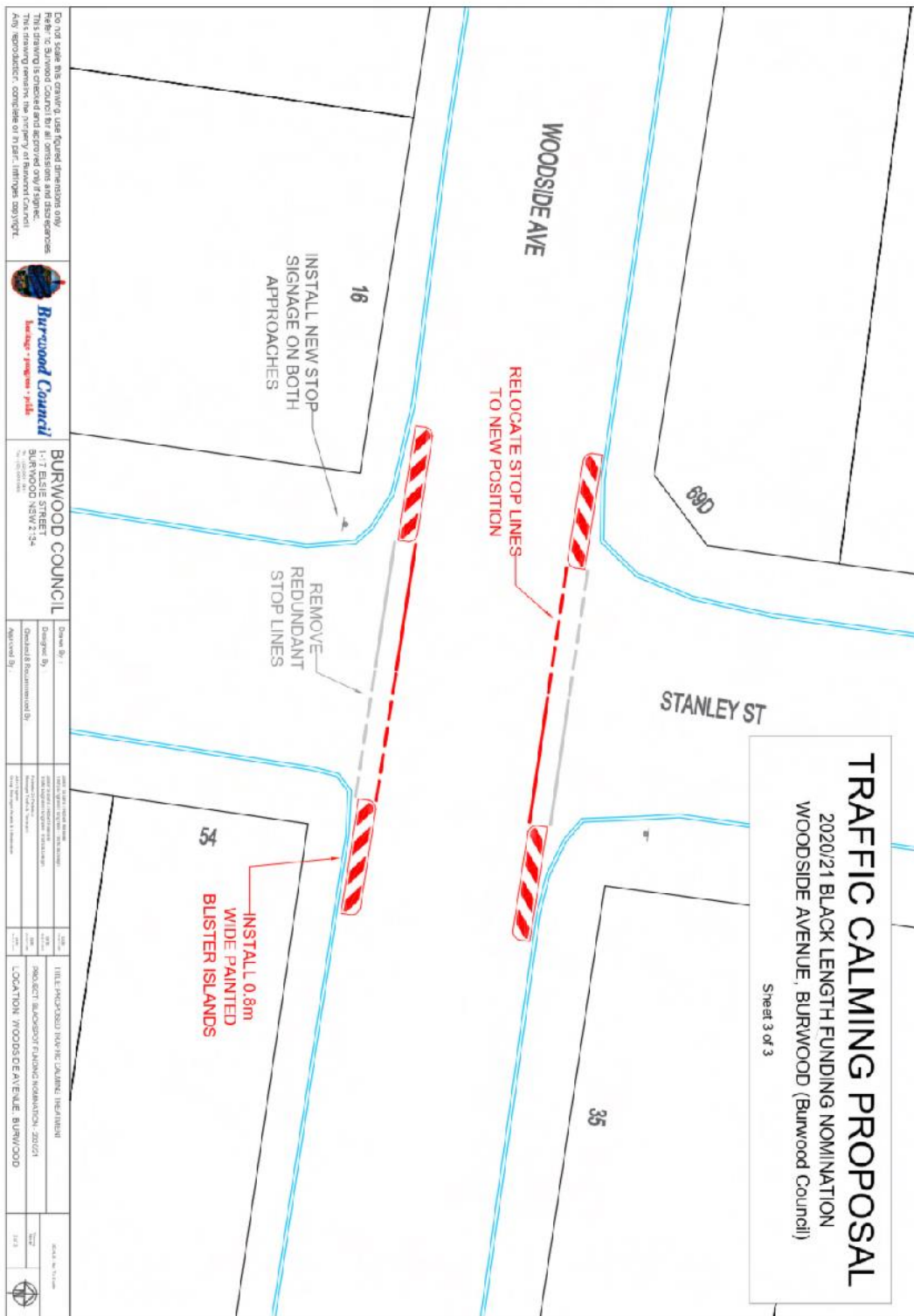
ITEM NUMBER LTC26/20 - ATTACHMENT 4

Woodside Ave, Burwood - Traffic Calming Proposal



ITEM NUMBER LTC26/20 - ATTACHMENT 4

Woodside Ave, Burwood - Traffic Calming Proposal



MINUTES OF THE MEETING OF THE BURWOOD LOCAL TRAFFIC COMMITTEE held electronically with all comments forwarded for inclusion in the minutes.

ATTENDANCE

Cr John Faker (Mayor) Chairperson
Senior Constable Bassam Tohme, NSW Police Service
Ms Nazli Tzannes, Transport for New South Wales
Ms Jodi McKay, State Member for Strathfield
Mr Peter Whitney, Transit Systems
Mr Doug Sutherland AM, JP, Burwood Chamber of Commerce

Mr George El Kazzi, Director – City Assets
Mr John Inglese, Group Manager Assets and Infrastructure
Mr Roberto Di Federico, Manager Traffic and Transport
Mr Robert Ristevski, Engineer – Traffic and Design
Mr Henry Huynh, Traffic Engineering Officer

APOLOGIES

Sgt Trudy Crowther, NSW Police Service
Caitlin Bailey, Transport for New South Wales

CONFIRMATION OF MINUTES

That the minutes of the Burwood Local Traffic Committee of Burwood held in August 2020, as circulated, be confirmed and signed as a true record of the proceeding of the meeting.

GENERAL BUSINESS

(ITEM LTC23/20) PARK ROAD, BURWOOD - TRAFFIC AND PARKING MANAGEMENT

Summary

A review of traffic and parking within Park Road between Parramatta Road and Rowley Street has been undertaken to address traffic congestion issues experienced during school peak times.

COMMENTS

Transport for NSW noted that the TMP will require concurrence from Transport for NSW prior to any changes to traffic movements being implemented.

The State Member for Strathfield raised the following concerns with regards to the recommendations:

Southbound traffic is unable to turn right from Burwood Road onto Parramatta Road and so the right turn out of Broughton Street is busy. At peak hour, there is limited capacity in Parramatta Road for traffic turning out of Broughton Street onto Parramatta Rd. Currently this is alleviated somewhat by removing some vehicles onto Park Rd.

Closing Park Road from Parramatta Road may have an adverse impact on vehicle numbers and build

MINUTES OF BURWOOD LOCAL TRAFFIC COMMITTEE MEETING 1 OCTOBER 2020

up on Broughton Street back to the school crossing. There is agreement on Recommendation 2 and a suggestion that this be implemented prior to proceeding with Recommendation 1.

RESPONSE

The concerns raised by the State Member for Strathfield have been passed on directly to Transport for NSW to consider as part of the TMP approval process.

It is noted that a late submission was received from MLC regarding the proposal. MLC advised that they are strongly supportive of the proposed traffic and parking modifications.

Recommendations

1. That Council approve the installation of 'No Left Turn' restrictions for vehicles exiting Parramatta Road onto Park Road.
2. That Council approve the installation of 'No Stopping 8.00am-9.30am and 2.30pm-4.00pm School Days Only' restrictions of Park Road in the existing unrestricted parking areas along the MLC frontage.

(ITEM LTC24/20) MCDONALD CRESCENT STRATHFIELD - PROPOSED NO PARKING RESTRICTION

Summary

A review of parking restrictions in the cul-de-sac end of McDonald Crescent has been undertaken to help ensure adequate maneuvering space and unobstructed access to properties.

Recommendation

That Council approves the installation of 'No Parking' restrictions along the eastern end of the cul-de-sac in McDonald Crescent Strathfield per the plan in the report.

(ITEM LTC25/20) BROOKLYN STREET, BURWOOD - EXTENSION OF 1P PARKING RESTRICTIONS

Summary

A review of parking restrictions in Brooklyn Street Burwood has been undertaken with a view of providing more on-street parking.

COMMENTS

Cr Faker questioned if 1P parking restrictions were already in place on the northern side of the street in this area and if the concerns raised by the resident at #24 Brooklyn Street regarding parking opposite their driveway restricting access were valid.

RESPONSE

The existing 'No Stopping' restrictions on the northern side of Brooklyn Street extend 32m along the side boundary of #88 Shaftesbury Road and partially across the frontage of #19 Brooklyn Street. The below plans show the existing parking restrictions and proposed parking restrictions for clarification.

MINUTES OF BURWOOD LOCAL TRAFFIC COMMITTEE MEETING 1 OCTOBER 2020



On-street parking already exists on the northern side of Brooklyn Street opposite residents driveways with no issue having ever been raised to Council. It is expected that parking introduced opposite the driveway of #24 Brooklyn Street would not prevent access or egress from this property, however the proposed extension of the 1P parking restrictions has been stopped short so as to provide a balance between all residents requests.

Recommendation

That Council approves the installation of '1P 8.00am – 6.00pm Monday – Friday and 8.00am – 1.00pm Saturday Permit Holders Excepted Area 5' parking restrictions for a length of 6 meters on the northern side of Brooklyn Street Burwood per the plan in the report.

MINUTES OF BURWOOD LOCAL TRAFFIC COMMITTEE MEETING 1 OCTOBER 2020

(ITEM LTC26/20) 2020-2021 AUSTRALIAN GOVERNMENT BLACK SPOT FUNDING PROGRAM SUBMISSIONS

Summary

This is a report concerning the outcome of Council's submission of projects for the 2020-2021 Australian Government Black Spot Program.

COMMENTS

Transport for NSW advised that the recommendation is supported subject to all designs being according to Australian Standards and final detailed designed approved by Transport for NSW.

RESPONSE

All designs prepared by Council meet the relevant Australian Standards and Transport for NSW technical directions and guidelines. The final designs will be submitted to Transport for NSW with the monthly reports required as part of the grant funding process.

Recommendation

That Council approve the construction of the four successful Black Spot Program projects, as per the plans in the report.

This concluded the business of the meeting.

(ITEM IN34/20) LOW RISE MEDIUM DENSITY HOUSING CODE - RESTRICTION ON SUBDIVISION OF DUAL OCCUPANCIES - MEETING WITH MINISTER FOR PLANNING & PUBLIC SPACES

File No: 20/45690

REPORT BY DIRECTOR CITY STRATEGY

Summary

Council at its meeting 28 July 2020 considered a report from the Senior Strategic Planner regarding a Planning Proposal (PP) which sought to permit dual occupancy subdivisions in the R2 zone if each resulting lot would have a minimum site area of 400sqm. The PP resulted in a draft amendment to the Burwood Local Environmental Plan (BLEP) 2012 being prepared. It has become clear that this BLEP amendment will not fully achieve Council's initial intention of preventing dual occupancy subdivisions in the R2 Low Density Residential zone via Complying Development Certificates (CDCs) under the State Environmental Planning Policy (Exempt and Complying Development Codes) 2019 (the Codes SEPP). Council subsequently resolved :

That the Mayor seek an urgent meeting with the Minister for Planning and Public Spaces to discuss:

- a. Why our Council which has for years worked to meet our housing supply which has been in line with the State government's housing policy, would now be disadvantaged with a change to policy which this Council believes will have major changes to the character of our residential streets; and,
- b. Council's disappointment that the planning proposal, which has gone through the proper process since 2018 to make amendments to Burwood's LEP, including extensive community consultation and a granting of a Gateway Determination, would now be found by the Parliamentary Counsel's Office to not meet Council's full intent.

Operational Plan Objective

4.4.1 Provide advocacy on regional and metropolitan projects on behalf of the Community.

A meeting via electronic means was held with the Minister for Planning and Public Spaces, the Hon. Robert Stokes, MP, on 29 September 2020, staff from the Department of Planning Industry & Environment (DoPIE) with the Mayor, General Manager & Group Manager Building & Development attending. The Mayor raised the point of Council's past performance with meeting housing targets without impacting upon its residential areas. Following discussion on this issue the Minister appeared sympathetic to Council's position and agreed to look into the matter and would advise Council further.

The Mayor also sought an update from the Minister on the Parramatta Road Project re-development which includes the Burwood Concord Precinct. Staff from DoPIE advised that discussions with the relevant Councils have just commenced regarding strategic traffic modelling being prepared by Transport for NSW for all Councils and which will be a basis for traffic studies to be undertaken as part of the review of the Burwood LEP 2012. Strategic Planning staff will meet with relevant staff from DoPIE and this will form part of the review of Burwood Local Environmental Plan 2012 that will be referred to Council in the first half of 2021.

No Decision – Information Item Only

Attachments

There are no attachments for this report.

**(ITEM IN35/20) POWER OF ATTORNEY FOR THE GENERAL MANAGER -
REPORT FOR PERIOD OF JUNE TO AUGUST 2020**

File No: 20/47709

REPORT BY THE GENERAL MANAGER

Summary

At the Council Meeting of 28 May 2019, Council resolved to delegate to Tommaso Briscese a general Power of Attorney.

The resolution included a request for a report to Council every three months on all documents signed under the general Power of Attorney.

Council notes that the following document was signed under Power of Attorney between June and August 2020:

- Voluntary Planning Agreement for 42-50 and 52-60 Railway Parade Burwood. Presented to Council on 23 June 2020, Item 31/20.

Operational Plan Objective

2.1.3 Ensure transparent and accountability in decision making

No Decision – Information Item Only**Attachments**

There are no attachments for this report.

(ITEM IN36/20) PETITIONS

File No: 20/45971

REPORT BY DIRECTOR CORPORATE SERVICES

Summary

Petitions received are reported to Council on a monthly basis. Council has received one petition since the September 2020 Council Meeting.

Operational Plan Objective

2.1.1 Provide opportunities for discussions and report decisions back to the community

Background

Date Received	Petition Subject	No. of Households and Businesses within the LGA	No. of Households outside the LGA	Responsible Council Division
21 September 2020	Petition received in objection to the proposed boarding house at 35 Young Street Croydon - DA.2019.057.	174	18	City Strategy

Comments

That Council notes that the Petitions have been referred to the appropriate Council Officers for attention.

No Decision – Information Item Only**Attachments**

There are no attachments for this report.

(ITEM IN37/20) ANSWERS TO QUESTIONS ON NOTICE - COUNCIL MEETING OF 22 SEPTEMBER 2020

File No: 20/46677

REPORT BY DIRECTOR CORPORATE SERVICES

Summary


At the Council Meeting of 22 September 2020 the following Questions on Notice (QoN) were submitted by Councillors. Council Officers responded to the QoN and Councillors were notified on 12 October 2020 of the outcome of the QoN.

Operational Plan Objective

2.1.3 Ensure transparency and accountability in decision making.

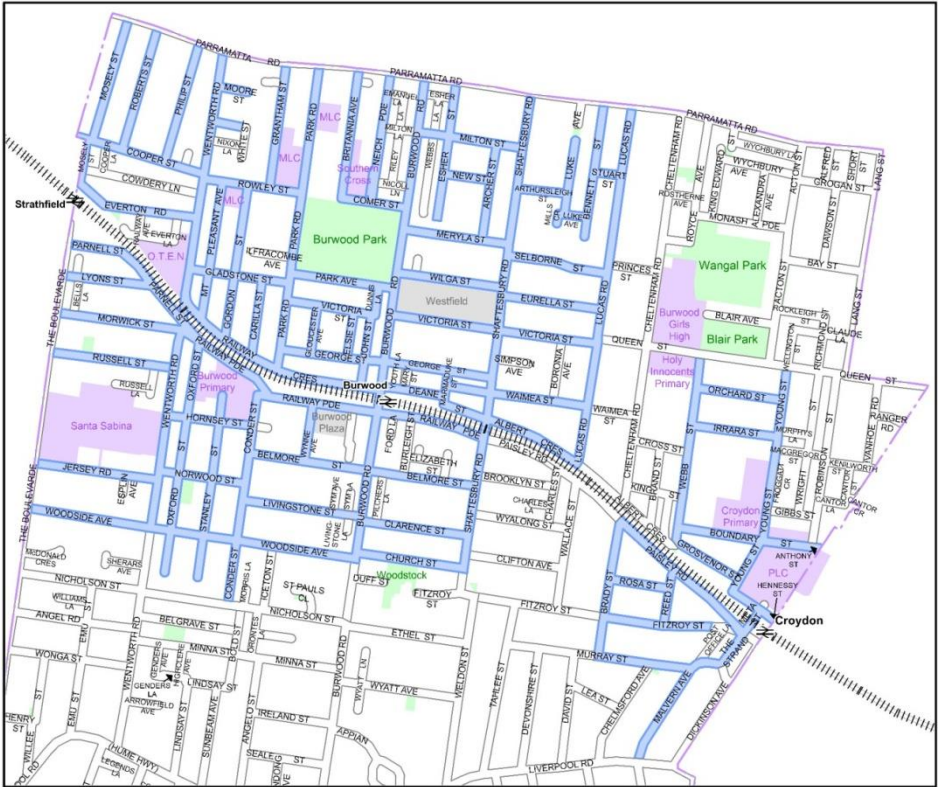
This is now submitted as part of the Council Agenda for Public Notification:

QUESTIONS ON NOTICE – COUNCIL MEETING OF 22 SEPTEMBER 2020	
Question	Response
<p><u>Councillor Heather Crichton</u></p> <p>Question 1:</p> <p>What are the breakdown participation rates for our suite of Council apps? How do we promote the availability of our apps? Are all our apps available at the App Store and Android Apps/Google Play Store?</p>	<p><u>Group Manager Corporate Planning and Communications</u></p> <p>Council has two apps, which include the following:</p> <ul style="list-style-type: none"> ▪ The new Burwood Library Solus app was launched in August 2020. It allows users to manage their library account, access digital resources, check out books within the library and search the catalogue. It is available via Google Play and App stores. Council promotes this app via screens in the library, multiple eNewsletters, social media, the information sheet provided to new members, on the Council website and via the library catalogue. Following the 'go live' date on 7 August 2020 there had been 310 downloads of the app (as at 30 September 2020). ▪ Council's Waste app was launched in late 2018 and provides a calendar of waste services, bin information and digital request forms. Council promotes this app on the Council website, via social media, on the side of the waste trucks, letters/emails/flyers to residents when engaging on waste and sustainability issues, via phone conversations with residents, Customer Service and eNewsletters. The app is available via Google Play and App stores. The total downloads as at 30 June 2020 were 537. <p>In addition to the above, the Sine Pro app is currently used for collecting visitor details for contact tracing purposes and managing visitor numbers within the Customer Service Centre, Library and Community Hub. Sine Pro is a proprietary application so not managed by Council. Users scan a QR code, download the app and register their details onsite. The app has been promoted via all social media channels, eNewsletters and on the Council website. Since August 2020, 551 visitors have used the QR code to download the app and sign in, 3247 visitors have been signed in by Council staff</p>

QUESTIONS ON NOTICE – COUNCIL MEETING OF 22 SEPTEMBER 2020	
	and 20 visitors have utilised the Sine Weblink. Due to increasing numbers of library visitors, Council is currently exploring alternate applications to offer visitors a faster and more streamlined sign in process.
<p><u>Councillor Heather Crichton</u></p> <p>Question 2:</p> <p>What are the results of the NSW Government's three month trial of 'touchless pedestrian crossing sensors' at the intersection of Burwood Road and Railway Parade, implemented to minimise the transmission of Coronavirus and other bacteria?</p>	<p><u>Manager Traffic and Transport</u></p> <p>Transport for NSW has advised that they are currently working on analysing the data and evaluating the trial of the automated crossing signals. Once their assessment has been undertaken they will provide a copy to Council.</p>
<p><u>Councillor Heather Crichton</u></p> <p>Question 3:</p> <p>Has an information plaque been included on site of Inge King AM's stainless steel abstract installation 'Awakening' acknowledging its internationally renowned Australian-German artist and providing sculpture details including the title, date, materials, dimensions and description? Has Council informed the National Gallery of Australia and the NSW Art Gallery of the location of this significant artwork?</p>	<p><u>Group Manager Community, Library and Aquatic Services</u></p> <p>The following plaque is installed at the base of the Awakening sculpture. It acknowledges the artist's name, the title of the artwork, the person who unveiled the work and when that occurred (1988).</p>  <p>The 'Public Art page' on the Council website has also been updated with further information about the artist and the work. Following the QWN, Council also contacted the National Gallery of Australia and the NSW Art Gallery to ensure they are aware of the location of the artwork.</p>
<p><u>Councillor Lesley Furneaux-Cook</u></p> <p>Question 1:</p> <p>How many parking fines were issued in the Oxford Street area</p>	<p><u>Group Manager Community Safety</u></p> <p>A review of the system has indicated that 11 parking fines were issued in Oxford Street over the past two months.</p>

QUESTIONS ON NOTICE – COUNCIL MEETING OF 22 SEPTEMBER 2020	
in Burwood over the last two months?	

In addition, there was one question received from Councillor Chan prior to the meeting. The question and associated response is as follows:

QUESTIONS ON NOTICE	
Question	Response
<p><u>Councillor Ernest Chan</u></p> <p>Question 1:</p> <p>When did Council last conduct an inspection of traffic / parking signage to ensure they are not obstructed?</p>	<p><u>Manager Traffic and Transport</u></p> <p>A review of traffic and parking signs was undertaken in September 2020 by Council's Traffic & Transport and Community Safety Teams. The audits were focused on the areas around the Burwood, Strathfield and Croydon Town Centres per the below plan. Over 100 regulatory and safety signs were identified as requiring replacing due to vandalism, damage or having faded over time. Work orders are being raised for the replacement of these signs in batches and are expected to be completed by the end of 2020. Ongoing audits of parking signs are being undertaken by the Community Safety as part of regular parking enforcement.</p> 

No Decision – Information Item Only

Attachments

There are no attachments for this report.