



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 24 August 2021 at 6:00pm 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 *Local Government Act 1993*. 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**

AGENDA

FOR AN ORDINARY MEETING OF BURWOOD COUNCIL
TO BE HELD ELECTRONICALLY ON TUESDAY 24 AUGUST 2021 AT 6.00PM.

1. I DECLARE THE MEETING OPEN AT [TIME AS SHOWN ON COMPUTER] (ANNOUNCED BY CHAIR)

2. ACKNOWLEDGEMENT OF COUNTRY (READ BY CHAIR AS FOLLOWS)

I would like to acknowledge the Wangal people of the Eora Nation who are the traditional custodians of this land. I would also like to pay respect to their elders, both past and present, and extend that respect to other First Nations People who may be present.

3. PRAYER (READ BY CHAIR)

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. Amen.

4. RECORDING OF MEETING (ADVICE READ BY CHAIR AS FOLLOWS)

Please note that meetings of Council and Council Committees are audio recorded for the purpose of assisting with the preparation of meeting minutes and promoting public transparency. The recordings are subject to the provisions of the Government Information (Public Access) Act 2009 and are promptly made available for public review via the Council website.

5. APOLOGIES/LEAVES OF ABSENCE (CALLED FOR BY CHAIR)

6. DECLARATIONS OF INTERESTS BY COUNCILLORS (CALLED FOR BY CHAIR)

7. DECLARATION OF POLITICAL DONATIONS (ANNOUNCEMENT READ BY CHAIR AS FOLLOWS)

A person who makes a development application to Council (or any person with a financial interest in the application) must disclose any reportable political donation or gift made to any councillor or officer of Council. This statutory requirement for disclosure is highlighted on forms for submission of development applications to Council.

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

Any person present having business before Council today as an applicant (or other party with a financial interest in such application), and has not yet made an appropriate disclosure about a political donation, is now invited to approach the General Manager to make their statutory disclosure.

8. RECORDING OF COUNCILLORS VOTING ON PLANNING DECISIONS (ANNOUNCEMENT READ BY CHAIR AS FOLLOWS)

In accordance with Section 375A of the Local Government Act 1993, a division must be called for and taken on each planning decision made under the Environmental Planning & Assessment Act 1979. Details of voting for and against the resolutions will be recorded in the meeting minutes and in the statutory register of such voting.

9. CONFIRMATION OF MINUTES (RECOMMENDATION ANNOUNCED AS FOLLOWS)

I move that the minutes of the Council Meeting held on 27 July 2021, copies of which were previously circulated to all councillors be hereby confirmed as a true and correct record of the proceedings of that meeting.

**10. ANNOUNCEMENT OF PUBLIC FORUM – OPEN FORUM THENCE ADDRESSES BY THE PUBLIC ON ITEMS LISTED IN THE AGENDA
(CHAIR TO ANNOUNCE THE FOLLOWING THEN CALL FOR SPEAKERS AS PER REGISTRATION DETAILS PROVIDED WHERE APPLICABLE)**

Participation by speakers is subject to them confirming they have read and accepted the guidelines about addressing the Council meeting. They also acknowledge that the meeting is being recorded and this forms part of records which are retained by Council and made publicly accessible. Speakers must refrain from providing personal information unless it is central to the subject being discussed, particularly where the personal information relates to anyone not present at the meeting. Council accepts no responsibility for any defamatory comments made.

OPTIONAL STATEMENT WHERE WRITTEN SUBMISSIONS HAVE BEEN LODGED

Written submissions have been submitted for this meeting and copies circulated directly to all councillors. The following submissions are acknowledged [details of the submissions as appropriate] and will be referenced in the minutes of the meeting.

11. OPEN FORUM

(CHAIR INVITES SPEAKERS TO BE HEARD AS PER REGISTRATION DETAILS)

12. ADDRESSES BY THE PUBLIC ON AGENDA ITEMS

(CHAIR INVITES SPEAKERS TO BE HEARD AS PER REGISTRATION DETAILS)

13. AGENDA ITEMS AS LISTED IN THE BUSINESS PAPER

(CHAIR MOVES THROUGH ITEMS OF BUSINESS AS PER CODE OF MEETING PRACTICE)

14.1 DECLARE THE MEETING CLOSED AT [TIME AS SHOWN ON COMPUTER]

(ANNOUNCED BY CHAIR)

OPEN FORUM COMMENCES

ADDRESS BY THE PUBLIC ON AGENDA ITEMS COMMENCES

MAYORAL MINUTES

(ITEM MM23/21) RESPONSE TO THE ENVIRONMENTAL PLANNING AND ASSESSMENT
AMENDMENT (INFRASTRUCTURE CONTRIBUTIONS) BILL 2021 5

GENERAL BUSINESS

(ITEM 58/21) COVID-19 EMERGENCY ADMINISTRATIVE PROVISIONS 7

(ITEM 61/21) COUNCILLOR REPRESENTATION ON COMMITTEES AND OTHER BODIES
- SEPTEMBER 2021 TO DECEMBER 2021 11

(ITEM 62/21) INVESTMENT REPORT AS AT 31 JULY 2021 14

INFORMATION ITEMS

(ITEM IN19/21) ANSWERS TO QUESTIONS ON NOTICE 20

CONFIDENTIAL ITEMS

(ITEM 59/21) NSW GOVERNMENT PUBLIC SPACE LEGACY PROGRAM - PROJECT
AND FUNDING UPDATE

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.

MAYORAL MINUTE**(ITEM MM23/21) RESPONSE TO THE ENVIRONMENTAL PLANNING AND ASSESSMENT AMENDMENT (INFRASTRUCTURE CONTRIBUTIONS) BILL 2021**

File No: 21/37694

MAYORAL MINUTE BY CR JOHN FAKER (MAYOR)

Summary

In June 2021 the NSW Government sought to introduce the *Environmental Planning and Assessment Amendment (Infrastructure Contributions) Bill 2021*. There has been considerable and wide spread concern regarding the way in which this Bill was introduced, the lack of consultation and limited transparency regarding the details that will govern the implementation of this Bill.

It is my position that this Bill should be withdrawn until such time that the Bill is fully consulted and the associated regulations are also provided for consideration.

The uncertainty regarding the ability for Councils to effectively manage infrastructure contributions is further fueled by the rapid change that is occurring in this area. Councils are being asked to comment in a number of policy, legislative or practice note changes without clear oversight of the ultimate goals or individual implications for Councils. Recent consultations have included:

- October 2020: Consolation on the Productivity Commission Review of Infrastructure Contributions in New South Wales
- February 2021: Practice Note issued in relation to Planning Agreements
- February 2021: Practice Note issued in relation to Section 7.12 fixed development consent levies
- June 2021: *Environmental Planning and Assessment Amendment (Infrastructure Contributions) Bill 2021* introduced.

This is a significant period of flux for Council and with limited detail within the proposed Bill it is not possible to make a fair and reasonable assessment of the implications of the new infrastructure contributions mechanisms. The concern is that Burwood Council would be worse off by the changes and left unable to fund much needed community infrastructure. Primary concerns include:

- Changes to the current section 7.12 contributions regime operated by Councils and the replacement with a local levy condition payment.
- The need to ensure any increases to the percentages of local levy conditions proposed for residential development result in increases to the contribution levy for the Burwood Town Centre (currently set at 4%). This is reflecting the continued contribution Burwood Council has made to housing targets and the need to continue to deliver new infrastructure in response to that growth.
- The Land Value Contributions would appear to have merit however the proposed system is complex and likely to result in Council covering any funding shortfall. Further details are needed to understand this system and the associated administrative burden.
- Clarity is needed as to how and when Regional Infrastructure Contributions will be levied. This is to ensure that economic testing associated with proposed strategic land use plans remains current and there is no diversion of funds from local infrastructure contributions.
- The delay in the timing of infrastructure payments needs further assessment, including identification of the community benefit arising from the deferment of such payments.

In short, there should be a comprehensive consultation and review of the entire Infrastructure Contribution and Planning Agreement system. This is to ensure there is alignment between all

streams of infrastructure funding sources and that a consistent and contemporary delivery model can be established.

Operational Plan Objective

2.3 Ensure financial sustainability and organisational effectiveness

2.5.1 Provide strong leadership and advocacy on behalf of the community

4.2.2 Provide quality local infrastructure that caters to population growth

I therefore move that:

- Council notes and receives the contents of this Mayoral Minute.
- Burwood Council continues to advocate to the NSW Government for the withdrawal of the *Environmental Planning and Assessment Amendment (Infrastructure Contributions) Bill 2021* until such time that full and proper details are provided and consulted widely through Local Government.
- Burwood Council continues to contribute to the joint advocacy between Sydney Metropolitan Councils and support the City of Sydney in requesting that NSW Government not proceed with this Bill, including the preparation of a joint submission.
- Burwood Council provide financial support of between \$1,500 to \$3,000 to the City of Sydney for the placement of a full page advertisement outlining the joint concerns in relation to this Bill.
- The Mayor and General Manager be authorised to make further representation and submission to NSW Government in relation to the *Environmental Planning and Assessment Amendment (Infrastructure Contributions) Bill 2021*.

Attachments

There are no attachments for this report.

(ITEM 58/21) COVID-19 EMERGENCY ADMINISTRATIVE PROVISIONS

File No: 21/34964

REPORT BY GENERAL MANAGER

Summary

The COVID-19 pandemic continues to escalate in the face of best endeavours to mitigate its spread and impacts. Agility in dealing with critical decisions around securing and deploying resources is paramount in the current environment.

It is proposed that contingency arrangements for decision making be re-established to protect the interests of Burwood Council and the community as best as reasonably possible under the circumstances.

Operational Plan Objective

- 2.1 Community confidence in Council's decision making
- 2.1.3 Ensure transparency and accountability in decision making

Background

In March 2020 Council resolved contingency arrangements for decision making outside of meetings to strengthen and protect the interests of Council and the community in response to the COVID-19 pandemic. These provisions were extended in September 2020 for a further 6 months allowing Council to provide residents and businesses with critical and timely support such as rental relief for Council's tenants and waived outdoor dining license fees for eligible businesses.

Burwood Council has demonstrated leadership within its community and the local government industry with its responses to date to the challenges of COVID-19. However, the rapidly changing environment and Government regulations require constant reassessment of Council's position and risk management approach

Council is once again facing new risks around civic governance and resource decision making that are central to ensuring the delivery of core services without seriously compromising the health and well-being of the community.

Given the COVID-19 crisis continues to affect the regular operations of ordinary activities, it is prudent that the emergency powers previously granted to the General Manager and the Mayor be re-established for a limited period to cover critical contingencies that are still prevalent and may arise, if it is not safe enough or otherwise impractical for Council to convene ordinary or extraordinary meetings in the coming months as a result of the pandemic.

Proposal

That the contingency arrangement for decision making outside of meetings of elected Council be reinstated until 28 February 2022, unless terminated by Council before that date as follows:

1. The expenditure authorisation limit of \$1million dollars exercised by the General Manager under the Burwood Council Tendering Policy be raised to \$3million

2. The General Manager and Mayor be jointly empowered to:
 - a. waive, reduce or defer payment obligations for fees or liabilities arising from other debtor dealings of Council (not including statutory charges) if prosecution of these are assessed as giving rise to undue hardship by entities that can reasonably demonstrate that they are seriously disadvantaged by the impacts of COVID-19
 - b. temporarily modify approved permit conditions relating to operating hours of outdoor dining facilities in the Burwood LGA as well as any companion conditions that may be deemed critical to protecting public health in light of the COVID-19 pandemic – such modifications to be determined in light of best available advice from NSW Health and other public health authorities with jurisdiction in NSW
 - c. temporarily modify hours of service in a Council service area where it can be clearly demonstrated that this is in the interests of public health and safety and / or it is essential for reallocating scarce resources to service areas where there are critical needs to be met as a result of the risks or impacts of COVID-19
3. The General Manager and the Mayor are to provide timely advice to each elected member of Council in relation to any proposal to take action under temporary emergency powers granted to them and give Councillors the opportunity to provide feedback on the proposal
4. The General Manager will provide:
 - a. a consolidated report at least once a month to all Councillors specifying actions taken under the emergency administrative provisions adopted by Council in relation to decision making outside of meetings of elected Council
 - b. once activation of the current Business Continuity Plan ceases, a consolidated report to the first available meeting of Council that lists all decisions made under emergency provisions
5. The emergency provisions granted to the General Manager and Mayor as outlined in preceding points 1 through 4 are to apply until 28 February 2022 or until activation of the current Business Continuity Plan is terminated, whichever comes first

This matter will be recommitted to the February 2022 Council meeting should the extension of these provisions be required.

Consultation

Internal review of governance obligations with Governance specialists and Executive Team members following examination of advice sourced from NSW Office of Local Government.

Planning or Policy Implications

1. Temporary adjustment to Burwood Council Tendering Policy regarding expenditure limit approved for the General Manager
2. No other planning or policy implications are immediately evident but the nature, scale and potential reach of the COVID-19 pandemic effects could give rise to the need for separate targeting of planning and policy requirements that may emerge

Financial Implications

There are no significant financial implications for putting the proposed administrative framework into place. There may be significant financial implications for decisions that need to be taken under the proposed regime.

Conclusion

Maintaining a proactive approach to contingency planning and risk mitigation for COVID-19 is vital as part of the ongoing program to serve and protect the interests of Council and the community.

Recommendation(s)

That the contingency arrangement for decision making outside of meetings of elected Council be reinstated until 28 February 2022, unless terminated by Council before that date as follows:

1. The expenditure authorisation limit of \$1million dollars exercised by the General Manager under the Burwood Council Tendering Policy be raised to \$3million
2. The General Manager and Mayor be jointly empowered to
 - a. waive, reduce or defer payment obligations for fees or liabilities arising from other debtor dealings of Council (not including statutory charges) if prosecution of these are assessed as giving rise to undue hardship by entities that can reasonably demonstrate that they are seriously disadvantaged by the impacts of COVID-19
 - b. temporarily modify approved permit conditions relating to operating hours of outdoor dining facilities in the Burwood LGA as well as any companion conditions that may be deemed critical to protecting public health in light of the COVID-19 pandemic – such modifications to be determined in light of best available advice from NSW Health and other public health authorities with jurisdiction in NSW
 - c. temporarily modify hours of service in a Council service area where it can be clearly demonstrated that this is in the interests of public health and safety and / or it is essential for reallocating scarce resources to service areas where there are critical needs to be met as a result of the risks or impacts of COVID-19
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5. The emergency provisions granted to the General Manager and Mayor as outlined in preceding points 1 through 4 are to apply until 28 February 2022 or until activation of the current Business Continuity Plan is terminated, whichever comes first.

Note: This matter will be recommitted to the February 2022 Council meeting should the extension of these provisions be required.

Attachments

There are no attachments for this report.

(ITEM 61/21) COUNCILLOR REPRESENTATION ON COMMITTEES AND OTHER BODIES - SEPTEMBER 2021 TO DECEMBER 2021

File No: 21/36370

REPORT BY DIRECTOR CORPORATE SERVICES

Summary

To determine councillor representation on various community advisory committees, technical and management advisory committees, as well as industry bodies of relevance to the exercise of Council functions, for the duration of the extended council term.

Operational Plan Objective

- 2.1 Community confidence in Council's decision making
- 2.1.3 Ensure transparency and accountability in decision making

Background

Council has sponsored and / or provided representation to various types of bodies that may have an important bearing on the way Council may exercise its functions. They fall within three main categories – community based advisory committees, technical and management advisory committees and independent industry bodies.

In September 2020 Council agreed on councillor representation on those committees for the period up until September 2021, which coincided with the scheduled local government elections and the end of the council term. That election has now been delayed until 4 December 2021 and the term of council extended accordingly.

Community Based Advisory Committees

Community based advisory committees sponsored by Burwood Council typically consist of a combination of interested representatives from the community, elected members of Council and expert staff. It is customary for a Councillor to serve as the Chairperson of each such Committee. These committees provide recommendations to Council on matters of interest that fall within the subject scope of the relevant committee.

The committees have no delegated authority or independent decision making powers and are not permitted to act autonomously. They are obliged to forward any recommendations to elected Council on proposed action and must gain approval before engaging in any action not already approved.

The following community based advisory committees of Council currently exist:

- Burwood 150 Years Steering Committee
- Burwood Anzac Commemorative Service Committee
- Multicultural Advisory Committee
- Sandakan Community Educational Committee
- National Servicemen's Association Committee

Technical and Management Advisory Committees

Technical Advisory Committees may consist of various combinations of Councillors, staff and external experts who provide advice to Council on matters requiring technical expertise. Three such committees are active:

- Burwood Council Audit Risk and Improvement Committee (ARIC)
- Burwood Local Traffic Committee

- General Manager's Contract Review Panel

The Burwood Council ARIC (Audit Risk and Improvement Committee) provides independent assurance and assistance to Council in the effective discharge of its responsibilities for financial reporting, risk management, internal controls and governance as well as internal and external audit. It is subject to requirements under the NSW Local Government Act 1993.

The Burwood Local Traffic Committee deals with roads and traffic management responsibilities delegated to Council by the NSW Government under road transport legislation.

The General Manager's Contract Review Panel is charged with responsibility for oversight of performance of the General Manager and contractual arrangements governing this.

These technical and management advisory committees cannot act autonomously and must forward any recommendations for action to elected Council for endorsement before action can proceed. Please note: in the case of the Burwood Local Traffic Committee, any variations by elected Council to recommendations put to it by the Committee are subject to review by NSW Police and Transport for NSW before relevant action may commence.

Independent Industry Bodies

These are entities that are independent of Council but which provide for ongoing Council representation as per their terms of reference. Standing arrangements for councillor representation exist for the following entities and / or their standing committees:

- Sydney East Joint Regional Planning Panel
- Southern Sydney Regional Organisation of Councils (SSROC) – Full Committee
- SSROC – Sustainability Standing Committee
- SSROC – Program Delivery Standing Committee

Current Representation Arrangements

The following table outlines councillor appointments to committees and other bodies as established for the period September 2020 to September 2021.

| | Committee/Board | Chairperson | Delegate(s) | Alternate(s) |
|----|---|---------------------|---|--|
| 1. | Burwood 150 Years Steering Committee | Mayor Cr John Faker | Cr Heather Crichton (and Alternate Chair) | Cr Lesley Furneaux-Cook |
| 2. | Burwood Anzac Commemorative Service Committee | Mayor Cr John Faker | N/A | Deputy Mayor |
| 3. | Burwood Local Traffic Committee | Mayor Cr John Faker | N/A | Deputy Mayor |
| 4. | General Manager's Contract Review Panel | Mayor Cr John Faker | Cr Lesley Furneaux-Cook Deputy Mayor | Cr Heather Crichton |
| 5. | Audit, Risk and Improvement Committee | N/A | Cr Lesley Furneaux-Cook Cr Raj Dixit | <i>Nil – no provision for this in ARIC charter</i> |
| 6. | Multicultural Advisory Committee | Cr Ernest Chan | N/A | Cr Joseph Del Duca |
| 7. | National Servicemen's Association Committee | Cr Heather Crichton | N/A | Cr Joseph Del Duca |
| 8. | Sandakan Community Educational Committee | Cr Heather Crichton | N/A | Cr Ernest Chan |

| Committee/Board | | Chairperson | Delegate(s) | Alternate(s) |
|-----------------|------------------------------------|-------------|---|--|
| 9. | Sydney Eastern City Planning Panel | N/A | Mayor Cr John Faker Deputy Mayor | Cr Lesley Furneaux-Cook Cr Heather Crichton Cr George Mannah Cr Raj Dixit Cr Joseph Del Duca Cr Ernest Chan |
| 10. | SSROC – Full Committee | N/A | Mayor Cr John Faker Deputy Mayor | Cr George Mannah Cr Heather Crichton |
| 11. | SSROC – Sustainability Committee | N/A | Cr Raj Dixit Cr Lesley Furneaux-Cook | <i>Nil – based on existing convention</i> |
| 12. | SSROC – Program Delivery Committee | N/A | Cr Joseph Del Duca Cr Ernest Chan | <i>Nil – based on existing convention</i> |

Proposal

Given the election has been delayed by only 3 months, it is proposed that current membership of these committees and bodies be extended until after the declaration of polls in December 2021. This maximises the use of existing knowledge and familiarity with committee business and minimises the need for any handover of responsibility.

Planning or Policy Implications

No Planning or Policy implications.

Financial Implications

No Financial implications.

Conclusion

Council needs to determine the membership of committees and other bodies to cover the extended term of council. An extension of existing appointments for that short period would be the most efficient approach.

Recommendation(s)

That Council extends the existing appointments to committees and other bodies until the declaration of the poll for the next general election, due to be held on 4 December 2021.

Attachments

There are no attachments for this report.

(ITEM 62/21) INVESTMENT REPORT AS AT 31 JULY 2021

File No: 21/35205

REPORT BY DIRECTOR CORPORATE SERVICES

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

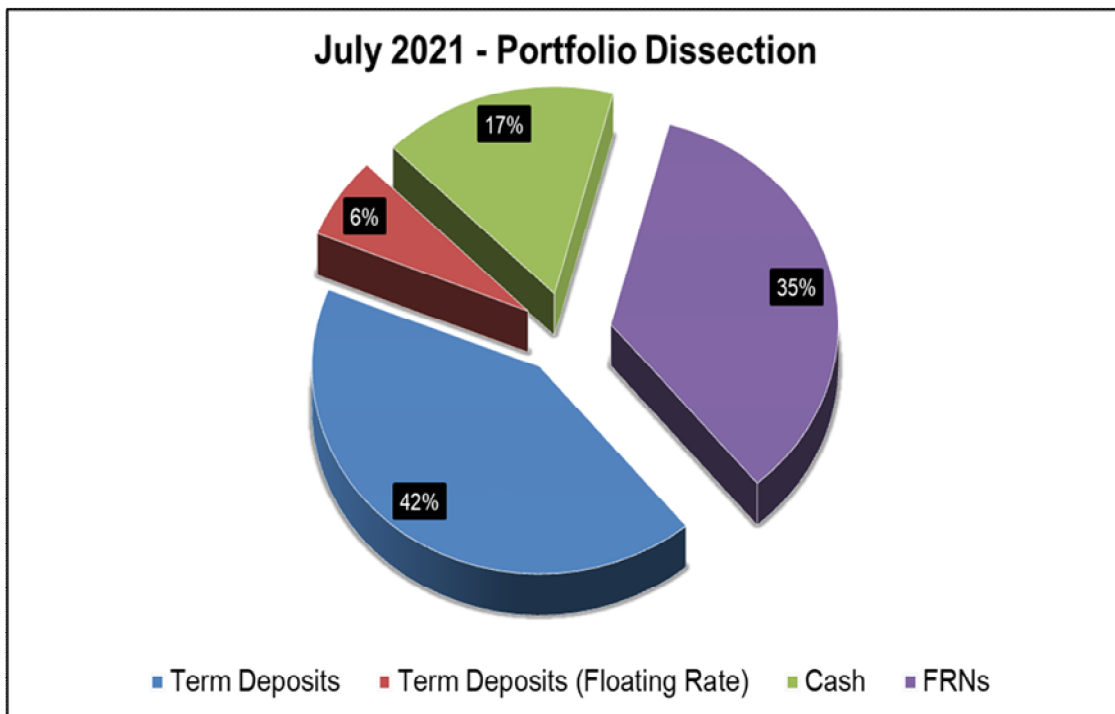
Background

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

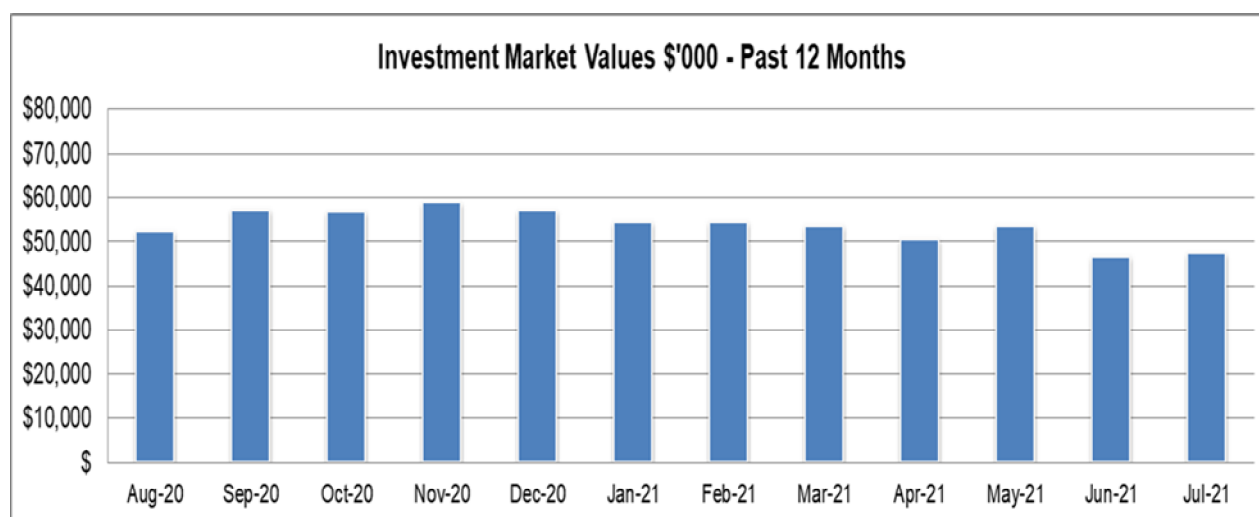
Council has a diversified investment portfolio and has a number of direct investments in term deposits. Its investment portfolio as at 31 July 2021 is:



As at 31 July 2021 Council held the following term deposits:

| Purchase Date | Financial Institution | Principal Amount | Interest Rate | Investment Days | Maturity Date |
|---------------|-------------------------|-------------------|---------------|-----------------|---------------|
| 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 |
| 07 Jun 21 | Commonwealth Bank | 2,000,000 | 0.29% | 92 | 07 Sep 21 |
| | | | | | |
| Total | | 20,000,000 | | | |

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 3 August 2021, the Board decided to maintain the official cash rate at 0.10 per cent. According to the RBA Governor "...The Board took this decision stating that the economic recovery in Australia is stronger than earlier expected. The recent outbreaks of the virus are, however, interrupting the recovery and GDP is expected to decline in the September quarter. The experience to date has been that once virus outbreaks are contained, the economy bounces back quickly. Prior to the current virus outbreaks, the Australian economy had considerable momentum and it is still expected to grow strongly again next year. The economy is benefiting from significant additional policy support and the vaccination program will also assist with the recovery.

The economic outlook for the coming months is uncertain and depends upon the evolution of the health situation and the containment measures. Beyond that, the Bank's central scenario is for the economy to grow by a little over 4 per cent over 2022 and by around 2½ per cent over 2023. This scenario is based on a significant share of the population being vaccinated by the end of this year and a gradual opening up of the international border from the middle of 2022.

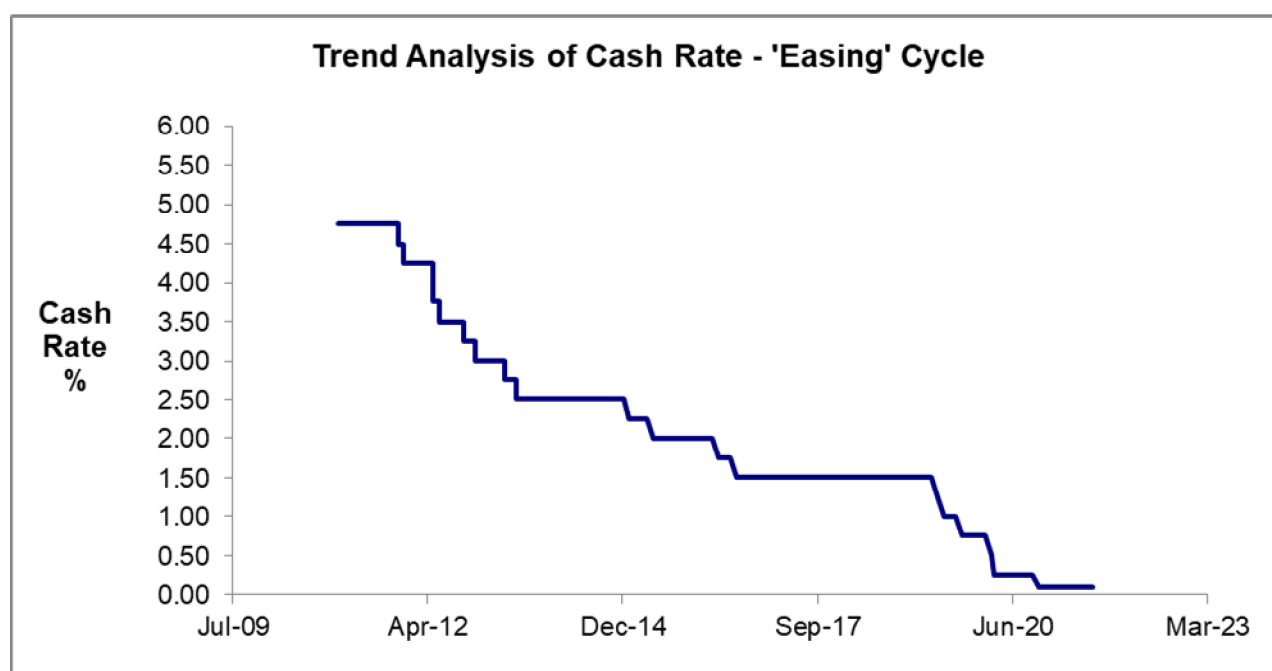
The labour market has recovered faster than expected, with the unemployment rate declining further to 4.9 per cent in June. Job vacancies have remained at a high level and there are reports of labour shortages in parts of the economy. Some increase in the unemployment rate is expected in the near term due to the current lockdowns, but most of the adjustment in the labour market is likely to take place through a reduction in hours worked and in participation. In the central scenario, the unemployment rate continues to trend lower next year, to be around 4¼ per cent at the end of 2022 and 4 per cent at the end of 2023.

The CPI inflation rate spiked to 3.8 per cent for the year to the June quarter, largely reflecting the unwinding of some earlier COVID-19-related price declines. In underlying terms, inflation remains low, at around 1¾ per cent.

Housing markets have continued to strengthen, with prices rising in all major markets. Housing credit growth has picked up, with strong demand from owner-occupiers, including first-home buyers. There has also been increased borrowing by investors. Given the environment of rising housing prices and low interest rates, the Bank is monitoring trends in housing borrowing carefully and it is important that lending standards are maintained.

The Board remains committed to maintaining highly supportive monetary conditions to support a return to full employment in Australia and inflation consistent with the target. It will not increase the cash rate until actual inflation is sustainably within the 2 to 3 per cent target range. The Bank's central scenario for the economy is that this condition will not be met before 2024. Meeting it will require the labour market to be tight enough to generate wages growth that is materially higher than it is currently." Statement by Philip Lowe, Governor: Monetary Policy Decision – 3 August 2021".

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



Recommendations(s)

1. That the investment report for 31 July 2021 be received and endorsed.
2. That the Certificate of the Responsible Accounting Officer be received and noted.

Attachments

- 1 Investment Register - July 2021
- 2 Investment Types

Investment Register - July 2021

BURWOOD COUNCIL
INVESTMENT PORTFOLIO
as at 31 July 2021

| Investment Adviser | Issuer | ADI or N-ADI | Investment Name | Type | Rating S&P | Invested Amount | Market Value as at 31/05/2021 | Market Value as at 30/06/2021 | Market Value as at Reporting Date | % of Total Invested |
|---|--------------------------------------|--------------|--------------------------------------|--|------------|-------------------|-------------------------------|-------------------------------|-----------------------------------|---------------------|
| Cash | | | | | | | | | | |
| Council | Commonwealth Bank | ADI | Operating Account | Cash | AA- | 3,023,362 | 3,454,086 | 302,991 | 3,023,362 | 16.71 |
| Council | Commonwealth Bank | ADI | Cash Deposit Account | At Call | AA- | 10,024 | 10,024 | 10,024 | 10,024 | 0.37 |
| Council | Commonwealth Bank | ADI | Online Saver | At Call | AA- | 886,813 | 6,185,320 | 886,108 | 886,813 | 1.02 |
| Council | Macquarie Bank | ADI | Accelerator Account | At Call | AA- | 4,001,797 | - | 4,000,438 | 4,001,797 | 8.43 |
| Council | AMP Bank Limited | ADI | AMP Business Saver | At Call | BBB- | 1,295 | 1,293 | 1,284 | 1,295 | 0.01 |
| Council | AMP Bank Limited | ADI | AMP Notice Account | Notice 30 days | BBB- | 3,438 | 3,435 | 3,437 | 3,438 | 0.01 |
| Term Deposits | | | | | | | | | | |
| Council | Commonwealth Bank | ADI | Commonwealth Bank | Term Deposit | AA- | - | 4,000,000 | - | - | 42.23 |
| Council | Commonwealth Bank | ADI | Commonwealth Bank | Term Deposit | AA- | 2,000,000 | - | 2,000,000 | 2,000,000 | 0.00 |
| Council | National Australia Bank | ADI | National Australia Bank | Term Deposit | AA- | - | 3,000,000 | - | - | 4.22 |
| Council | Westpac | ADI | Westpac | Term Deposit | AA- | 4,000,000 | 4,000,000 | 4,000,000 | 4,001,658 | 8.43 |
| Council | AMP Bank (Imperium) | ADI | AMP Bank | Term Deposit | BBB+ | - | 2,000,000 | 2,000,000 | - | 0.00 |
| Council | National Australia Bank | ADI | National Australia Bank | Term Deposit | AA- | 4,000,000 | 4,000,000 | 4,000,000 | 4,001,677 | 8.43 |
| Council | Westpac | ADI | Westpac | Term Deposit | AA- | 4,000,000 | 4,000,000 | 4,000,000 | 4,006,094 | 8.44 |
| Council | Westpac | ADI | Westpac | Term Deposit | AA- | 3,000,000 | 3,000,000 | 3,000,000 | 3,003,911 | 6.33 |
| Council | National Australia Bank | ADI | National Australia Bank | Term Deposit | AA- | 3,000,000 | 3,000,000 | 3,000,000 | 3,021,962 | 6.37 |
| Term Deposits - Fixed & Floating Rates | | | | | | | | | | |
| Council | Westpac | ADI | Westpac | Coupon Scaled Deposit 2 Yr Fixed plus 3 Yr (90day BBSW + 1.05 bps) | AA- | 3,000,000 | 3,000,000 | 3,000,000 | 3,015,431 | 6.36 |
| Floating Rate Notes | | | | | | | | | | |
| Council | Suncorp-Metway Limited | ADI | Suncorp-Metway Limited | Floating Rate Notes (90 day BBSW mid +94 bps) | A+ | 1,500,000 | 1,514,448 | 1,514,165 | 1,516,890 | 3.20 |
| Council | Bendigo-Adelaide | ADI | Bendigo Bank & Adelaide Bank | Floating Rate Notes (90 day BBSW mid + 105 bps) | BBB+ | 1,500,000 | 1,510,215 | 1,518,965 | 1,519,365 | 3.20 |
| Council | ANZ Group | ADI | ANZ Group | Floating Rate Notes (90 day BBSW mid + 77 bps) | AA- | 2,000,000 | 2,020,194 | 2,020,384 | 2,021,060 | 4.26 |
| Council | Newcastle Permanent Building Society | ADI | Newcastle Permanent Building Society | Floating Rate Notes (90 day BBSW +140 bps) | BBB | 1,250,000 | 1,267,673 | 1,267,825 | 1,272,163 | 2.68 |
| Council | Bank Australia Ltd | ADI | Bank Australia Ltd | Floating Rate Notes (90 day BBSW +130 bps) | BBB | 1,500,000 | 1,503,560 | 1,502,537 | 1,504,665 | 3.17 |
| Council | MyState Bank Ltd | ADI | MyState Bank Ltd | Floating Rate Notes (90 day BBSW +65 bps) | BBB | 2,500,000 | - | 2,500,485 | 2,502,100 | 5.27 |
| Council | Commonwealth Bank of Australia | ADI | Commonwealth Bank of Australia | Floating Rate Notes (90 day BBSW +93 bps) | AA- | 2,000,000 | 2,032,938 | 2,033,004 | 2,037,820 | 4.29 |
| Council | Commonwealth Bank of Australia | ADI | Commonwealth Bank of Australia | Floating Rate Notes (90 day BBSW +113 bps) | AA- | 4,000,000 | 4,095,452 | 4,094,300 | 4,098,960 | 8.63 |
| Grand Total | | | | | | 47,176,729 | 53,607,637 | 46,655,956 | 47,449,342 | 100.00 |

| Credit Ratings | |
|----------------|---|
| AAA | Extremely strong capacity to meet financial commitments 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 | Ad equate 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 625 of the Local Government Act 1993, Clause 2.12 of the Local Government (General) Regulation 2005 and Council's Investment Policies at the time of their placement.

W. 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 IN19/21) ANSWERS TO QUESTIONS ON NOTICE

File No: 21/35937

REPORT BY DIRECTOR CORPORATE SERVICES

Summary

The following Questions on Notice (QoN) were submitted by Councillors. Council Officers responded to the QoN and Councillors were notified on 18 August 2021 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:

Cr Lesley Furneaux-Cook**Question 1**

A resident has raised the ongoing issue of overflowing bins (especially the presence of Ibis) in Flockhart Park. In previous correspondence it was indicated that Council was waiting until grant funding. As this maybe unsuccessful or at the least some time in the future and it is clearly a health issue, is council able to address this issue?

Answer – Director City Assets

Existing waste bins will be replaced with five (5) enclosed larger 240L bins, which will deter birds spreading the bin contents in Flockhart Park. Council staff are currently investigating the most suitable locations for these new bins. It is envisaged that the bins will be installed by the end of September 2021.

Question 2

From time to time, Councillors receive requests for items to be investigated for possible heritage significance. Apart from mayoral minutes or notices of motion, are there more strategic processes available to trigger our heritage experts to give comment or view before the next steps?

Answer – Director City Strategy

The current process for dealing with potential heritage items under threat and making an Interim Heritage Order (IHO) was established via a Council resolution dated 25 May 2010. It requires that a Mayoral Minute or notice of motion be obtained before a 'Preliminary Heritage Assessment' is undertaken. The findings of the preliminary heritage assessment must then be reported back to Council before further action can be undertaken to obtain an IHO.

This 'Preliminary Heritage Assessment', is a legislative requirement under the *Heritage Act 1977*, prior to the issuing of an IHO. It should also be noted that an IHO is only placed if the property "...is being or is likely to be harmed". In the context of a building that is under threat, the current procedure is potentially too lengthy to allow Council to take action in order to be able to obtain an IHO.

There are several possible responses to this issue, which include:

- Reviewing the current procedures regarding obtaining IHO to create a more streamlined process.
- Undertake an LGA-wide or, potentially, area focused approach to proactively identify buildings that are considered appropriate for heritage protection.

Both these items are being investigated, as noted by the Council resolution in relation to 11 Seale Street on the 29th June 2021. The findings will be reported to Council for consideration.

No Decision – Information Item Only

Attachments

There are no attachments for this report.