

Annual Report

2019/20

Year in review

A record capital works program has seen \$92.5 million invested in projects across the Newcastle local government area (LGA) in the past 12 months.

Mid-year additions to the works program saw CN's expenditure increase by around 16% on the adopted capital works budget for last year, while also surpassing the previous year's record investment by more than \$1 million.

We spent a record \$92.5 million on capital works



\$26.1m
buildings structures and places



\$16.2m
roads and transport



\$29.8m
environment and stormwater



\$5.1m
strategic



\$7.7m
information technology



\$7.6m
fleet replacement

newcastle.nsw.gov.au

New playgrounds

CN completed the renewal of the playground at Brickworks Park in Wallsend which includes a new all-abilities carousel, boulder climb, nest swing, rope ladder and slide. Carrington Street Reserve playground has been upgraded to include a new plank walk, suspension bridge, double slide, tube net and other activities. Other improvements and upgrades were completed to playgrounds at Coldstream Reserve Rankin Park, Stevenson Park Mayfield and Learmonth Park Hamilton South.

Resource Recovery Centre

The \$6 million Resource Recovery Centre at SWMC officially opened in December 2019. The newly constructed centre aims to process up to 30,000 tonnes of material each year and divert 20% of the materials dropped off at the facility, improving our resource recovery to around 6,000 tonnes per annum. Prior to expansion, the existing transfer station was only able to receive 10,000-12,000 tonnes of material per year and diverted approximately 3% of waste.

Tyrrell Street Bridge opens

Construction has been completed on the \$3.3 million Tyrrell Street Bridge, marking an important milestone in addressing flooding in Wallsend. The finished project is part of a multi million-dollar program of work underway in Wallsend with CN commencing a series of projects to improve public amenity and the suburb's resilience to floods.

Beresfield local centre upgrade

CN completed infrastructure works for Beresfield local centre with dramatic improvements to the drainage, stormwater system, roads, pathways and lighting while retaining the character of the area. Beresfield local centre was one of the first centres to be renewed in 2018/19 as part of our local and neighbourhood centres program. A community celebration was held to mark the completion of the revitalisation works for Beresfield local centre on 20 September 2019.

We worked with local businesses and residents to develop a public domain plan for the infrastructure works for the centre and are continuing placemaking consultation with the community for the area on the corner of Beresford and Lawson Avenues.

Solar farm

CN's five-megawatt solar farm installed at the SWMC has had a strong start in its first eight months of operation, generating nearly 4,250,000 kWh of clean, renewable electricity. Since opening in mid-November 2019, the farm has generated revenue of approximately \$490,000—well above the original forecast of \$250,000 per annum.

[Read more about year in review](#)

Acknowledgment

City of Newcastle acknowledges that we operate on the grounds of the traditional country of the Awabakal and Worimi peoples.

We recognise and respect their cultural heritage, beliefs and continuing relationship with the land, and that they are the proud survivors of more than two hundred years of dispossession.

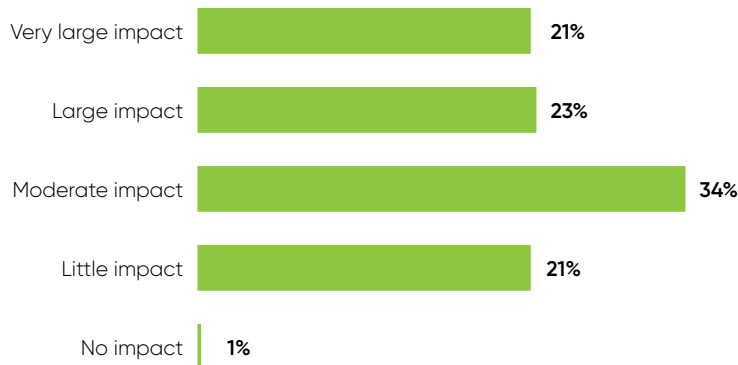
CN reiterates its commitment to address disadvantages and attain justice for Aboriginal and Torres Strait Islander peoples of this community.



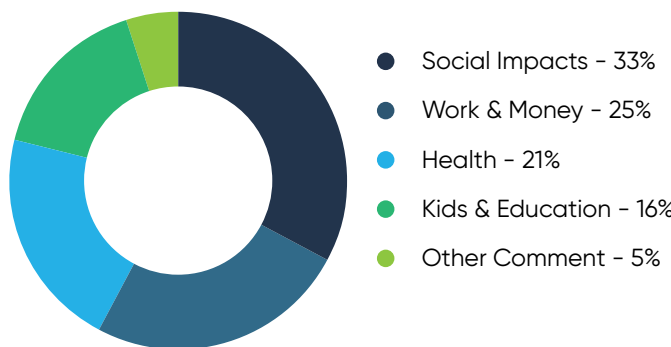
City of
Newcastle

How our community was impacted by COVID-19

Impact of the pandemic on day-to-day life



Ways the pandemic has impacted day-to-day life




How did we respond

On Tuesday 24 March 2020, a further \$5.5 million investment in our city was adopted by Council. This investment included economic incentives and a Resilience Package to assist our community as much as possible during the COVID-19 pandemic. Subsequently, in the 20/21 budget, the capital works program was expanded by \$30 million to create an additional 250 local jobs to help cushion the impact of the economic downturn caused by COVID-19.

Economic incentives to maximise cashflow for small business and vulnerable residents included:

 **\$1.25m financial hardship interest-free deferred rates**
(This includes 38 tenanted businesses with signed commitment from landlord)

 **Improve payment terms 21 Days to seven**
which provided a \$4.5 million liquidity spike

 **Rent relief (50%) for CN premises**
providing \$28,000 in savings to businesses/community organisations across the city each week

 **Local procurement**
weighting increased where possible to provide opportunities for local suppliers

The Resilience Package with direct investment in our community included:



\$800,000
Community Grant Program



\$100,000
E-LIBRARY EXPANSION
e-books/e-audio (+70%)
media streaming (+20%)
e-paper/magazines (+67%)
Library App downloads (+233%)



Online learning (Lynda)



Free parking permits
for front-line workers to help them respond to emergencies



Online Training Program

We engaged three local training providers/tertiary institutions to provide online accreditation to small business owners and their staff.



Lean in Newy
launched
2,000+ downloads
1,650 action in the first two weeks

City Taskforce
Established to provide local leadership during the COVID-19 pandemic crisis.

Made up of **17 key city leaders** from across all sectors.

Read more about our response to COVID-19

Our city

Our Population

Newcastle Population 2016: 160,700
Population by 2041: 199,700

Greater Newcastle Population 2016: 569,900
Population by 2041: 699,200



planning.nsw.gov.au

Our people



median age **37**
31% residents aged under 24
13.9% residents born overseas



3.5%
of our population identify as Aboriginal or Torres Strait Islander

Source: Remplan, Id profile

Our economy



median property price
~\$600,000



largest industry
Manufacturing \$4.86 billion
in economic output



\$17.62 billion
gross regional product



5 million
annual visitors

Source: Id profile, Remplan

Read more about our city

Read the Chief Executive Officer and Lord Mayor message

Our organisation



Chief Executive Officer

Jeremy Both

Governance



David Clarke

Finance

Legal

Regulatory, Planning and Assessment

Transport and Compliance

Strategy and Engagement



Brett Smith

Information Technology

Major Events and Corporate Affairs

Community, Strategy and Innovation

People and Culture



Fiona Leatham

Organisational Development

Partnering and Operations

WHS and Injury Management

Training and Learning

Payroll

Infrastructure and Property



Ken Liddell

Depot Operations

Assets and Projects

Civil Construction and Maintenance

Property and Facilities

City Wide Services



Alissa Jones (Interim)

Art Gallery

Museum

Civic Services

Libraries and Learning

Customer Experience

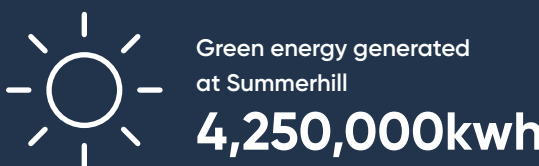
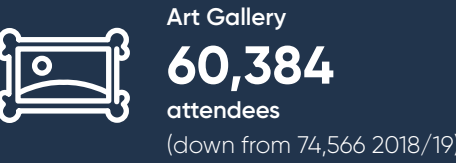
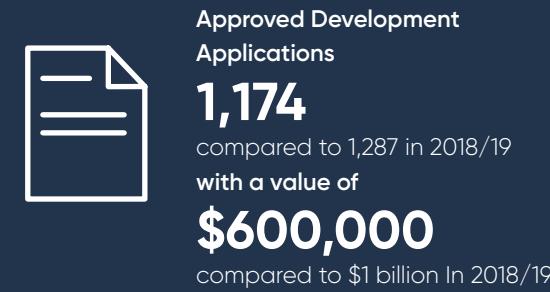
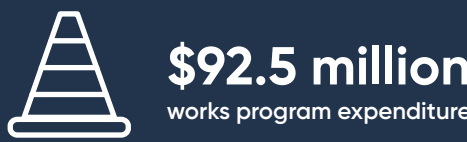
Waste Services

Parks and Recreation

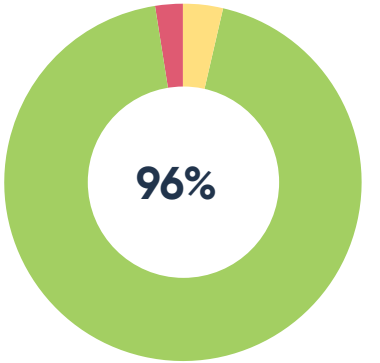
Read more about our organisation

Our Performance

2019/2020 highlights

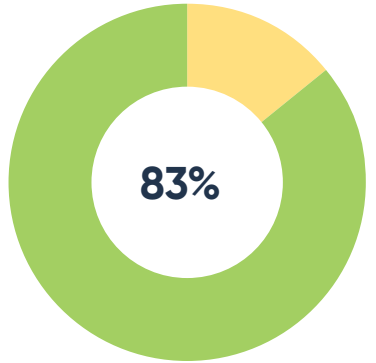


Total initiatives
223
Initiatives completed or on track



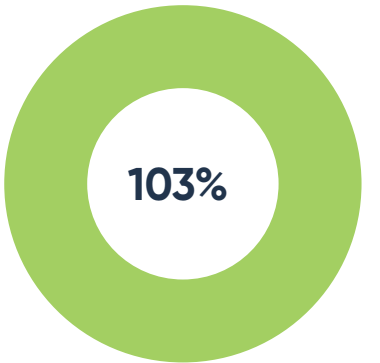
Off track On track Monitor

Total resolutions
156
Resolutions completed



Active Resolutions Completed Resolutions

Total expenditure
\$304,923 YTD Actual ('000)



Budget \$298,758 Actual \$304,923

Total income
\$326,321 YTD Actual ('000)



Budget \$298,380 Actual \$326,321

Budget as at fourth quarter 2019/20

Reporting on our performance

Our annual report details CN's progress on the objectives in *Our Budget 2019/20* CN's Delivery Program and Operational Plan.

Of the 223 initiatives, 215 were on track or completed, five monitored, and three off track.

Initiatives are sorted into seven themes from the *Newcastle 2030* CN's Community Strategic Plan (CSP).

Click on the below themes to read about CN's performance highlights, achievements and what we did during 2019/20.

[Integrated and Accessible Transport](#)

[Protected Environment](#)

[Highlights of Vibrant, Safe and Active Public Places](#)

[Highlights of Inclusive Community](#)

[Highlights of Liveable Built Environment](#)

[Highlights of Smart and Innovative](#)

[Highlights of Open and Collaborative Leadership](#)

Works Program highlights



Expenditure by strategic direction



- Integrated and Accessible Transport - \$51,629
- Protected Environment \$71,784
- Vibrant, Safe and Active Public Places - \$72,959
- Inclusive Community - \$6,224
- Smart and Innovative - \$24,985
- Liveable Built Environment - \$9,036
- Open and Collaborative Leadership - \$68,306

[Read more about our performance](#)

Financial performance

CN spent \$305 million this year to provide services and facilities to more than 160,000 people.

We managed \$2 billion of assets including roads, bridges, halls, lands, recreation and leisure facilities, drains, libraries and parks.

For every \$100 CN spends the following



[Read more about financial performance](#)

Our statutory reporting

Where did our money come from

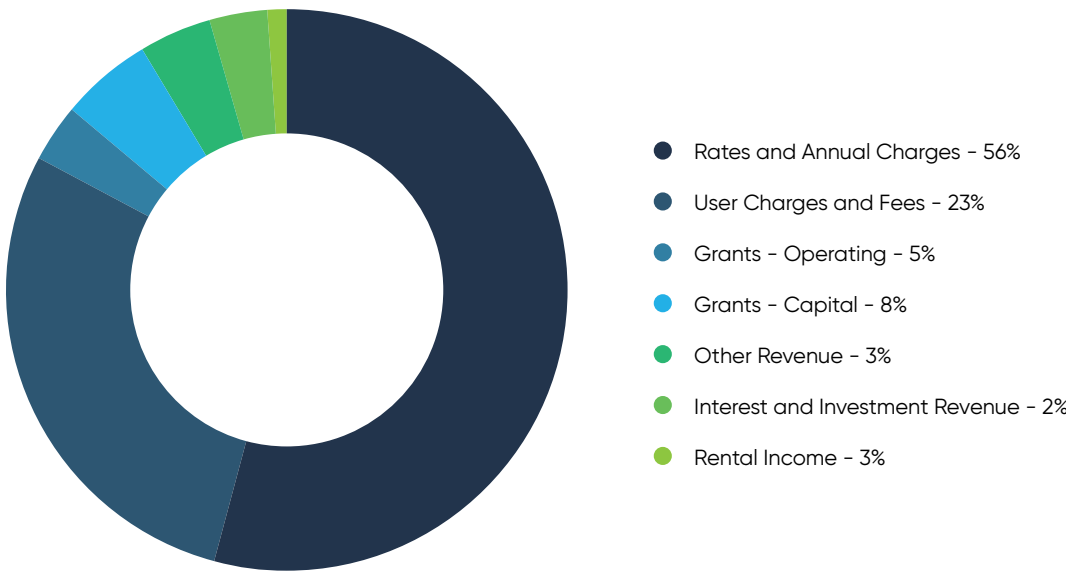
This year, our main source of income (other than rates), was from user charges and fees of \$74 million, a reduction of \$16 million on last year's \$90 million. The impact of COVID-19 on CN's income was forecast to be down by \$18 million by the end of June and spread across multiple areas of CN's services including:

Reduced waste volumes to the Summerhill Waste Management Centre
Loss of ticket sales from the closure of the Civic Theatre
Loss of bookings from the almost-complete closure of the Stockton Beach Holiday Park
Reduced Newcastle Airport dividend
Reduced income from investments
Reduced parking meter revenue
Reduced traffic infringements.

Income from rates and charges contribute \$184 million or 56%.

Federal and State Government grants and contributions assist us to provide facilities and services in the community. This year we received \$42 million or 13% (including capital and operational).

Total operating income \$326 million



Special Rate Variation (SRV) Section 508 (2) and 508A

2012 SRV

In 2012, CN successfully applied for a Section 508(2) special rate variation (SRV) of 5% above the rate cap for one year. The variation occurred in the 2012/13 financial year increasing the base rate charge. The 2012 SRV was granted for works of a capital nature for specific projects, such as the below:

Since its introduction in July 2012 the special rate has raised \$45.5 million, with \$7.3 million being raised this year. This revenue is placed in a restricted reserve to fund the projects outlined in the 2012 SRV application only.

Over \$1.6 million was spent this financial year on the top four priority projects with the majority of funding being used for coastal revitalisation.

In total, \$59.2 million has been spent to date on these capital projects. 2019/20 financial year will include spending a further \$18.9 million on the 2012 SRV priority projects.

2012 SRV priority projects

City centre revitalisation
Revitalising our coast
Upgrading Blackbutt Reserve
Providing new cycleways
Improving our swimming pools
Modernising our libraries
Expanding our Art Gallery.

2012 SRV projects	2019/20 actual spend (\$'000)	Total spend to 30 June 2020 (\$'000)
	Actual	Actual
City Centre revitalisation	570	4,374
Coastal revitalisation	519	40,941
Blackbutt Reserve	-	5,364
Cycleways	570	8,467
Total	1,659	59,147

Statutory reporting contents

Special Rate Variation (SRV) Section 508 (2) and 508A

Contractors/ Works Awarded Regulation cl 217(1)(a2)

Environmental Planning and Assessment Act

Legal proceedings Regulation cl 217(1)(a3)

Public Interest disclosures Public Interest Disclosures Act 1994 Regulation

Stormwater levies and charges Regulation CL217(1)(e)

Total rates and charges written off Regulation cl 132(5)

Government Information (Public Access) Act (GIPA Act)

Swimming pools inspections

[Read more about statutory reporting](#)